PROSPERITY REIT 泓富產業信託

Stock Code: 808



2025 Sustainability Report





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Sustainability is the crux of Prosperity REIT's corporate strategy, ensuring that our business operations maintain environmental wellbeing, social equity and governance quality without compromising that of future generations. Prosperity REIT, along with its business partners and other stakeholders, always has an eye on building a sustainable future by sharing our successes through positive societal and environmental contributions.

ABOUT PROSPERITY REIT

Prosperity Real Estate Investment Trust ("Prosperity REIT" or the "REIT") is the first private sector real estate investment trust ("REIT") listed on The Stock Exchange of Hong Kong Limited on 16 December 2005. Prosperity REIT owns a diverse portfolio of seven high-quality office, commercial, industrial/office and industrial properties in the decentralised business districts of Hong Kong, with a total gross rentable area of about 1.28 million square feet. Prosperity REIT is managed by ESR Asset Management (Prosperity) Limited (the "REIT Manager").

ABOUT THE REIT MANAGER

ESR Asset Management (Prosperity) Limited, the REIT Manager of Prosperity REIT, is a wholly-owned subsidiary of ESR Group Limited ("ESR"). ESR is a leading Asia-Pacific real asset owner and manager focused on logistics real estate, data centres, and energy infrastructure that power the digital and supply chain for investors, customers, and communities. Through its fully integrated real asset fund management and development platform, ESR strives to create value and growth opportunities for its global portfolio of investors.

The REIT Manager is responsible for the management and administration of Prosperity REIT, as well as the implementation of Prosperity REIT's business strategies.



About This Report

REPORTING PURPOSE

This Sustainability Report (the "Report") demonstrates the Environmental, Social and Governance ("ESG") management and performance of Prosperity REIT in areas of sustainable development that are material to our business.

REPORTING SCOPE

All seven assets under the direct ownership and management of Prosperity REIT are included in this Report. These assets are The Metropolis Tower, Prosperity Millennia Plaza, 9 Chong Yip Street, Prosperity Place, Trendy Centre, Prosperity Center Property and New Treasure Centre Property. Unless otherwise stated, this Report covered our ESG approach and performance from 1st January 2025 to 31st December 2025 (the "Reporting Year"). For information regarding our corporate governance, please refer to the Corporate Governance section of the Annual Report on page 53.

REPORTING STANDARD

This Report has been prepared in accordance with the ESG Reporting Code ("ESG Code") outlined in Appendix C2 to the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong ("HKEX"). As climate-related disclosures recommended by the Task Force on Climate-related Financial Disclosures ("TCFD") have been incorporated into the IFRS S2 Climate-related Disclosures published by the IFRS Foundation's International Sustainability Standards Board ("ISSB"), HKEX has updated its ESG reporting requirements to align closely with IFRS S2.

REPORTING ASSURANCE

Information in this Report has been independently verified by Hong Kong Quality Assurance Agency ("HKQAA") with respect to the aforementioned standard. Please refer to the Independent Verification Statement on pages 96 and 97.

REPORTING PRINCIPLES

The report is prepared in accordance with the four reporting principles outlined in the ESG Code, which include:

- **Materiality:** We focus on issues that have a significant impact on our business and are important to our stakeholders. Therefore, after identifying the importance and prioritising various sustainable development issues to Prosperity REIT, we utilise them as the basis for preparing and responding to them through this Report.
- **Quantitative:** In order to evaluate our ESG performance more objectively, we provide information in quantitative terms, where appropriate. The environmental and social indicators are recorded by data collection tools, and the progress is identified and monitored.
- **Balance:** This Report discloses our achievements, areas for improvement and future action plans to provide an unbiased picture of our performance.
- **Consistency:** To ensure comparability across financial years, the methodology in this Report is consistent with previous years. If there are any changes in the measurement method or scope of data collection, a corresponding explanation will be attached in this Report.

If there is any discrepancy or inconsistency between the English and the Chinese version, the English version shall take precedence.

Key Highlights

- Achieved a 5-star performance rating, Green Star accreditation and an A grade public disclosure rating in Global Real Estate Sustainability Benchmark ("GRESB") 2025, for the fourth consecutive year
- Rated as "Negligible Risk" by Sustainalytics
- Received the "Visionary Blueprint towards Net-Zero" at the Hong Kong Green and Sustainable Finance Awards 2025 organised by HKQAA
- Achieved 100% sustainability-linked financing as the first Hong Kong REIT, and continue to increase sustainability-linked interest rate swaps

BUILDING/SERVICES – OPTIMISING OUR BUILDING FACILITIES/SERVICES FOR TENANTS

- Accredited "Excellent Class" for Prosperity Place and "Good Class" for four other properties under the Indoor Air Quality Certificate Scheme, covering all wholly owned properties (82% of the portfolio)
- Won a Finalist Award for Facilities Management at the Green Building Award 2025 for The Metropolis Tower
- Received "Excellence Class" at the Excellence in Facility Management Award for The Metropolis Tower
- Attained 99% tenant satisfaction

NATURE – MINIMISING OUR ENVIRONMENTAL IMPACT

- Secured green building certifications for 100% of the portfolio
- Attained the highest "Platinum" rating under BEAM Plus EB Comprehensive Scheme for Prosperity Millennia Plaza (the 3rd building in our portfolio)
- Received Science Based Targets initiative ("SBTi") approval for near-term and net-zero greenhouse gas ("GHG") emissions reduction targets
- Established a new target to reach net-zero GHG emissions across the value chain by 2050
- Established a new target to reduce Scope 2 GHG emissions by 42% by 2030 and by 90% by 2050 (vs 2021 baseline), and achieved a 20% reduction as compared to 2021
- Established a new target to reduce Scope 3 GHG emissions by 25% by 2030 and by 90% by 2050 (vs 2021 baseline), and achieved a 8% reduction as compared to 2021
- Established a new target to reduce energy consumption by 15% by 2030 (vs 2021 baseline), and achieved a 14% reduction as compared to 2021
- Established a new target to reduce water consumption from municipal supply by 20% by 2030 (vs 2021 baseline), and achieved a 17% reduction as compared to 2021
- Generated 64,890 kWh of renewable energy from the installation of 443 m^2 solar panels across our portfolio, including The Metropolis Tower, Prosperity Place, Trendy Centre and 9 Chong Yip Street.

PEOPLE – SUPPORTING OUR EMPLOYEES WELLBEING AND DEVELOPMENT

- 75% of the REIT Manager's employees hold professional ESG-related qualifications, including BEAM Professional, Certified Environmental, Social and Governance Analyst® ("CESGA") and Certified ESG Planner® ("CEP"), enabling them to effectively contribute to various sub-groups of the Sustainability Working Group
- 38% of female Directors on the Board
- 42% female staff
- Attained 90% employee satisfaction
- Attained 83% Net Promoter Score
- Completed a total of 383 training hours (2024: 349 hours)

COMMUNITY – SERVING OUR COMMUNITY

- Completed a total of 630 volunteering hours (2024: 566 hours)
- Achieved the "Hong Kong Volunteer Award — Top 10 Highest Volunteer Hour" under the category of corporate with less than 100 full-time employees
- Awarded the 15 Years Plus Caring Company Logo for the first year as "Leading Performance", recognising our outstanding performance and long-term commitment
- Achieved 11th year corporate partnership with our nominator organisation, Evangelical Lutheran Church Social Service of Hong Kong ("ELCSSHK")

Message from CEO

Dear Unitholders

At Prosperity REIT, we believe that sustainability is the cornerstone of business resilience and long-term success. Guided by our "Vision 2030" sustainability framework and the four key pillars — Building/Services, Nature, People, and Community — we continue to work with tenants, business partners and the wider community to infuse ESG strategies across our operations, with an aim to deliver positive environmental and social impact for the benefits of our business and stakeholders.

GREENING OUR OPERATIONS

On the environmental front, we prioritised energy efficiency initiatives and carbon footprint reduction.

Over the years, we have upgraded chiller sets with energy-efficient models and installed smart building management systems within our portfolio. These efforts led to a reduction of energy consumption by 22% and Scope 2 GHG emissions by 45% compared with the 2017 baseline, outperformed the 2025 targets set under the "Vision 2030" framework. Recognising that Scope 3 GHG emissions from our tenants' operations are substantial, we have proactively replaced a portion of split-type air conditioners with more energy-efficient models, resulting in an 8% YoY reduction in GHG emissions in this category this year.

Prosperity REIT's near-term and net-zero GHG emissions reduction targets were validated and approved by the SBTi this year, reinforcing our mission to achieve carbon neutrality by 2050. Based on TCFD and IFRS S2 Climate-related Disclosures standard, we have assessed the financial materiality of the impacts of identified climate-related risks and opportunities on our business and operations. As the first Hong Kong REIT with debt facilities fully linked to sustainability performance, we will continue to leverage on green finance to combat climate change and support our net-zero pathway by embedding green practices in our operations.

Our ongoing ESG efforts have earned multiple recognitions. With 100% of our portfolio certified under green building standards, we took a step further with Prosperity Millennia Plaza becoming the first property in our portfolio to attain the prestigious "Double Platinum" status under both the BEAM Plus Comprehensive Scheme and the WELL Certification. Furthermore, we have received the highest 5-star rating and Green Star for the fourth consecutive year in the 2025 GRESB assessment. We are also honoured with the "Visionary Blueprint Towards Net-Zero" award at the 2025 Hong Kong Green and Sustainable Finance Awards organised by HKQAA. Collectively, these accomplishments underscore our commitment to advancing towards greener and more sustainable operations.

ENGAGING OUR TENANTS

We encourage active tenant participation in green and wellness initiatives. Through the "PREIT 808" tenant app, tenants can earn reward points and redeem gifts at our "WeCycle" waste recycling events, which have successfully diverted 7,276 kg of waste from landfills. This summer, tenants at The Metropolis Tower joined interactive planting-themed games and received fresh produce grown in our self-managed urban farms. Moreover, we hosted a "Sleep Well" seminar that provided tenants with knowledge on sleep hygiene and psychological mental health. These initiatives attest to our commitment to enhance tenant wellbeing and cultivate a workplace environment that promotes health and sustainability.

CARING FOR THE COMMUNITY

Reflecting our commitment to fostering a culture of care as well as a more connected and inclusive community, we joined hands with non-governmental organisations ("NGOs") and business partners in various CSR events. This year, we continued our partnership with ELCSSHK and held a soft meal luncheon and outing for elderly with swallowing difficulties, allowing them to enjoy a dignified dining experience. Through our long-term partnership with Feeding Hong Kong, we donated 579 kg of fresh produce from our rooftop urban farms, supported a Mobile Food Pantry event, and participated in the "Santa Sack" campaign to support underprivileged communities facing food insecurity.

In recognition of our extensive community service efforts, we were honoured to receive the "Hong Kong Volunteer Award — Top 10 Highest Volunteer Hour" under the category of organisations with less than 100 full-time employees. We are also pleased to be awarded the 15 Years Plus Caring Company Logo and rated "Leading Performance" in the Caring Company Scheme by the Hong Kong Council of Social Service.

LOOKING AHEAD

As we celebrate the 20th anniversary of Prosperity REIT, our commitment to sustainability remains resolute. I extend my sincere thanks to our team, business partners and stakeholders for their collaborative efforts and the achievements accomplished together in 2025.

WONG Lai Hung, Mavis
Chief Executive Officer
ESR Asset Management (Prosperity) Limited
as manager of Prosperity REIT



Quotes from Our Stakeholders

BUSINESS PARTNER – BANKS



OCBC has been a trusted partner to Prosperity REIT since 2022, providing impactful green, transition, and sustainability-linked financing solutions to support its sustainability objectives. This year, we were proud to serve as Joint Sustainability Coordinator for Prosperity REIT's latest syndicated sustainability-linked loan, as Prosperity REIT maintains 100% sustainable financing. In addition, as part of a successful sustainable finance structure, we further strengthened the collaboration with Prosperity REIT in supporting Feeding Hong Kong's Mobile Food Pantry initiative. Through meaningful collaboration, OCBC advances sustainable finance and help address critical social challenges such as food waste and provide support to vulnerable communities. We believe that collaborating with multiple industries helps drive the achievement of ESG goals and brings positive impacts to society.

Mr. Johnny Wei
Head of Wholesale Banking of OCBC Hong Kong



DBS Hong Kong is delighted to support Prosperity REIT's journey towards a more sustainable future as its financial partner and sustainability advisor through the sustainability-linked syndicated loan. This partnership demonstrates our shared vision in achieving ambitious environmental goals and driving meaningful long-term impact.

Mr. Boris Chan
Managing Director and Head of Institutional Banking Group, DBS Hong Kong

NON-GOVERNMENTAL ORGANISATIONS



We extend our heartfelt gratitude to Prosperity REIT for their generous sponsorship and for rallying DBS volunteers, which made for a wonderful soft meal and outing experience for our seniors. It was truly heartwarming to witness the joy shared among seniors and volunteers, all enveloped in an atmosphere of care and love. This collaboration exemplifies our mutual commitment to ESG principles, transforming a simple meal into a meaningful expression of our "people-oriented, self-supporting" care model, while furthering our vision of inclusive and sustainable communities.

Mr. Ng Chi Sing, Kenneth
Service Director, ELCSSHK



We are deeply grateful to the incredible team at Prosperity REIT for their outstanding partnership and innovative rooftop gardens. In the last 18 months, these gardens have yielded over 700kg of fresh produce—tomatoes, carrots, watermelon, cucumber, eggplant, and more. We've been able to share this nourishing bounty with 27 of our frontline charity partners.

This is the kind of holistic support that makes a profound difference. It's about putting fresh food on the table and genuine hope in people's hearts. Thank you for helping us grow more than just vegetables—you're helping us grow a stronger, healthier community.

Ms. Gabrielle Kirstein, OBE
Founder & CEO, Feeding Hong Kong



Our Sustainability Approach

As a responsible corporate citizen, Prosperity REIT prioritises corporate responsibility and is dedicated to integrating sustainability within our culture and business operations. We believe the adoption of sustainable values is crucial for achieving long-term success. In light of the global climate crisis, we have proactively implemented measures to safeguard our business against climate-related risks, while leveraging sustainability megatrends. To support these efforts, we adopted a climate change policy that aligns with the "Circular to licensed corporations — Management and Disclosure of Climate-related Risks by Fund Managers" (the "SFC Circular") issued by Hong Kong's Securities and Futures Commission ("SFC").

The Sustainability Steering Committee comprises of skilled taskforces committed to fulfilling sustainability mission and integrating sustainability strategies into daily operations. Our corporate strategies are aligned with the United Nations Sustainable Development Goals ("UNSDGs") and adhere to global best practices. Our "Vision 2030" outlines sustainability principles and targets in relation to the relevant UNSDGs. Furthermore, our parent group, ESR Group, is committed to becoming a carbon neutral business and has implemented a group-wide Net Zero Carbon Policy. As a member of the ESR Group, Prosperity REIT shares this commitment by incorporating sustainability considerations into asset management and investment decisions. This commitment is further demonstrated by the newly established near-term and net-zero GHG emissions reduction targets, which were validated and approved by SBTi in March 2025, with the goal of achieving carbon neutrality by 2050.

VISION AND MISSION

VISION AND MISSION

"We Do the Right Thing", "We Win as One Team" and "We Think Beyond the Present" are our core values developed from the mission of ESR. These values serve as the cornerstone of our sustainability vision and mission, and guide our business decisions.

VISION STATEMENT

Commit to be a responsible corporate citizen by building a sustainable environment and enhancing the well-being of our stakeholders through our core values.

MISSION STATEMENT

Prosperity REIT will spare no effort to embed environmental and social friendly measures in our day-to-day operations through:

- Reducing our impact on environment and society
- Ensuring our business operates and grows responsibly and sustainably
- Bringing value to the community

CORE VALUES

WE DO THE RIGHT THING

We act with honesty, ethics, transparency, and accountability to build trust and deliver excellence.



WE WIN AS ONE TEAM

We collaborate and support each other to drive lasting impact and shared success.



WE THINK BEYOND THE PRESENT

We challenge the status quo, innovate boldly, and stay resilient to shape a better future.



SUSTAINABILITY STRATEGY

We adopt a holistic approach in our sustainability strategies and business decisions. Our sustainability management focuses on 4 key pillars that are core to our operations — Building/Services, Nature, People, and Community. We aim to incorporate sustainable practices in all business operations and positively impact stakeholders.

PILLARS

BUILDING/SERVICES
NATURE
PEOPLE
COMMUNITY

IMPACT

CREATING VALUE FOR:
• UNITHOLDERS
• TENANTS
• STAFF
• ENVIRONMENT
• COMMUNITY

SUSTAINABILITY VISION 2030

Prosperity REIT's "Vision 2030" sustainability roadmap aligns with the UNSDGs. To tackle sustainability challenges, we seek to collaborate with diverse stakeholders to scale up our efforts. We monitor the implementation and progress of the targets in the following four pillars, and report to the Board of Directors of the REIT Manager (the "Board") on a regular basis.

Pillars
BUILDING/SERVICES



UNSDGs

SUSTAINABILITY TOPICS	TARGETS/KPIs	PROGRESS IN 2025
Business ethics	• Conduct anti-corruption and business ethics training	• Arranged training sessions on anti-corruption and business ethics for Directors and the REIT Manager's staff
Data privacy protection	• Conduct cybersecurity training	• Arranged training sessions on cybersecurity for the REIT Manager and Property Manager's staff
Service quality and tenant satisfaction	• Enhance tenant satisfaction on a continuous basis	• Conducted a tenant satisfaction survey with a satisfaction rate of 99%
Supply chain management	• Conduct supply chain risk assessment • Continue to strive for zero corruption case	• Required suppliers to acknowledge and adhere to our safety regulations through signed agreements included in the tendering and quotation documents • Implemented the Green Purchasing Plan, Green Cleaning Plan and Integrated Pest Management Plan at the property level • Provided anti-corruption training to the Property Manager's staff
Tenant health and safety	• Raise awareness of tenant's health and safety • Maintain IAQ certificates for all wholly owned properties	• Provided training to the Property Manager's staff to raise hygiene and first-aid awareness and protect the health of our tenants • Achieved "Excellent Class" accreditation for Prosperity Place, while The Metropolis Tower, Prosperity Millennia Plaza, 9 Chong Yip Street and Trendy Centre received "Good Class" accreditation under the Indoor Air Quality Certificate Scheme

Pillars
NATURE



UNSDGs

SUSTAINABILITY TOPICS	TARGETS/KPIs (BY 2030)	PROGRESS IN 2025
Climate change risk and adaptation	• Implement climate-related disclosures with reference to Part D of the ESG Code in our 2025 Sustainability Report	• Enhancement of climate disclosures with reference to the ESG code
Energy efficiency	• Previous Target: Reduce 14% and 20% energy consumption in our properties* by 2025 and 2030 respectively, using our 2017 performance data as the baseline • New Target: Reduce 15% energy consumption in our properties* by 2030, using our 2021 performance data as the baseline	• Achieved the previous targets and reduced energy consumption in our properties* by 22% compared to 2017 • Reduced 14% in energy consumption in our properties* compared to 2021
GHG emissions	• Previous Target: Reduce 14% and 20% Scope 2 GHG emissions in our properties* by 2025 and 2030 respectively, using our 2017 performance data as the baseline • New Target: Commits to reach net-zero GHG emissions across the value chain by 2050 • New Target: Commits to reduce absolute Scope 2 GHG emissions in our properties* by 42% by 2030 and 90% by 2050, using our 2021 performance data as the baseline • New Target: Commits to reduce absolute Scope 3 GHG emissions# in our value chain by 25% by 2030 and 90% by 2050, using our 2021 performance data as the baseline	• Achieved the previous targets and reduced Scope 2 GHG emissions in our properties* by 45% compared to 2017 • Reduced 20% Scope 2 GHG emissions in our properties* compared to 2021 • Reduced 8% Scope 3 GHG emissions# in our value chain compared to 2021
Green buildings	• Expand green building certifications at the asset level	• 100% of our property portfolio's total GFA recognised with external green building certification • Achieved "Platinum" rating under BEAM Plus EB Comprehensive Scheme at Prosperity Millennia Plaza
Waste management	• Identify effective waste reduction, separation and recycling opportunities • Increase recycling rate	• Conducted a comprehensive waste audit at Prosperity Millennia Plaza • Conducted quarterly waste audits at all our properties by the property management office in collaboration with the cleaning contractor • Rolled out regular incentive-based waste recycling programmes to encourage tenant participation
Water management	• Previous Target: Reduce 2% and 5% water consumption from municipal supply in our properties* by 2025 and 2030 respectively, using our 2017 performance data as the baseline • New Target: Reduce water consumption from municipal supply in our properties* by 20% by 2030, using our 2021 performance data as the baseline	• Reduced water consumption from municipal supply in our properties* by 1.52% compared to 2017 • Reduced 17% water consumption from municipal supply in our properties compared to 2021 • 47% increase in rainwater capture and recycling in 2025 compared to 2024, contributing to the reduction of our water consumption from municipal supply

* The scope of target covers the environmental impacts generated from Prosperity REIT's property management operations only and does not include tenant performance.

\# Prosperity REIT's Scope 3 GHG emissions target covers our substantial emissions which account for over 90% of our Scope 3 emissions, encompassing the following categories: Cat 1: Purchased goods and services, Cat 3: Energy-related activities and Cat 13: Downstream leased assets.

Pillars
PEOPLE



UNSDGs

SUSTAINABILITY TOPICS	TARGETS/KPIs (BY 2030)	PROGRESS IN 2025
Employee relations and labour standards	• Provide more communication channels for our employees to encourage them to express their opinions and thoughts • Promote better employee health	• Conducted employee satisfaction survey with 90% satisfaction rate and 83% net promoter score • Enabled employees to engage in planting activities at our rooftop farm • Organised leisure workshop and health talks for our employees
Equal opportunities, anti-discrimination and inclusivity at workplace	• Achieve a minimum of 30% representation of female Directors on the Board • Ensure that at least 40% of our total workforce comprises female employees • Promote work diversity and inclusiveness	• 38% female Directors on the Board • 42% female representatives of total employees • Organised a discussion panel for our employees to promote diversity, equity and inclusion ("DEI")
Occupational health and safety	• Maintain zero work-related fatality and injury rate • Enhance the health and safety practices in the operations	• Provided a total of 2,392 training hours on health and safety issues to the Property Manager's staff • Maintained zero work-related fatality and injury rate
Training and development	• Previous Target: Increase employee training hours by 20% by 2025, using our 2020 performance data as the baseline • New Target: Maintain the 2025 average training hours • New Target: Ensure that all employees received ESG-related trainings	• Achieved the previously set 2025 target, increased employee training hours by 21% compared to 2020 • Completed a total of 383 hours of employee training • 100% of the REIT Manager's staff attended ESG-related trainings • 75% of the REIT Manager's staff achieved professional ESG-related qualification



Pillars
COMMUNITY



UNSDGs

SUSTAINABILITY TOPICS	TARGETS/KPIs	PROGRESS IN 2025
Community investment and engagement	• Previous Target: Increase volunteer hours by 20% by 2025, using our 2020 performance data as the baseline • New Target: Maintain the 2025 volunteering hours • Extend partnership with different community sectors • Promote healthy lifestyle within the community	• Increased volunteer hours by 61% compared to 2020, significantly exceeding the previously set 2025 target • Achieved the "Hong Kong Volunteer Award – Top 10 Highest Volunteer Hour" under the category of corporate with less than 100 full-time employees • Contributed a total of 630 volunteering hours • Organised various Hand-in-Hand corporate social responsibility ("CSR") activities with NGOs and/or local community • Partnered with Feeding Hong Kong — Mobile Food Pantry event • Continued partnership with ELCSSHK — "Soft Meal" Programme



Stakeholder Engagement and Materiality Assessment

COMMUNICATION WITH STAKEHOLDERS

Our stakeholders, such as unitholders, tenants, vendors, service providers, suppliers, employees and the wider community, are essential to our business decision-making processes. We engage our stakeholders regularly to gather feedback and insights, which play a vital role in informing our long-term sustainability strategy and addressing any concerns, particularly those related to climate risks.

We commit to maintaining proactive communication with our unitholders to foster a culture of trust and ensure transparency in our governance practices and to build strong and enduring relationships. This includes providing timely updates on our sustainability and financial performance, to keep them informed and engaged.

To enhance our communication efforts, Prosperity REIT utilises various engagement methods to share updates and information about our recent initiatives and sustainability efforts, such as email, newsletter, our tenant engagement application "PREIT 808", and the Sustainability Report. We will continue to utilise these diverse platforms to strengthen connections and keep our community well-informed.



MATERIALITY ASSESSMENT

Our materiality analysis is fundamental to our long-term sustainability strategy, enabling us to identify and thoroughly understand the sustainability topics most relevant to our operations. During the Reporting Year, Prosperity REIT engaged a third-party consultant to conduct a stakeholders survey to gain insights into their expectations regarding the REIT's sustainability performance and their views on PREIT's material financial risks and opportunities. The materiality assessment was conducted in 4 stages:

1. Identification

To identify sustainability-related material topics relevant to our operations, we reviewed the 16 sustainability topics from previous years against global sustainability megatrends and peers in the real estate industry, as well as local and international reporting standards.

The 16 sustainability topics are aligned with the 4 key pillars of Prosperity REIT's sustainability strategy.

2. Engagement

Prosperity REIT gathered feedback and opinions from both internal stakeholders (employees of the REIT Manager) and external stakeholders (unitholders/investors, tenants, property management employees, contractors/suppliers, NGOs, etc.) through an online survey.

3. Prioritisation

Prosperity REIT considered its stakeholder feedback and prioritised the identified sustainability topics based on their significance to the REIT's cash flow, access to finance or cost of capital.

Among the sustainability topics identified, 5 topics were considered most material. Service quality and tenant satisfaction was the most material topic identified with the other material topics in decreasing order of materiality: Energy efficiency, Tenant health and safety, Occupational health and safety and Business ethics.

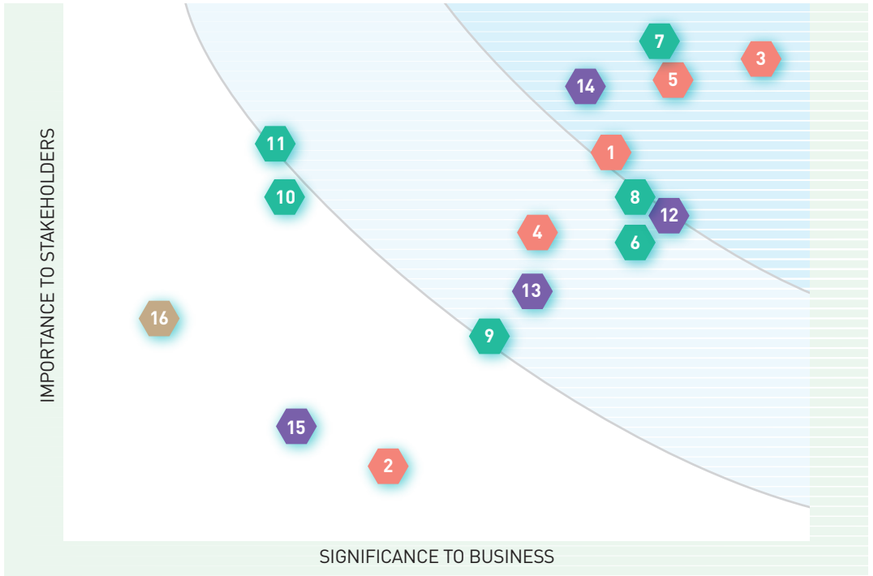
The materiality assessment results for 2025 are presented in the below materiality matrix.

4. Validation

The results of the materiality assessment were reviewed and approved by the Board and the Sustainability Steering Committee.



Prosperity REIT's Materiality Matrix



BUILDING/SERVICES

1. Business ethics
2. Data privacy protection
3. Service quality and tenant satisfaction
4. Supply chain management
5. Tenant health and safety

NATURE

6. Climate change risk and adaptation
7. Energy efficiency
8. GHG emissions
9. Green buildings
10. Waste management
11. Water management

PEOPLE

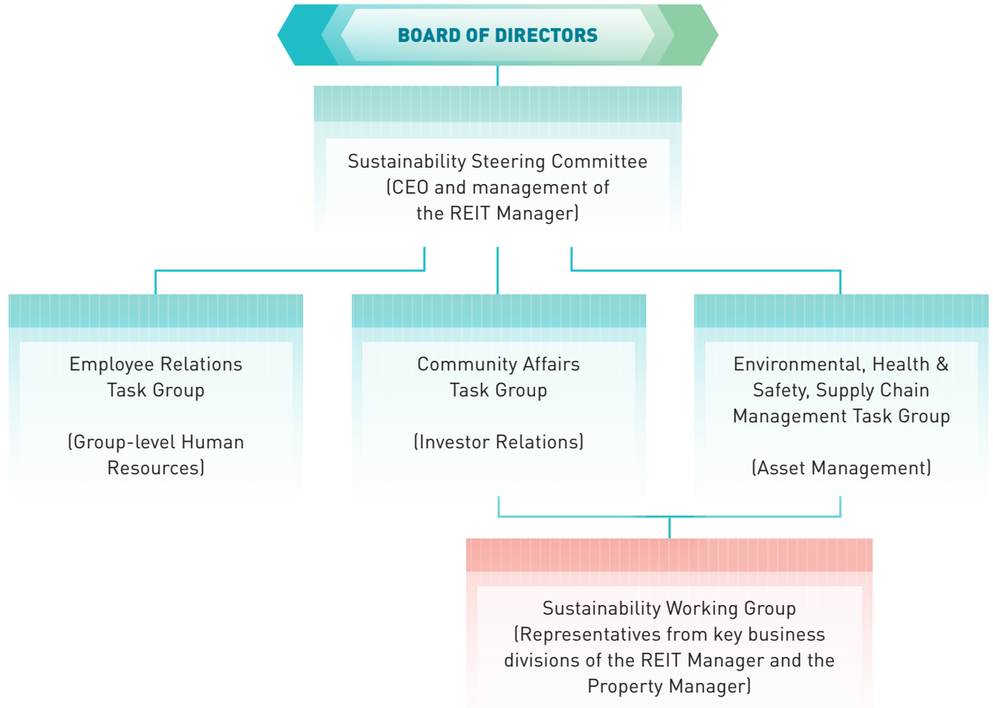
12. Employment relations and labour standards
13. Equal opportunities, anti-discrimination and inclusivity at workplace
14. Occupational health and safety
15. Training and development

COMMUNITY

16. Community investment and engagement

Our Sustainability Governance and Management

SUSTAINABILITY FRAMEWORK AND STRUCTURE



Board Statement

The Board places significant emphasis on sustainability matters, as well as climate-related risks and opportunities. It serves a critical role in guiding the REIT's strategic framework to effectively address issues related to climate impact, as well as diversity, equity, and inclusion. Furthermore, the Board oversees the identification and management of sustainability and climate-related risks and opportunities on an annual basis.

Each year, sustainability matters undergo evaluation and prioritisation through a materiality assessment. The assessment outcomes are integrated into the REIT's strategies and programmes. For further details, please refer to the "Materiality Assessment" section of the Report.

The Board is responsible for approving sustainability-related targets and embedding the strategies developed to meet these targets within the REIT's broader management vision. To monitor progress towards these targets, sustainability factors are integrated in the annual performance targets for relevant personnel, with both financial and non-financial implications.

Sustainability Steering Committee

The Sustainability Steering Committee assists the Board in establishing long-term targets and annual priorities within our sustainability roadmap, facilitating the integration of sustainability considerations into business decisions. The Committee consists of senior executives from various departments and 3 dedicated taskforces responsible for overseeing employee relations, community affairs, environmental effects, climate-related risks and opportunities, health and safety issues, and supply chain management. These taskforces are responsible for evaluating and revising sustainability-related policies, monitoring sustainability performance and developing plans to foster continuous improvement on sustainable practices. During the Reporting Year, the Committee held 4 meetings to review our sustainability performance, including climate-related risks and opportunities.

Sustainability Working Group

The Sustainability Working Group, made up of key business units from the REIT Manager and the Property Manager, is tasked with integrating our sustainability vision into our business operations. Sub-groups are established to focus on specific areas, including green initiatives and recycling, urban farming, wellness and digitalisation.

The Working Group reports to the Sustainability Steering Committee and seeks its guidance on a quarterly basis. The Working Group implements and oversees sustainability initiatives, providing regular updates on sustainability performance to the Committee. Moreover, the Working Group oversees sustainability reporting and consolidates data for disclosure. It is dedicated to strengthening our internal capabilities to manage sustainability-related risks and opportunities.



SUSTAINABILITY POLICIES AT A GLANCE

Our sustainability policies and requirements are aligned with group-level policies. These policies include:

GENERAL	
ESR ESG Policy Prosperity REIT Sustainability Policy	We strongly believe that adopting socially responsible and sustainable practices are key to our company's long-term success. We are committed to adhering to global best practices and sustainability standards to drive our environmental performance and infuse our core values in operations that generate positive impact to our community, environment, tenants, staff and unitholders. Premised on these core values, our strategy focuses on growing our business responsibly and sustainably, and benefitting the community. These policies have also set out the formal commitment of our parent group to the United Nations-supported Principles for Responsible Investment and net zero.
ENVIRONMENT	
Prosperity REIT Environmental Policy	We implemented effective and pragmatic measures to reduce environmental impact, including environmental management systems ("EMS")/GHG emission and management, energy consumption and management, water consumption and management, waste management, environmental compliance and indoor environmental quality, biodiversity mitigation, sustainable procurement and building materials sourcing and environmental education.
Prosperity REIT Environmental and Social Due Diligence Policy for Property Investment	Due to the increasing importance of environmental and social sustainability, we take sustainability factors into consideration in our future property investment decisions and monitor operations of our Property Manager. We are committed to minimising environmental damage and maximising social and economic benefits that arise from our operations by implementing effective due diligence processes towards our prospective investment projects.
ESR Net Zero Carbon Policy	ESR is committed to managing operations in alignment with net zero emission pathways and has set out a decarbonisation roadmap to reduce (and compensate) operational (Scope 1 and 2) and embodied (Scope 3) carbon emissions by 2035, with the long-term goal to achieve net zero carbon across the value chain by 2050. As part of the ESR Group, Prosperity REIT is dedicated to reducing the GHG emissions in our operations to support this pathway. Prosperity REIT's near-term and net-zero GHG emissions reduction targets have been validated by the SBTi, further reinforcing our sustainability goals.
ESR Climate Change Adaptation, Mitigation and Resilience Policy	We are committed to adopting a holistic approach towards reducing physical vulnerability and enhancing the resiliency of its assets and operations. We evaluate climate-related risks, identifies opportunities and enhances the resiliency of our business to the impacts of climate change.

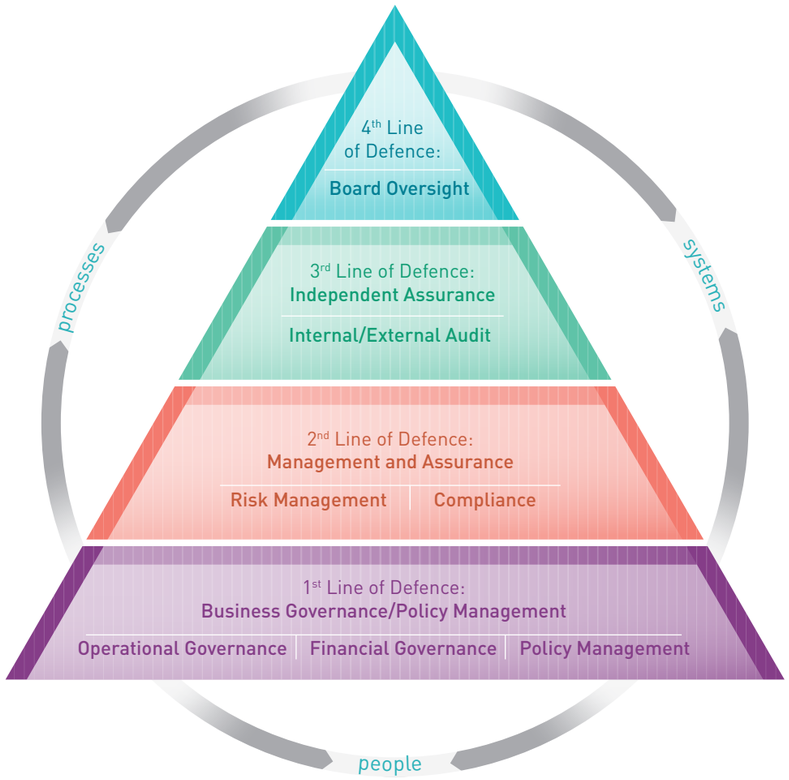
SOCIAL	
Prosperity REIT Stakeholder Engagement Policy	We believe that it is crucial for us to communicate effectively and openly with our stakeholders in order to better understand their concerns on environmental, social and governance issues, including climate-related concerns, and identify the best ways to deliver our sustainability goals. We engage our stakeholders in in-depth discussions to understand their objectives and are committed to responding to them effectively and promptly.
ESR Human Rights Policy Prosperity REIT Labour Policy	We care for our employees deeply and ensure that all individuals are respected and treated equally. ESR's Human Rights Policy outlines our commitment in safeguarding labour rights, prevention of modern slavery, protection of occupational health, safety and wellbeing. Our Labour Policy is designed with reference to internationally recognised principles and guidance, promoting equality and diversity, and to prevent the use of child or forced labours.
ESR Diversity, Equity & Inclusion Policy	We adopt a fair employment procedure based on DEI, where recruitment is only based on merit, regardless of age, race, gender, religion, national origin, sexual orientation, family status, disability, medical condition or other characteristics. We strive to foster a respectful workplace through the provision of equal opportunities. Rewards and promotions are only based on ability, performance, contribution and experience.
Prosperity REIT Health, Safety and Wellbeing Policy	We adopt a Health, Safety and Wellbeing Policy with the purpose of reducing adverse effects our business activities have on the health and safety of employees and individuals in the communities we operate in. We value the health and safety of our employees and work to provide a safe working environment. Our Drug-Free Workplace Policy also prohibits any illegal use of drugs in the workplace.
Performance Appraisal	Our Open Appraisal System allows supervisors to evaluate their subordinates and subordinates to express their views on their tasks. Through discussing their performance and expectations on their working conditions, trainings and future career development on annual basis, both parties can identify areas of improvement and formulate better ways to work together.
Career Development	We invest in the career development and personal growth of our employees. We provide our employees with a variety of training programmes based on our business needs. Employees are encouraged to attend conferences and seminars to enrich their knowledge of latest developments in the industry and network with other professionals. We also offer sponsorships to employees who wish to pursue further education.
Remuneration, Compensation and Benefits	To retain our talent, we conduct salary reviews annually to ensure that the remuneration package is competitive. A wide range of compensation and incentives, such as bonuses, employee retirement benefit, leave benefit, medical consultations, dental, health benefits and insurance benefits are offered to attract more talent and retain employees.
Community Development	Our business activities have direct and indirect impacts on the livelihoods and quality of life of our employees as well as our communities. We aim to contribute positively to the communities in where we operate, to deliver long-term sustainable growth of the business.

GOVERNANCE	
ESR Anti-Bribery, Anti-Corruption and Handling of Gifts, Travel & Entertainment Policy	We prohibit all forms of misconduct, including bribery, anti-competition, money laundering, fraud and corruption. All employees are required to fully comply with the code of conduct and to behave in a way that aligns with our core values.
ESR Anti-Money Laundering, Counter Terrorist Financing & Sanctions Policy	We have put in place effective policies and procedures to address anti-money laundering, counter-terrorist financing and sanctions requirements in conducting business and operations, particularly with focus on our potential investors and customers.
ESR Code of Conduct and Business Ethics Policy	The Code covers a wide range of business practices and procedures, and emphasises the principles of discipline and good conduct. All directors and employees must conduct accordingly. It is also expected that contractors and suppliers will comply with the relevant parts of the Code when performing work for or on behalf of us.
ESR Conflict of Interest Policy	We avoid and mitigate competing influences that may adversely affect decision-making and outcomes. Employees are required to act with integrity and use good judgement. Potential conflicts will be escalated and managed appropriately.
Employee Trading and the Handling of Inside Information	We have effective policies and disclosure procedures in place that provide guiding principles on handling insider information and employee trading. Employees are required to handle insider information with care and strict confidentiality.
Sustainable Procurement	Sustainable procurement is becoming more relevant due to unsustainable consumption and production practices. Beyond the environmental impact, these activities have far-reaching effects on our societies and economies.
ESR Whistleblowing Policy	Employees and business partners can report concerns about misconducts through reporting channels. All information received will be treated with the highest confidentiality and the whistleblower can choose to remain anonymous in the report.
Board Composition and Diversity	We have stated policy in board composition and diversity in Prosperity REIT's Compliance Manual. To improve board efficiency and corporate governance, multiple factors, such as gender, age, cultural and educational background, and professional experience, will be considered when determining board diversity. The composition of the board will be periodically evaluated to ensure it possesses a well-rounded combination of skills, expertise, experience and diverse viewpoints that align with the needs of Prosperity REIT and the REIT Manager. The appointment of Directors will prioritise individuals with the necessary expertise and experience to fulfil their responsibilities effectively.

RISK MANAGEMENT

To reach our financial goals, we recognise the significance of mitigating business risks through robust risk management practices. Our Enterprise Risk Management ("ERM") system is aligned with ESR's ERM framework. This framework encompasses elements such as risk governance, risk infrastructure, and oversight of risk ownership, providing clear structures of responsibility and accountability to support risk management efforts.

ESR's comprehensive ERM process includes risk identification and prioritisation, risk analysis and evaluation, risk management, as well as risk monitoring and reporting. The 4 Lines of Defence were established to ensure that the overall ERM framework and internal control systems are effectively maintained. A bottom-up risk management process was employed in the model to identify and manage all significant sustainability risks.



Regular Risk Management Reporting and Controls at Prosperity REIT

The Audit Committee and the Board receive biannual reports that outline our REIT level risk profile. These reports highlight updates in the risk assessment, detail the quantitative and qualitative factors influencing inherent risk levels, and assess the effectiveness of mitigating controls for residual risks.

Asset level risk assessments have been aligned with a third-party standard ISO 31000. Topics identified include but are not limited to:

TOPIC IN ASSET LEVEL RISK ASSESSMENT CONTROLS	CONTENT
Building safety	To assess the likelihood and impacts of violating the Building Ordinance (Cap. 123) and conduct mitigation measures, e.g., the safety of occupants and building hygiene.
Compliance with regulatory requirements	To assess the likelihood and impacts of violating the Hong Kong Ordinances related to property operation and management.
Energy supply	To assess the likelihood and impacts of violating the Electricity (Wiring) Ordinance (Cap. 406E) and conduct mitigation measures, e.g., 5-yearly maintenance plan and regular technical audit.
Flooding	To assess the likelihood and impacts of flooding in the assets, e.g., flooding in common areas which may result in slip and fall injury accidents and property loss, and conduct frequent inspection and cleaning during rainstorm and typhoon.
Health and well-being	To assess the likelihood and impacts of violating the Public Health and Municipal Services Ordinance (Cap. 132) and conduct mitigation measures such as third parties' safety and public hygiene.
Natural hazards	To assess the likelihood and impacts caused by natural hazards, e.g., collapsing of trees during rainstorm or typhoon, and conduct mitigation measures such as visual inspection of trees.
Socio-economic concerns	To assess the likelihood and impacts of vulnerability to pandemics and epidemics, and conduct mitigation measures, e.g., cleaning and disinfection with diluted bleach at common area and facilities.
Water supply	To assess the likelihood and impacts of violating the Waterworks Ordinance (Cap. 102) and conduct mitigation measures, e.g., the enhancement of water safety and water supply.

Building/Services

BUSINESS ETHICS

We adhere to the Prevention of Bribery Ordinance (Cap. 201) and enforce a stringent zero-tolerance policy towards any form of misconduct, including corruption, fraud, bribery, money laundering, anti-competitive practices, and violations of sustainability laws and regulations. Throughout the Reporting Year, there were no instances of non-compliance. Our comprehensive compliance framework features coherent policies, checklists and training programmes to monitor regulatory requirements and deal with compliance risks.

The Board holds primary responsibility for overseeing business ethics and corruption matters within Prosperity REIT and the REIT Manager. Through the Audit Committee, the Board performs semi-annual evaluations to determine the effectiveness of risk management and internal control systems across all operations of the REIT. These reviews encompass all significant controls, including anti-corruption measures and business ethics, with each critical operational area assessed biennially.

To provide an independent evaluation of the REIT's risk management, internal control systems and operational functions, including anti-corruption and business ethics issues, our internal audit function is directly overseen by the Audit Committee. The Internal Auditor operates independently from management, adopting a risk-based approach to formulate an audit plan for the Audit Committee review. The audit emphasises on the operational and compliance controls within the REIT, assessing the effective execution of risk management and internal control systems, as well as compliance procedures.

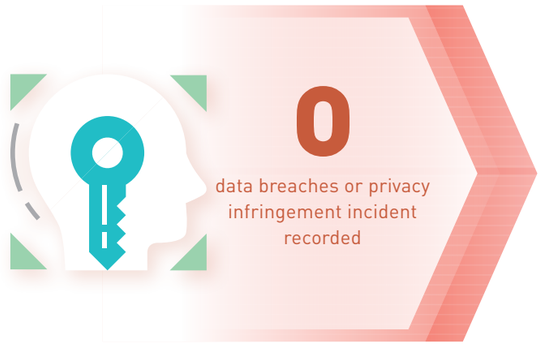
All employees, including part-time staff and contractors, are required to comply with our Code of Conduct and Business Ethics Policy, Conflicts of Interest Policy, Whistleblowing Policy, Employee Trading and The Handling of Inside Information Policy, Anti-Bribery, Anti-Corruption and Handling of Gifts, Travel & Entertainment Policy and Anti-Money Laundering, Counter-Terrorist Financing & Sanctions Policy. The Anti-Bribery, Anti-Corruption and Handling of Gifts, Travel & Entertainment Policy outlines explicit guidelines for employees on declaration processes according to the monetary value of gifts. Any form of misconduct, including bribery, is strictly prohibited and may result in disciplinary actions, including termination of employment. Employees must complete annual declarations to affirm their adherence to these policies, while contractors are obligated to disclose any conflicts of interest when submitting tenders.

In accordance with our Whistleblowing Policy, we have established a formal and confidential reporting channel for grievances and escalation matters. This channel offers legal protection to all individuals, including employees, part-time staff, and contractors, who report suspected or actual irregularities, fraud, corruption, or workplace misconduct. The Whistleblowing Policy clearly defines the reporting structure and identifies those responsible for managing such reports. All information received will be handled with the highest level of confidentiality, and whistleblowers may choose to remain anonymous when submitting a report.

Our training programme on ethical issues covers all employees, including part-time staff. New employees undergo initial training upon joining the company and participate in regular training sessions throughout their employment. In 2025, we facilitated 5 training sessions focused on anti-corruption and ethics to improve the understanding of business ethics for both Directors and employees. We insist that our contractors, including the Property Manager, provide thorough training on ethical standards, with a strong focus on anti-corruption. Our commitment to promoting these standards is reflected in the active and ongoing communication with suppliers and contractors, ensuring they fully embrace and uphold our core values.

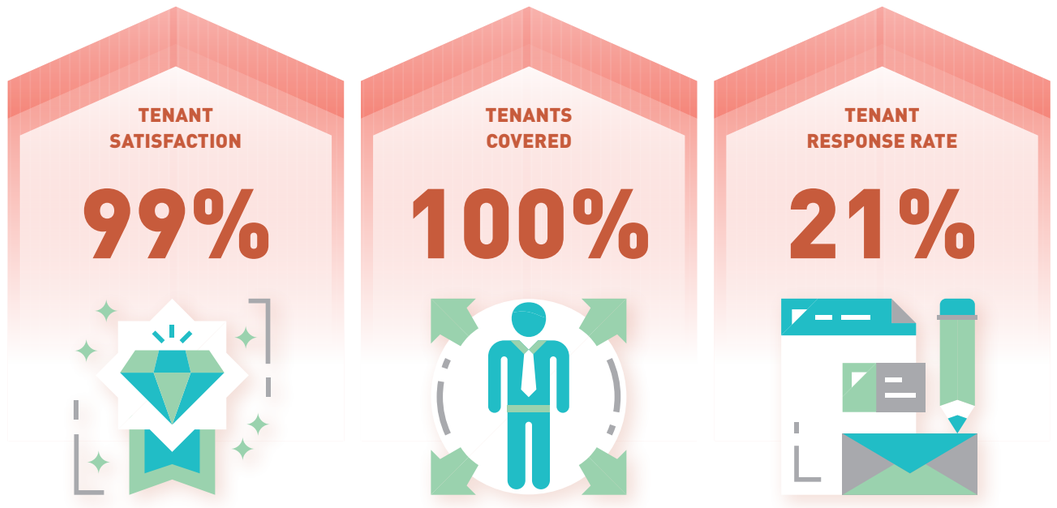
DATA PRIVACY PROTECTION

We prioritise the protection of tenants' personal information in our property management operations. Our Property Manager has established the Personal Data and Classified Data Handling Guidelines, which details the protocols for managing data and preventing data leakage, ensuring compliance of our operation with the Collection of Personal Data (Privacy) Ordinance and other relevant regulations. We provide regular training to personnel with access to personal data and annual cybersecurity training is mandatory for all employees to ensure they possess a comprehensive awareness of data risks and protective measures. During the Reporting Year, no data breaches or privacy infringement incidents were recorded.



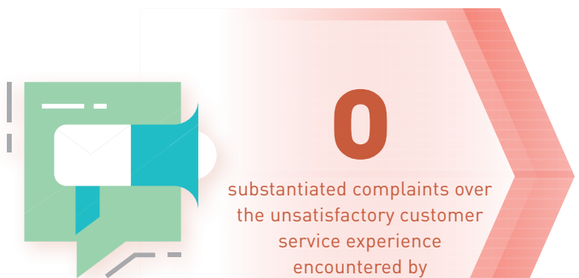
SERVICE QUALITY AND TENANT SATISFACTION

We conduct an annual survey to receive tenant feedback and assess tenant satisfaction in order to continuously enhance our services. Our tenants evaluate our management service performance across 6 criteria: cleaning services, customer service centre effectiveness, security service performance, health and safety management, public facilities management and environmental management. During the Reporting Year, the performance of our property management service received a 99% tenant satisfaction rate. We regularly assess our sustainability-related programmes by evaluating event participation and gathering feedback from tenants, customers, and communities. A set of procedures has been established to address the collected feedback promptly, with the goal to promote tenant satisfaction with our services and programmes.



Handling Complaints

Tenants' concerns and feedback are highly valuable for us to capture tenant issues and continuously improve our property management services. We have established a series of communication channels with tenants according to our policy to facilitate effective communication and feedback collection, including mail, telephone, fax, email, PREIT 808 tenant app and in-person meetings. Our commitment to providing thorough and well considered responses is demonstrated through the establishment of our complaint handling procedures. Aligning with the procedures, we are dedicated to comprehensively investigating each case, and delivering timely follow-up responses on the implementation of corrective and preventive measures within three working days to ensure complete resolution. We record the entire complaint handling process in detail for future reference, while ensuring that all personal data collected is managed with strict confidentiality and protected against unauthorised access or disclosure. Our extensive complaint handling procedures fulfil our aim to ensure that complaints are fully addressed and resolved to our stakeholder's satisfaction. Regular customer service training sessions are conducted to prevent the recurrence of similar issues.



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substantiated complaints over the unsatisfactory customer service experience encountered by our tenants

SUPPLY CHAIN MANAGEMENT

We are dedicated to identifying and managing environmental and social risks in the supply chain. The ERM system incorporates these risks, which are identified through ongoing risk assessments. The Property Manager is tasked with updating the risk assessment controls for each asset within the REIT's portfolio. Moreover, we present the REIT's risk profile to both the Audit Committee and the Board at least twice a year. To effectively mitigate these risks within our supply chain, we carefully select and oversee suppliers based on stringent sustainability criteria.

The criteria for supplier selection include aspects from our Environmental Policy that focus on improving environmental performance. For example, we prioritise suppliers that provide sustainable building materials, such as those derived from recycled materials and low carbon sources. Furthermore, we conduct regular assessments of our suppliers' environmental performance. The Sustainability Policy outlines our sustainability expectations for suppliers, contractors, and business partners. The Sustainability Steering Committee, together with the Environmental, Health & Safety, and Supply Chain Management Task Group, oversees, monitors, and evaluates sustainability issues within the supply chain, routinely reviewing the policy to ensure that Prosperity REIT's practices remain in alignment with the latest standards.

The Green Purchasing Policy sets forth environmental requirements and standards for contractors and consultants involved in property management, fostering a culture of environmental awareness throughout our portfolio. This Policy specifies products that meet specific criteria, promoting green purchasing practices in daily operations. The Asset Management Team of the REIT Manager, alongside management staff from our Property Manager, ensures that all employees adhere to the Policy, offering support when necessary. We also proactively explore purchasing options and opportunities that are both environmentally sustainable and economically feasible.

We are fully committed to adhering to the Group Supplier Code of Conduct, which establishes various sustainability standards governing interactions with suppliers. The objective is to foster value creation throughout the supply chain while effectively executing our sustainability initiatives by adopting relevant REIT-level policies.

To effectively manage environmental and social risks, suppliers, including contractors, are required to comply with the environmental protection and health and safety regulations, implementing necessary control measures to minimise potential impacts on the environment and employees. For example, the Health and Safety Rules for Contractors requires contractors to wear appropriate personal protective equipment and undergo sufficient training. Regular health and safety training is provided to the staff of the Property Manager. In 2025, 100% of Property Manager's staff participated in the health and safety training. Independent safety consultants and representatives from key business divisions within the REIT Manager and Property Manager conduct compliance checks for contractors related to these environmental and social requirements. Furthermore, external property management companies are expected to comply with professional standards, including ISO 14001/ISO 45001.

In 2025, we have engaged one property management company and approximately 180 suppliers, including those directly engaged by the REIT Manager and those contracted by the Property Manager for REIT operations. All of these entities operate in Hong Kong, where the aforementioned practices were implemented.

Geographical region	Number of suppliers
Hong Kong	around 180



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non-compliance cases of our supply chain requirements reported

TENANT HEALTH AND SAFETY

Safeguarding the health and safety of tenants is of utmost priority in property management. We promote personal hygiene practices across our properties to create a healthy and safe environment for our tenants. In addition to regular disinfection, touchless sensors have been installed in the lift lobbies of our properties and regular cleaning schedules implemented for air distribution units in the Mechanical Ventilation Air Conditioning System.

To minimise the risk of exposure to toxic and harmful chemicals to tenants and employees, we have implemented a comprehensive Green Cleaning Plan across all properties in our portfolio. The plan aligns with the guidelines set forth by the Hong Kong Green Building Council, BEAM Plus for Existing Buildings (Version 2.0), and other relevant environmental standards. It outlines safety protocols for cleaning equipment and products, which provides clear and standardised operating procedures for different cleaning activities. The Property Manager is responsible for ensuring consistent enforcement of the plan and conducting regular reviews to maintain its effectiveness and continuous improvement.

We acknowledge that renovation, decoration, and furnishing activities can bring significant impact on indoor air quality, noise levels, waste generation, and wastewater production. To minimise disturbances to tenants, all properties within Prosperity REIT's portfolio adhere to a Renovation Management Plan that outlines comprehensive mitigation and control measures. Standardised checklists must be filled in before, during, and after renovation work to ensure thorough planning, consistent execution, and effective oversight throughout the entire process.

Furthermore, we have implemented an Integrated Pest Management Plan across the REIT's portfolio. This plan serves as a comprehensive framework to ensure compliance with relevant regulations and guidelines issued by the Agriculture, Fisheries and Conservation Department. It outlines essential preparatory actions, established treatment protocols, and detailed information on the chemicals used in pest control. The Property Manager is responsible for overseeing the execution of the plan and ensure effective coordination between service providers and employees, promoting consistent and responsible pest management practices.

All of the wholly owned properties have successfully attained certification under the Indoor Air Quality Certificate Scheme, demonstrating third party recognition of Prosperity REIT's dedication in maintaining superior air quality standards across its portfolio. Prosperity Place has been awarded an "Excellent Class" designation, while The Metropolis Tower, Prosperity Millennia Plaza, 9 Chong Yip Street and Trendy Centre have received a "Good Class" classification.

Moreover, we conduct safety inspections monthly to reinforce tenant safety, and arrange regular fire drills at our properties to enhance both tenant's and staff's knowledge on how to respond effectively in emergency situations.

JOCKEY CLUB SLEEP WELL PROJECT TALK

During the Reporting Year, a range of initiatives were organised to promote a healthy lifestyle and overall wellbeing among our tenants. We invited United Christian Nethersole Community Health Service to host a health talk on "Sleep Well" under the Jockey Club Sleep Well Project for tenants and employees at 9 Chong Yip Street, Prosperity Place, and Prosperity Center. Aiming to raise public awareness about improving and maintaining sleep health, the talk focused on sleeping knowledge related to cognitive-behavioural therapy for insomnia (CBT-I). During the health talk, participants engaged in interactive games about sleeping habits and learned about the Sleep Well online platform, which provides free, convenient, and personalised treatment plans for individuals experiencing sleep disturbances.







FUN DAYS TO ENGAGE TENANTS AT THE METROPOLIS TOWER

We organised event in the main lobby of The Metropolis Tower during lunchtime throughout the summer break to promote tenant's interest in planting. Through various games, participants not only learned about planting but also received fresh produce from our self-managed urban farms as rewards.





The PREIT 808 tenant app plays a key role in embedding sustainability into business operations, and serves as a channel to mobilise our tenants to participate in our green building activities. Designed as a comprehensive digital platform, it streamlines building management processes, enhances sustainability engagement, and foster a more interactive and sustainable relationship with tenants. The application also provides tenants with convenient access to key administrative functions, including monitoring energy bills, reviewing building notices, and retrieving handover documentation. This digital approach supports a paperless communication environment between our management team and tenants, enhancing efficiency and reducing environmental impact. Moreover, the app enables online booking of facilities and requests for services, such as extensions to air conditioning operating hours, ensuring prompt service delivery while helping to prevent unnecessary energy use.

To encourage health, wellness and sustainable behaviours, tenants can participate in recycling reward programmes across the REIT portfolio, earning points that can be redeemed for gifts. These initiatives are designed to raise awareness of sustainability, inspire responsible habits, and strengthen tenant engagement in our shared environmental goals. Tenants can also earn reward points through PREIT 808 tenant app by uploading their electricity and water bills. This incentivises our tenants to provide us with details on their electricity and water consumption for us to better understand actual consumption trends of our tenants and improve our consumption reduction support through customised initiatives.

In addition, we have incorporated a "Monthly Wellness" page into the PREIT 808 tenant app. The page releases a variety of tips and activity information every month, covering topics ranging from sports to health. By providing different wellness contents, we hope to encourage our tenants to promote the wellbeing of their employees, thereby creating a more harmonious working environment across our properties.



Nature

MANAGING OUR ENVIRONMENTAL PERFORMANCE AND IMPACT

We are dedicated to providing a sustainable workplace and community culture by embracing our "respect nature" principle, a fundamental part of our sustainability strategy. To strengthen environmental stewardship, we have set clear performance targets across key environmental areas. The REIT Manager is dedicated to driving progress toward our environmental objectives by actively reducing the environmental footprint of our assets.

The Environmental Policy serves as a guiding framework to reduce environmental impact across our business operations, improve management practices and strengthen our environmental management efforts. We operate with strict adherence to environmental laws and regulations, including the Buildings Energy Efficiency Ordinance (Cap. 610), Waste Disposal Ordinance (Cap. 354), Vienna Convention for the Protection of the Ozone Layer, 1985, as supplemented by Protocol in 1987 (Eleventh edition (2018)). Our environmental objectives are also aligned with these regulatory standards on the key areas such as GHG emissions reduction, energy efficiency, water management, and the maintenance of high indoor environmental quality.

In alignment with the Environmental Policy and to strengthen our dedication to sustainable business operations, our Property Manager is responsible for ensuring all investment properties have implemented an ISO 14001-accredited EMS, which includes an environmental management handbook, procedures and guidelines for environmental protection, and actively exploring methods to minimise energy and resource consumption and promote recycling practices in our operations. Furthermore, an Environmental Management Committee has been established by the Property Manager to oversee and monitor environmental performance, ensuring effective implementation of environmental initiatives.

The Sustainability Steering Committee monitors and reviews the policy's implementation with the support of the Environmental, Health & Safety, and Supply Chain Management Task Group. They meet once each quarter to evaluate the REIT's environmental performance.

Sustainability factors are integrated in our investment decisions as well. Prosperity REIT does not own, lease or manage properties that are located at or near greenfield sites, including environmental protection areas or other areas with high biodiversity value.

Our decisions regarding future property acquisitions or investment plans strictly follow the Environmental and Social Due Diligence Policy for Property Investment. As outlined in the policy, we carry out asset-level due diligence for all prospective properties, evaluating critical factors including energy, water and waste management, green certification, and climate change resilience. We also consider the broader implications of the asset's impact on surrounding environment and communities.

CLIMATE CHANGE RISK AND ADAPTATION

We have conducted a climate-related risk and opportunities assessment and developed our climate-related financial disclosure based on the global disclosure standards and the TCFD recommendations. The assessment forms the basis of our strategy and disclosures addressing the climate requirements outlined in Part D of the ESG Code.

Governance

Comprehensive governance mechanism is the key to effective management of climate-related risks and opportunities.

BOARD OF DIRECTORS

- Oversees climate-related risks and opportunities, approach to climate-related risk management and the setting of and progress towards climate-related goals.
- Incorporates climate mitigation and adaptation in the REIT's overall business strategy, accounting for climate risks and opportunities set out in ESR's Climate Change Adaptation, Mitigation and Resilience Policy while considering associated trade-offs.
- Receives and reviews reports on the REIT-level risk profile bi-annually.
- Delegates roles and responsibilities for assessing and managing climate-related risks to the Sustainability Steering Committee.
- Receives training on climate-related risks and opportunities to enhance relevant skills and competencies.
- Ensures material sustainability factors such as climate risk mitigation are incorporated in business operations and oversees the delivery of sustainability targets and performance.

SUSTAINABILITY STEERING COMMITTEE

- Reviews the scope and impact of physical and transition climate-related risks and opportunities that are significant at the REIT-level on a quarterly basis, e.g., those that will affect the business and financial planning.
- Develops climate change-related roadmaps and targets for Board's approval.

SUSTAINABILITY WORKING GROUP

- Implements plans and targets set by the Sustainability Steering Committee.
- Updates the Sustainability Steering Committee on the progress of plans and targets on a quarterly basis.

We provide compulsory climate-related training for all employees to ensure management procedures for climate-related risks are in full compliance with regulatory requirements, the group-level Climate Change Adaptation, Mitigation and Resilience Policy, and Prosperity REIT's Environmental Policy.

We review and assess staff remuneration based on the performance in achieving pre-set KPIs, including climate-related KPIs such as GHG emissions management. The progress and performance of all pre-set KPIs are evaluated on an annual basis.

Strategy

We are dedicated to mitigating climate-related risks across our portfolio while actively identifying and leveraging on the opportunities arising from the transition to a lower-carbon economy. As a key component of our climate resilience strategy, we conducted a comprehensive climate scenario analysis to identify and assess both physical and transition risks, along with potential opportunities, that could significantly affect our business operations over different timeframes.

Climate Scenario Analysis

The climate scenario analysis examined the potential impacts of climate change on each asset under three scenarios across short-, medium-, and long-term horizons. Our scenarios used the Representative Concentration Pathways ("RCP") developed by the Intergovernmental Panel on Climate Change ("IPCC"), alongside transition risks scenarios from the Network for Greening the Financial System ("NGFS"). The three scenarios align with scenarios adopted by peers in REIT and Commercial Buildings Management business, ensuring a robust and comparable assessment on climate resilience. The following table illustrates the climate scenarios and time horizons used:

SCENARIOS	BELOW 2°C SCENARIO	+2.5°C SCENARIO	ABOVE 3°C SCENARIO
Pathways	IPCC RCP 2.6 NGFS Below 2°C	IPCC RCP 4.5 NGFS Nationally Determined Contributions ("NDCs")	IPCC RCP 8.5 NGFS Current Policies
Time horizon	Short term – 2030s Medium term – 2050s Long term – 2080s		

Below 2°C Scenario

This scenario anticipates a world where average global temperature increase has a 67% chance of not exceeding 2°C by 2100 from pre-industrial levels, achieving the Paris Agreement goal. In the short term, the implementation of strict global climate regulations (e.g., carbon taxes) will drive significant reduction in GHG emissions. Markets will also gradually embrace innovative technologies, enabling a steady shift toward low-carbon operations in response to the tightening decarbonisation requirements. As a result, the frequency and intensity of acute weather events are expected to decline over time. In the medium term, the pace of long-term shifts in weather patterns and sea level rise are projected to slow down gradually.

+2.5°C Scenario

This scenario anticipates a world where average global temperature increase reaches approximately 2.5°C by 2100 from pre-industrial levels. GHG emissions will be moderately reduced by the pledged NDC policies. In the medium term, the market will slowly adopt new technology to transform to lower-carbon operations to meet increasing regulations on decarbonisation. As a result, the frequency and intensity of acute weather events are expected to decline over time. In the medium term, the pace of long-term shifts in weather patterns and sea level rise are projected to slow down gradually.

Above 3°C Scenario

This scenario anticipates a world where average global temperature increase reaches over 3°C above pre-industrial levels by 2100. GHG emissions are expected to remain at current levels, with no significant enhancement of existing policies and limited adoption of innovative technologies across markets, even in the long term, resulting in a slow transition to lower-carbon operations. As a result, severe weather events aggravated by climate change are also expected to intensify. Long-term shifts in chronic weather patterns and the rate of sea level rise are projected to be significantly higher.

Climate Change Impacts Identification

Based on the results of the climate scenario analysis, we have identified the following transition and physical climate risks and opportunities that could impact our operations, with the varying levels of exposure under the different scenarios outlined below:

Risk Exposure Level — Higher — Medium — Lower

RISKS AND OPPORTUNITIES	DRIVERS	POTENTIAL IMPACTS	PROSPERITY REIT'S RISK LEVEL IN 3 SCENARIOS			EXPECTED TIMEFRAME TO OCCUR
			Below 2°C	+2.5°C	Above 3°C	
Transition Risks						
Policy and Legal Risks	More stringent environmental regulations or emissions-reporting obligations (e.g., energy consumption level of green building or building specification) and carbon taxes, may be introduced	❯ Increase in operating costs ❯ Reduce liquidity due to carbon taxes ❯ Financial losses and damages resulting from non-compliance with climate-related laws and regulations	Higher	Medium	Lower	Short to long term
Technology Risks	Market demand for greener buildings may increase due to increased stringency in climate-related regulation	❯ Increase in capital investment for replacing aged equipment with more energy efficient and lower emission equipment ❯ Increase in additional costs to adopt newer technology	Higher	Medium	Lower	Short to long term
Market Risks	Market demand for greener buildings may increase due to increased stringency in climate-related regulation	❯ Decrease in net income caused by increased input prices of resources and output requirements	Higher	Medium	Lower	Short to long term
Reputation Risks	More stringent environmental regulations or emissions-reporting obligations (e.g., energy consumption level of green building or building specification) may be introduced	❯ Reduce customer trust and lose opportunities due to financial losses and damages resulting from non-compliance with climate-related laws and regulations	Higher	Medium	Lower	Short to long term
Transition Opportunities						
Green and Energy-Efficient Properties	Awareness on climate change and sustainability matters may increase	❯ Growing market demand for sustainable buildings, which has incorporated energy-efficient technologies and sustainable building elements such as rainwater collection systems and solar panel installations ❯ Increase opportunities for higher property values and increased profitability	Higher	Medium	Lower	Short to long term
Green and Sustainable Finance	Market trends and evolving regulations may shift to encourage investors to prioritise sustainability in their investment strategies and start seeking financial products that promote sustainability and decarbonisation	❯ Increase opportunities for businesses to attract capital and funding by embracing green and sustainable development	Higher	Medium	Lower	Short to long term
Physical Risks						
Acute Risks	Properties may face more frequent and severe tropical cyclones and cyclone-induced storm surges and riverine floods	❯ Increase in capital expenditure from operation costs, insurance premium, and replacement costs	Lower	Medium	Higher	Short to long term
Chronic Risks	Global mean temperature may rise continuously and properties in coastal areas may be exposed to steady sea level rise	❯ Increase electricity consumption at high temperatures ❯ Asset write-offs and early retirement of existing assets	Lower	Medium	Higher	Medium to long term

Financial Impact Assessment of Climate-related Risks

In 2023 and 2024, we conducted targeted assessments to quantify the anticipated financial impacts of selected climate-related physical and transition risks respectively from the 2030s through the 2080s, referencing the results of the climate scenario analysis. In 2025, we refreshed the assessment to assess whether they are financially material to our Group. These assessments provide a robust foundation for developing informed, forward looking strategies that mitigate risks and strengthen our climate adaptation efforts.

For climate-related transition risks, the anticipated financial impact due to changes in electricity prices and carbon price were assessed. The anticipated financial impact of changes in electricity prices was estimated based on our 2025 electricity consumption, assuming consumption levels remain constant in the future. Although Hong Kong currently lacks a local carbon pricing mechanism, we assessed the hypothetical implications should such a policy be introduced as part of evolving regulatory developments in the future.

For climate-related physical risks, we assessed the anticipated financial impact of extreme weather events, namely tropical cyclones, cyclone-induced storm surges, and riverine floods across all 7 of our properties in Hong Kong. The respective financial impacts are estimated by adding up the resultant replacement cost and disrupted revenue projected with reference to historical events.

While the climate-related risks may vary across climate scenarios due to evolving regulatory and market pressures and climate factors, there remains uncertainty in estimation of the current financial effects from the identified risks in our financial record during the Reporting Year. Our analysis indicates that the associated climate-related transition and physical risks are deemed financially immaterial to our Group.

We will continue to assess the feasibility of quantifying the anticipated financial impacts of the other types of climate-related risks and opportunities to enhance disclosures of future reports.



Adaptation and Mitigation Strategies

To strengthen our climate resilience and seize future opportunities, we are committed to regularly reviewing our environmental performance and the evolving business landscape in response to market changes. Prosperity REIT is pursuing strategies to allocate financing for adaptation and mitigation initiatives, asset upgrades, and other strategic actions across different time horizons. This proactive approach ensures we remain agile and capable in combating climate change, as well as to achieve our long-term sustainability goals.

To mitigate and adapt to the physical and financial impacts brought by the identified transition and physical risks and opportunities, we have implemented adaptation and mitigation strategies to enhance our business resilience. Our strategies and current initiatives are outlined below:

RISKS AND OPPORTUNITIES	ADAPTATION AND MITIGATION STRATEGIES	PROGRESS IN 2025
Transition Risks		
Policy and Legal Risks	❯ Develop sustainability policies to monitor sustainability performance and enhancing climate resilience ❯ Require employees to attend climate-related trainings	❯ Reviewed Prosperity REIT's current sustainability policies ❯ Provided climate-related trainings ❯ Participated in Business Environment Council Climate Change Business Forum Advisory Group
Technology Risks	❯ Keep track of climate-related technology development and conduct continuous market research	❯ Conducted market research both internally and by external consultants ❯ Carried out feasibility studies for upgrading services facilities to more energy-efficient models
Market Risks	❯ Engage consultants for monitoring sustainability and climate-related matters to avoid negative perception from stakeholders ❯ Conduct regular meetings with leasing team members and building managers to review the performance of Prosperity REIT's portfolio	❯ Disclosed results from the climate scenario analysis to comply with latest local disclosure requirements ❯ Engaged consultants for advice on the market information on rent and occupancy of office sector for benchmarking ❯ Convened regular meetings with leasing team members and building managers
Reputation Risks	❯ Engage stakeholders and regularly conduct materiality assessment ❯ Engage consultants for monitoring of sustainability and climate-related matters to avoid negative perception from stakeholders	❯ Conducted a materiality assessment via stakeholder engagement with a focus on financial materiality ❯ Disclosed results from the climate scenario analysis to comply with latest local disclosure requirements ❯ Continued to provide various ongoing communication channels, such as corporate website, PREIT 808 tenant app and LinkedIn platform, for Prosperity REIT to address stakeholders' concerns swiftly

RISKS AND OPPORTUNITIES	ADAPTATION AND MITIGATION STRATEGIES	PROGRESS IN 2025
Transition Opportunities		
Green and Energy-Efficient Properties	❯ Replace chiller and its pump sets to enhance cooling efficiency ❯ Replace split-type air-conditioning units to VSD model ❯ Regular review of the BMS against latest best practice against the market ❯ Upgrade lighting to reduce electricity consumption ❯ Regularly review of the validity of Green Building Certifications for future updates	❯ Attained the highest rating of "Platinum" under BEAM Plus EB Comprehensive Scheme at Prosperity Millennia Plaza ❯ Replaced split-type air-conditioning units by VSD model
Green and Sustainable Finance	❯ Pursue more sustainability-linked financing opportunities	❯ Entered into a three-year sustainability-linked syndicated loan facility by DBS Hong Kong and OCBC Hong Kong
Physical Risks		
Acute Physical Risks	❯ Establish emergency procedures and conduct drills annually before typhoon season ❯ Conduct regular check to ensure the safety condition of the glass doors and related parts and accessories ❯ Implement fixing method during typhoon	❯ Performed annual drill test ❯ Conducted regular check on the glass doors condition and related parts and accessories
Chronic Physical Risks	❯ Replace chiller and its pump sets to enhance cooling efficiency ❯ Replace split-type air-conditioning units to VSD model	❯ Steady progress in achieving the approved near-term plan for upgrading the facilities to enhance the resilience of the assets and operations ❯ Replaced split-type air-conditioning units by VSD model

Guided by ESR's Climate Change Adaptation and Resilience Policy, we have implemented a range of strategies to enhance the resilience of our assets. A structural adaptation strategy has been applied to plan and retrofit properties to withstand anticipated extreme weather events intensified by climate changes over their lifecycle. In addition, management adaptation strategies are in place, including the development of robust operational policies and the deployment of advanced asset technologies. Furthermore, we are using sustainability-related financing to resource our risk mitigation strategies, including the Green and Transition Loan we have secured.

Risk Management

Material climate-related risks, including both physical and transition risks, are identified through diverse governance and monitoring channels, and are managed and prioritised under our ERM system, aligning with ESR's ERM framework. The Property Manager of each property evaluates the material climate-related risks through the yearly update of the asset-level risk assessment controls. The risks were identified by conducting scenario analysis under IPCC's RCPs and NGFS Pathways. The Board and the Audit Committee are presented with the REIT-level risk profile at least bi-annually, while the Sustainability Working Group is tasked with risk mitigation strategies for implementation and is responsible for monitoring the progress of such plans and reporting to the Sustainability Steering Committee every quarter.

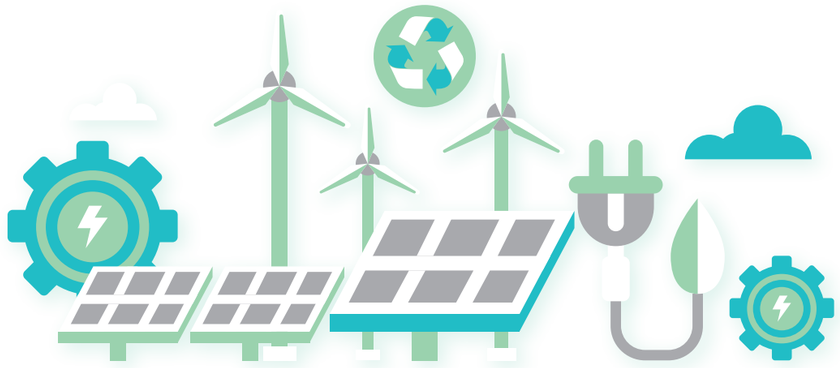
We are fully aligned with ESR's Climate Change Adaptation, Mitigation and Resilience Policy, reflecting our commitment to systematically assess and manage climate-related risks, identify emerging opportunities, and strengthen the resilience of our business in response to climate change. The policy was established according to the principles recommended by the TCFD so as to integrate climate-related factors into strategic and financial decisions, link climate-related information with financial information, and align with the requirements set out in the SFC Circular.

Metrics and Targets

To track the progress of our climate change strategy and enhance transparency in our sustainability reporting, Prosperity REIT measures and discloses key climate-related metrics such as the GHG emissions and electricity consumption. Below are some of the climate-related metrics for the Reporting Year:

	UNIT OF MEASURE	2023	2024	**2025**
Properties which are Certified Green Buildings	%	100	100	**100**
Renewable Energy Generation	kWh	78,911	74,951	**64,890**
Portfolio Carbon Footprint Intensity[1]	tCO_2e per HK$ million	2.2	2.3	**2.2**
Loan Facilities from Sustainable Financing	%	100	100	**100**
Climate-related Mitigation Expenditures and Investments	HK$ million	6.3	7.3	**7.4**

Note 1: Portfolio Carbon Footprint Intensity is calculated according to the Global GHG Accounting & Reporting Standard of the Partnership for Carbon Accounting Financials ("PCAF Standard"). Total value of properties based on Prosperity REIT's ownership is HK$9,213 million.



ENERGY EFFICIENCY & GREENHOUSE GAS EMISSIONS

We continue our efforts to decarbonise and optimise our operational efficiency. Upon achieving our previous energy consumption and Scope 2 GHG emissions reduction targets of 14% by 2025 and 20% by 2030 against our 2017 baseline ahead of schedule, we have established more ambitious new near-term and long-term targets during the Reporting Year. To demonstrate our commitment to sustainability, our GHG emissions reduction targets have been validated by SBTi in March 2025. Our new targets are outlined below:

ENERGY CONSUMPTION

Target:

- Commits to reduce energy consumption in our properties* by 15% by 2030 from a 2021 baseline.



GREENHOUSE GAS EMISSIONS

Overall Net-Zero Target:

- Commits to reach net-zero GHG emissions across the value chain by 2050.

Near-Term Targets:

- Commits to reduce absolute Scope 2 GHG emissions in our properties* by 42% by 2030 from a 2021 baseline.
- Commits to reduce absolute Scope 3 GHG emissions# by 25% by 2030 from a 2021 baseline.

Long-Term Targets:

- Commits to reduce absolute Scope 2 GHG emissions in our properties* by 90% by 2050 from a 2021 baseline.
- Commits to reduce absolute Scope 3 GHG emissions# by 90% by 2050 from a 2021 baseline.

* The scope of target covers the environmental impacts generated from Prosperity REIT's property management operations only and does not include tenant performance.

\# Prosperity REIT's Scope 3 GHG emissions target covers our substantial emissions which account for over 90% of our Scope 3 emissions, encompassing the following categories: Cat 1: Purchased goods and services, Cat 3: Energy-related activities and Cat 13: Downstream leased assets.

The Sustainability Steering Committee reviews the progress of its climate-related targets quarterly and evaluates the targets on an annual basis to determine whether any revisions are required. In the event a target is considered overly ambitious or not ambitious enough, modifications are made. Each change is followed by a detailed explanation and requires approval from the Board of Directors.

To achieve our ambitious energy consumption and GHG emissions reduction targets, we have undergone and planned ahead a series of asset enhancement initiatives across our portfolio, complementing our ongoing energy consumption reduction initiatives from previous years.

AIR-CONDITIONING UNITS REPLACEMENT

- Split-type air-conditioning units have been replaced by VSD model since 2025 to enhance the cooling and energy efficiency.

BUILDING MANAGEMENT SYSTEM

- BMS at Prosperity Millennia Plaza and The Metropolis Tower will be upgraded in 2026 to enhance energy efficiency and reduce electricity consumption.

LIGHTING UPGRADE

- Typical floor lobbies and corridors across all wholly owned properties in our portfolio have been equipped with energy-efficient LED lighting panels to reduce electricity consumption.

SOLAR PANEL

- We are committed to advancing low-carbon operations and have deployed solar panels at all wholly owned properties where site conditions allow, contributing to renewable energy generation and reducing our reliance on conventional energy sources. The system generated 64,890 kWh of electricity during the Reporting Year.











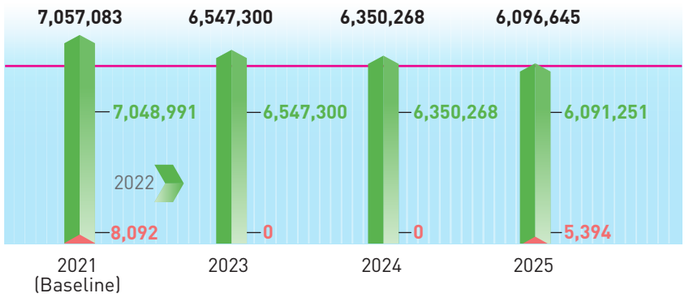
OPERATIONAL EFFICIENCY



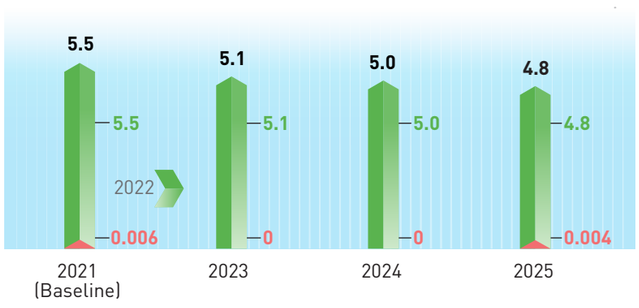
We employ elevator management systems, motion detectors, and hardware upgrades to automatically power down non-essential lighting, elevators, and other building services across our properties. By continuously reviewing and optimising the operating hours of the facilities, we minimise energy waste during non-operational periods. This approach ensures energy efficiency is maintained without compromising operational performance, supported by ongoing monitoring and proactive adjustments.

These ongoing energy efficiency enhancement initiatives have contributed significantly to reducing our overall energy consumption by 4%, our Scope 2 GHG emissions by 8% and our Scope 3 Category 13: Downstream leased assets emissions by 8%, compared to 2024, supporting our commitment to sustainable operations and environmental stewardship.

Energy Consumption (kWh)

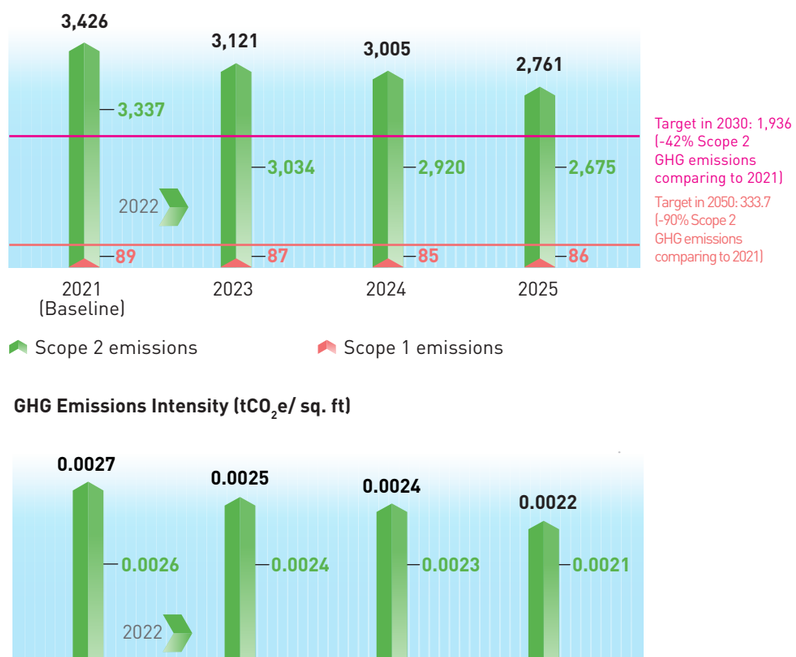


Energy Consumption Intensity (kWh/sq. ft)



Remarks:
1. The energy consumption data covers 100% of Prosperity REIT's portfolio.
2. Due to rounding, the above figures may not precisely reflect the absolute figures.
3. Prosperity REIT has reduced its energy consumption by 14% compared to the 2021 baseline.
4. In 2025, Prosperity REIT purchased diesel for the standby generators to provide emergency electricity supplies.

GHG Emissions (tCO_2e)



GHG Emissions Intensity (tCO_2e/ sq. ft)

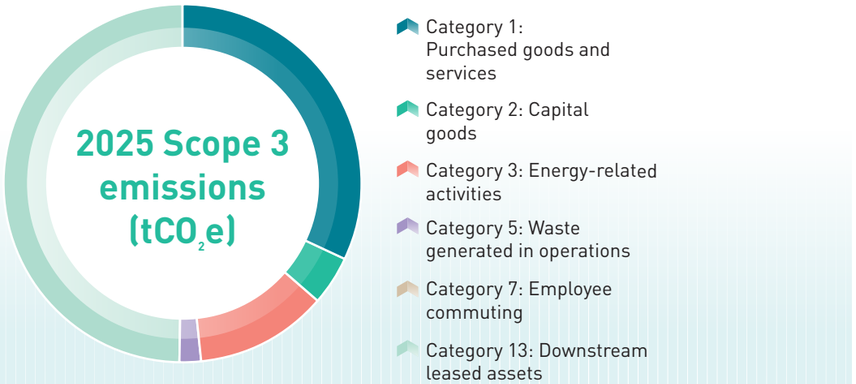
Remarks:
1. The above Scope 1 and Scope 2 GHG emissions data covers 100% of Prosperity REIT's portfolio.
2. Due to rounding, the above figures may not precisely reflect the absolute figures.
3. Scope 1 and 2 GHG emissions are measured using the operational control approach to include emissions from Prosperity REIT's portfolio where data is available.
4. Scope 1 and 2 GHG emissions data covers carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O) and hydrofluorocarbons (HFCs).
5. The calculation of Scope 1 and 2 GHG emissions follows the GHG Protocol: A Corporate Accounting and Reporting Standard (2004).
6. Scope 2 emissions are location-based, and calculated using data from local utility companies, namely CLP and HK Electric.
7. Prosperity REIT has reduced its Scope 2 GHG emissions by 20% compared with 2021 baseline.

Scope 3 Greenhouse Gas Emissions

The Scope 3 emissions data is reported in accordance with the GHG Protocol Standards, focusing on the most material and relevant emission categories that reflect the primary sources of GHG emissions related to our operations and value chain. During the Reporting Year, Scope 3 emissions account for 78% of our total (Scope 1, 2 and 3) GHG emissions.

	2021 (baseline)	2023	2024	**2025**	**YoY Percentage change**
Scope 3 emissions (tCO_2e)	10,197	10,639	10,310	**9,630**	-7%
Scope 3 emissions intensity (tCO_2e/sq. ft)	0.00800	0.00834	0.00809	**0.00755**	-7%

We have identified 7 categories of Scope 3 emissions that are within our reporting scope. Since no business travel has taken place during the Reporting Year, Scope 3 emissions for Category 6: Business Travel is 0 tCO_2e.



Scope 3 Emissions (tCO_2e)	2021 (baseline)	2023	2024	**2025**
Cat 1: Purchased goods and services	2,645	2,945	3,043	**3,093**
Cat 2: Capital goods	182	735	698	**429**
Cat 3: Energy-related activities	1,332	1,232	1,195	**1,139**
Cat 5: Waste generated in operations	185	207	206	**197**
Cat 6: Business travel	0	0	0	**0**
Cat 7: Employee commuting	2	2	2	**2**
Cat 13: Downstream leased assets	5,851	5,518	5,166	**4,770**

Remarks:
1. Prosperity REIT's Scope 3 GHG emissions target covers our substantial emissions which account for over 90% of our Scope 3 emissions, encompassing the following categories: Cat 1: Purchased goods and services, Cat 3: Energy-related activities and Cat 13: Downstream leased assets.
2. Due to rounding, the above figures may not precisely reflect the absolute figures.
3. Prosperity REIT has reduced its overall Scope 3 GHG emissions by 8% across the relevant categories under its target, compared with the 2021 baseline.

For further details on the Scope 3 emissions inventory, please refer to pages 98 to 100.

GREEN BUILDINGS

The development of green building is a vital component to Prosperity REIT's operations and its long-term strategy. In alignment with our target to expand green building certifications at asset level, we ensure that 100% of our property portfolio's total GFA have been recognised with external green building certification. During the Reporting Year, we have achieved a "Platinum" rating under the BEAM Plus EB Comprehensive Scheme at Prosperity Millennia Plaza, marking it our third building to receive the recognition, following The Metropolis Tower and Prosperity Place. Combined with its WELL Certificate Platinum rating, Prosperity Millennia Plaza has become the first property in our portfolio to achieve the prestigious "Double Platinum" status, underscoring our leadership in green building excellence and setting a benchmark for future developments. For further details on the Prosperity REIT's green buildings certifications, please refer to page 78.

WASTE MANAGEMENT

Our long-term goal is to minimise the volume of waste disposed, and we strive to accomplish this through implementing a 3-R strategy (Reduce, Reuse and Recycle). In 2025, we continued to support the Greeners Action's "red packet reuse & recycle" programme, successfully recycling a total of 159 kg of red packets. This campaign aims to promote environmental awareness and encourage sustainable practices, encouraging individuals to recycle to minimise their environmental impact. We also place strong emphasis on educating tenants about waste recycling and reducing landfill waste to foster shared responsibility and drive positive environmental impact.







During the Reporting Year, we continued our "WeCycle" programme to engage tenants across Prosperity REIT's portfolio in reducing waste generation and enhancing waste diversion rates. We organised a series of events at The Metropolis Tower, Prosperity Millennia Plaza, 9 Chong Yip Street and Prosperity Place to foster a collaborative approach to sustainable waste management.

The initiative encourages tenants to participate in recycling through giving out reward points for gift redemption in return. We have received continuous support from our tenants throughout the events, contributing to the collection of approximately 7,276 kg of paper, aluminium cans, plastic bottles, glass bottles, fluorescent tubes, and rechargeable batteries, resulting in a 4% increase from the previous Reporting Year.













The waste breakdown across the portfolio is as follow:

RECYCLED

Non-Hazardous Waste

PAPER (KILOGRAMS)

2023	21,814
2024	26,009
2025	**20,035**

METAL WASTE (KILOGRAMS)

2023	161
2024	72
2025	**148**

PLASTIC WASTE (KILOGRAMS)

2023	562
2024	570
2025	**1,281**

GLASS BOTTLES (KILOGRAMS)

2023	170
2024	87
2025	**300**

Hazardous Waste

ELECTRONIC WASTE (KILOGRAMS)

2023	371
2024	435
2025	**818**

COMPUTER WASTE (KILOGRAMS)

2023	174
2024	188
2025	**0**

LANDFILLED

Non-Hazardous Waste

GENERAL WASTE (KILOGRAMS)

2023	396,364
2024	396,364
2025	**378,225**

TOTAL

TOTAL WASTE RECYCLED (KILOGRAMS)

2023	23,252
2024	27,361
2025	**22,582**

TOTAL NON-HAZARDOUS WASTE GENERATED (KILOGRAMS)

2023	419,071
2024	423,102
2025	**399,989**

TOTAL HAZARDOUS WASTE GENERATED (KILOGRAMS)

2023	545
2024	623
2025	**818**

TOTAL NON-HAZARDOUS WASTE INTENSITY (kg/sq.ft)

2023	0.33
2024	0.33
2025	**0.31**

TOTAL HAZARDOUS WASTE INTENSITY (kg/sq.ft)

2023	0.0004
2024	0.0005
2025	**0.0006**

Remarks:
1. The above waste data covers 100% of Prosperity REIT's portfolio.
2. Due to rounding, the above figures may not precisely reflect the absolute figures.
3. Waste collected through the "WeCycle" programme has been included within the various categories of recycled waste.
4. Electronic waste includes fluorescent lamps, rechargeable batteries and small electronic appliances.
5. A proxy was used for general waste landfilled for 2023 using 2024 data, as Prosperity REIT only began collecting data on tenants' general waste landfilled in 2024.
6. Paper consumed disclosed in previous reports were included in general waste landfilled.
7. Total waste recycled data for 2023 and 2024 have been restated to include computer waste recycled.

To celebrate the festive season of Christmas, we have also repurposed toilet paper tubes collected from the WeCycle initiative to create beautiful and environmentally friendly Christmas trees. Our goal is to minimise waste generation from single-use Christmas ornaments by utilising upcycled waste materials.









WATER MANAGEMENT

Recognising the importance of water in our operations, we have reduced our municipal water consumption by 1.52%, using 2017 as the baseline year. Although this fell slightly short of our 2025 target, the progress made reflects our continued efforts to improve water efficiency. Building on this momentum and to better align with current operational conditions, we have set a new, more ambitious target of reducing municipal water consumption by 20% by 2030, using 2021 as the new baseline. During the Reporting Year, our municipal water consumption increased by 2% compared to 2024, however, it remained 17% lower than the 2021 baseline. To further reduce our water consumption and meet our 2030 targets, we have implemented a range of initiatives within our managed properties, focusing on minimising water usage and enhancing overall water efficiency across our portfolio. We will continue to explore the implementation of latest water-saving technologies and initiatives in the future.

WATER SAVING MEASURES

- Sensor faucets in common bathrooms
- Rainwater collection systems are installed at all wholly owned properties where spatially feasible in our portfolio
- Smart irrigation system for the green wall at Prosperity Place and The Metropolis Tower
- Water leakage detection system at Prosperity Place restrooms

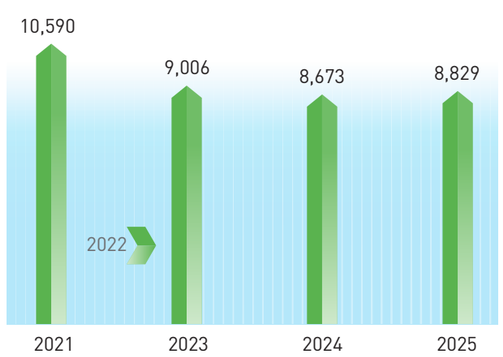




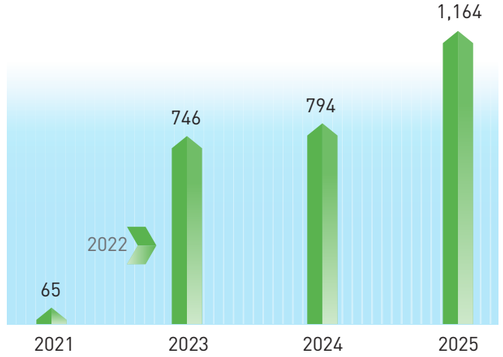


We have installed rainwater collection systems in The Metropolis Tower, Prosperity Place and Trendy Centre. Rainwater is collected and used for plant irrigation and fed into flush water tanks for toilet flushing.

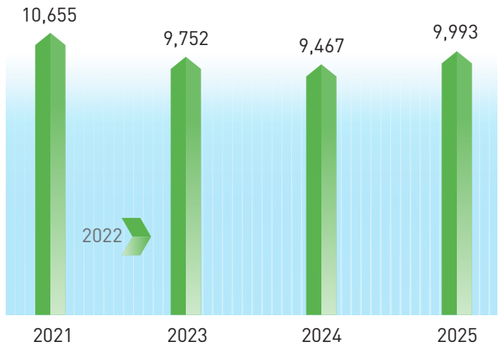
Water Consumption from Municipal Water Supply (m^3)



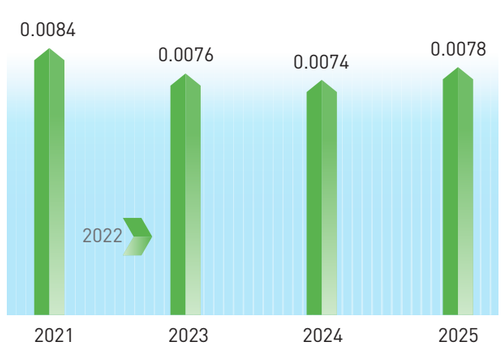
On-site Rainwater Capture and Reuse (m^3)



Total Water Consumption (m^3)



Water Consumption Intensity (m^3/ sq. ft)



Remarks:
1. The above water data covers 100% of Prosperity REIT's portfolio.
2. Due to rounding, the above figures may not precisely reflect the absolute figures.



GREEN LEASE

To actively involve our tenants in advancing sustainable operations, we have incorporated specific provisions on waste management and environmental awareness into our tenancy agreements. These clauses cover recycling practices, the provision of appropriate facilities, and transparency around resource consumption. Recognising the growing importance of sustainable development among our tenants, we continue to strengthen our collaboration with a wider range of tenants, aiming at amplifying our collective environmental impact.

GREEN FINANCING INITIATIVE

Being the first REIT in Hong Kong to achieve 100% sustainability-linked financing, Prosperity REIT continues to uphold its commitment to sustainability, align financial performance with our sustainability objectives, and actively pursue sustainability-linked financing. During the Reporting Year, we have successfully entered into a three-year HK$1.2 billion sustainability-linked syndicated loan facility, jointly arranged by DBS Hong Kong and OCBC Hong Kong. The proceeds will support refinancing, be used for general corporate purpose, and fund risk mitigation strategies, including planned green asset enhancement initiatives, with interest rate reductions upon meeting pre-defined sustainability performance targets.



People

EMPLOYEE RELATIONS AND LABOUR STANDARDS

Employees are essential to organisations' success. We aim to cultivate a positive working environment that attracts and retains talents, and promotes continuous personal growth and development. We are committed to protecting employees' rights by fully adhering to all relevant employment regulations in Hong Kong, including the Employment Ordinance, Employees' Compensation Ordinance and Anti-discrimination Ordinance. We have also established a Labour Policy that incorporates internationally recognised principles and guidelines to ensure a safe workplace environment and to promote diversity and inclusivity. Employee Handbook specifies the rights and responsibilities of our employees, covering core aspects including compensation, recruitment, promotion, working hours, rest periods, equal opportunity and anti-discrimination. We hold profound commitment to upholding our employees' rights to participate in associations and engage in collective bargaining. We strictly prohibit the employment of individuals below the age specified by local legal requirements and in any form of forced labour, upholding a zero-tolerance policy on child labour and forced labour. The Sustainability Steering Committee regularly assesses and updates the Labour Policy to ensure consistency with current practices, compliance with latest regulation requirements and alignment with industry best practices.

We have a comprehensive set of Code of Conduct and Business Ethics Policy in place to guide all employees to adhere to the highest level of ethical standards in their business conduct. We expect full compliance with the policies from all employees to prevent any form of unethical behaviour in the workplace. To enhance monitoring on related issues, we have established a Whistleblowing Policy that provides a confidential channel for employees and external stakeholders to confidentially report concerns about potential misconduct within Prosperity REIT. In cases of confirmed misconduct or violation of applicable laws, regulations or ordinances, the REIT will rigorously take appropriate disciplinary action against relevant individuals. During the Reporting Year, no non-compliance cases were reported during operation.

We have a diverse array of non-salary benefits to cover various needs of our employees and their families. Apart from the obligatory annual, paternity and maternity leaves, we offer marriage, family care, and compassionate leaves for our employees. Employees who served for more than one year is eligible for extended medical leaves if diagnosed as unfit for work by a registered medical practitioner. A health check programme is also available for eligible staff and a voluntary medical plan for all employees. During the Reporting Year, 33% of the REIT Manager's staff participated in the health check programme.



To demonstrate our recognition and gratitude to employees with substantial contributions to the REIT's long-term success, we award the long service award to employees who have served in the REIT for more than five years. In addition, a Long-Term Incentive Scheme is available at the parent group level, aiming to motivate and reward eligible employees through granting them with shares in ESR for their contributions to the REIT's achievements.

We believe that teamwork is the key to achieving growth and success in our business, thus we put great emphasis on enhancing employee's wellbeing and cultivating a collaborative culture within the workplace.

The flexible working policy provides numerous benefits that assist employees in achieving a healthier work-life balance. Moreover, we organise regular activities, including team-building events and leisure workshops for all employees.

TEAM COHESION ACTIVITY

This year, Prosperity REIT's team cohesion activity began with harvesting fresh produce at our self-operated rooftop urban farm at The Metropolis Tower, which was then donated to Feeding Hong Kong, a local community food bank. Afterwards, we gathered at team dinner together to strengthen our bonds and celebrate Prosperity REIT's upcoming 20th anniversary.





LION DANCE SHOW





During Chinese New Year, we brought a lion dance performance to our offices to create a festive atmosphere and bring joy to colleagues. By collectively celebrating the cultural tradition, the event not only fostered a sense of community but also strengthened bonds among teams and enhanced workplace morale.

Employee Engagement and Satisfaction Survey

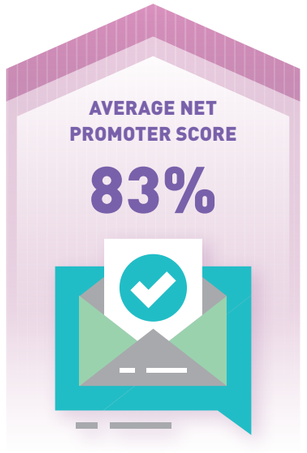
We conduct an annual Employee Engagement and Satisfaction Survey to capture feedback from our colleagues, allowing us to gain a deeper understanding of their expectations and to accurately identify areas for improvement. Focusing on employee wellbeing, the survey covers key areas including satisfaction with the employer, remuneration and benefits, corporate culture and communication, work environment, relationships with supervisors, training and development opportunities, and the overall employment experience. During the Reporting Year, the survey covered all employees with a 100% response rate, and has yielded an average satisfaction rate of 90%.

Results of the Employee Engagement and Satisfaction Survey









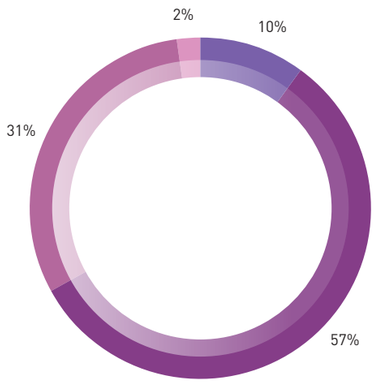
EQUAL OPPORTUNITIES, ANTI-DISCRIMINATION AND INCLUSIVITY AT WORKPLACE

At Prosperity REIT, we are dedicated to cultivating a working environment that prioritises fairness, equality and appreciation of social and cultural diversity among our employees. To realise our dedication, we strive to provide equal opportunities for all employees, regardless of age, race, gender, religion, national origin, sexual orientation, familial status, disability, medical condition or any other characteristics. We are committed to maintaining a female representation of over 40% in our total workforce and promote diversity and inclusivity in the workplace.

Breakdown of our workforce composition by categories is as follow:

Total workforce by category

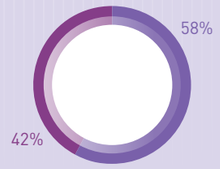
Employment type	Number of Employees
Full-time employees of the REIT Manager	12
Direct employees of the Property Manager	69
On-site outsourcing cleaning staff	38
On-site outsourcing gardener (part-time)	3



Total workforce of the REIT Manager by category

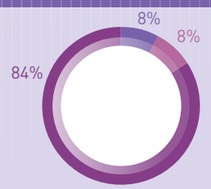
Gender

	Number of Employees
Male	7
Female	5



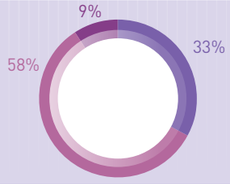
Age group

	Number of Employees
21-30	1
31-40	1
41 or above	10



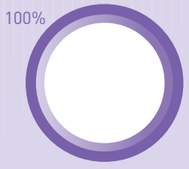
Employment category

	Number of Employees
Senior management	4
Manager	7
General staff	1



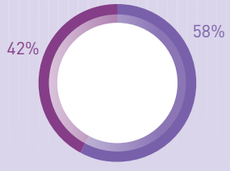
Geographical region

	Number of Employees
Hong Kong	12



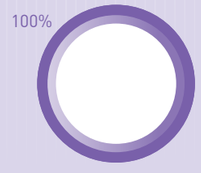
Education background

	Number of Employees
Hong Kong	7
Overseas	5



Nationalities

	Number of Employees
Chinese (Including Hong Kong)	12
Other nationalities	0



Management structure of Senior Management (including CEO) of the REIT Manager by category

Gender

	Number of Employees
Male	2
Female	2

Age group

	Number of Employees
21-30	0
31-40	0
41 or above	4

Employee turnover of the REIT Manager by category

Gender

	Number of Employees
Male	0
Female	0

Age group

	Number of Employees
21-30	0
31-40	0
41 or above	0

New Hire

Gender

	Number of Employees
Male	0
Female	0

Average years employed of the REIT Manager

Gender

Male	10.7 years
Female	9.4 years



Remark:

In 2025, no new hire or staff turnover were recorded.

During the Reporting Year, we organised several activities to promote DEI and foster cultural exchange among our employees.

LEARNING BITES: ESR'S INTERNATIONAL WOMEN DAY 2025 PANEL

We are committed to promoting DEI within our workplace. In support of the International Women's Day, we hosted a virtual panel discussion featuring four female guest speakers from the ESR Group. In line with the theme "Accelerate Action", the panel discussion revolved around how women bring to life their core value of inclusion to empower all employees to thrive.



KIMCHI WORKSHOP

We believe that introducing different cultures helps promote diversity across our working environment. In April, we invited two native Koreans and organised a Kimchi Workshop to introduce participants to Korean culture, traditional fermentation, and Kimchi-making. Through hands-on experience on making Kimchi, the workshop provides an opportunity for colleagues to bond with each other and enjoy a cultural immersion.





OCCUPATIONAL HEALTH AND SAFETY

We acknowledge the critical importance of safeguarding the health and safety of all stakeholders, and remain dedicated to putting in place effective measures that reduce any potential negative impacts stemming from our business activities. The commitment to comply with the Occupational Safety and Health Ordinance and other applicable laws ensures that business operations meet the required regulatory standards. To further strengthen our dedication to cultivating a working environment that is safe and healthy, we have introduced a Health, Safety and Wellbeing Policy and the Sweat Free Code of Conduct to combat worker exploitation, and a Drug-Free Workplace Policy that strictly forbids the illegal manufacturing, distribution, possession or usage of controlled substances within the workplace. At the property management level, our Health & Safety Policy and safety and health management system have been awarded the ISO 45001 certification. We carry out regular safety audits throughout our portfolio to verify and ensure the continued effectiveness and reliability. These audits are essential for maintaining high standards of safety and compliance. During the Reporting Year, there were no reported legal cases related to health and safety.

We engaged an independent safety consultant to conduct regular safety inspections once every two years, and provide guidance on our existing safety and health management system.

We are steadfast in our mission to foster a secure and safe working environment for our employees, with a clear goal of achieving a workplace free from fatal incidents. Our Property Manager has formulated a Health and Safety Management Committee, chaired by the General Manager and comprising of staff representatives from different levels, to implement the efficient execution of our health and safety system. This committee is responsible for overseeing the safety performance of our operations and routinely reviewing the effectiveness of incident prevention measures implemented across our properties.

	Unit of measure	2023	2024	**2025**
Lost days due to work injury	Day	0	0	**0**
Number of work-related fatalities	Person	0	0	**0**
Rate of work-related fatalities	%	0	0	**0**

Regular training programmes were conducted, addressing a range of topics such as safety principles, emergency procedures, the proper handling of chemical and electrical appliances, and fire hazards. The Property Manager organised job-specific training for on-site personnel, including monthly toolbox talks on critical subjects related to occupational health and safety, as well as training on the installation and dismantling of scaffolds. We also shared newsletter with our employees to keep them updated with the latest health and safety standards.

Total training hours of Property Manager's staff on health and safety issues

2,392 hours

Percentage of Property Manager's staff participated in health and safety training

100 %

Recognising the critical importance of mental health for employee well-being and job satisfaction, all seven of our properties have become Chartered Signatories of the Mental Health Workplace Charter, jointly launched by the Department of Health, the Labour Department, and the Occupational Safety & Health Council. This commitment reflects our dedication to fostering a supportive, inclusive, and mentally healthy work environment across our operations.

MENTAL HEALTH SEMINAR FOR MANAGERS AT PROSPERITY MILLENNIA PLAZA

We are committed to integrating mental health with physical health as a core part of our workplace wellbeing strategy, believing this dual focus fosters a more empathetic and supportive work culture. To advance this commitment, we hosted a mental health seminar for the managerial staff of Prosperity Millennia Plaza, organised by our on-site team. The session focused on recognising and mitigating stress-related challenges in the workplace, including working hours, management approach, and conflict resolution. Attendees gained insights into identifying common mental health concerns such as depression, anxiety, and burnout, and explored practical approaches to promote employee wellbeing and prevent work-related stress. The seminar also provided information on available mental health resources.



We are committed to shaping a healthy and welcoming work environment for our frontline property management staff. Prosperity Place has received an "Excellent Class" certificate under the Indoor Air Quality Certification, while all our wholly owned properties, including The Metropolis Tower, Prosperity Millennia Plaza, 9 Chong Yip Street and Trendy Centre, have earned the "Good Class" certificate. In addition, we expect our business partners to maintain outstanding health and safety performance through enforcing rigorous health and safety standards across our supply chain. As included in our contractual documents, contractors are required to comply with the Contractor Safety Regulations.



TRAINING AND DEVELOPMENT

To promote the continuous professional growth of our employees, we have in place a robust performance review system. This system encourages our employees to define clear and measurable annual goals aligned with the strategic objectives of their business unit and the REIT. By enabling open, two-way communication channel, the process enhances mutual understanding which employees can gain a clarity of organisational expectations and supervisors can gain valuable insights into team dynamics and operational challenges. To motivate and boost morale, we provide annual salary increments and promotion opportunities to those who consistently deliver exceptional results.

The following outlines the ongoing process of our performance review system:

Objectives/goal setting: When the assessment period starts, staff members are required to undertake a goal-setting exercise centred on work attributes and individual development plans. These goals must be reviewed and formally approved by both the head of the business unit and the supervisor. To ensure clarity and effectiveness, staff are provided with guidance on setting goals in accordance with the SMART principles, alongside an updated job description that has been confirmed by their supervisors. Each goal is assigned a weighting score to reflect its priority.

Ongoing feedback: Throughout the year, supervisors and employees hold regular meetings to review progress on the agreed objectives, work performance, individual development plans, and strengths and weaknesses. These conversations provide a platform for employees to share feedback, reflect on their growth, and identify opportunities for professional development.

Annual review: At the end of the assessment period, a formal review process is carried out to evaluate employee performance. To maintain consistency and fairness, guidelines outlining the evaluation criteria and procedures are provided. The assessment covers both work-related competencies, such as task performance and personal attributes, including communication, leadership, professional expertise, and alignment with core values. Supervisors are tasked with evaluating and rating these elements to reflect individual performance and overall contributions to the organisation. To promote transparency and constructive feedback, a face-to-face review meeting is held between the employee and their immediate supervisors. The Human Resources Department is responsible for analysing staff remuneration packages, developments and training programmes.

To align management practices with Prosperity REIT's strategic development directions, we set specific sustainability-related objectives from diverse focus aspects for all employees, including the CEO, across business units. These objectives are reviewed by the CEO, departmental heads and supervisors on yearly basis to assess each employee's sustainability performance. We also conduct regular evaluations and monitoring to track our progress and identify follow-up actions where necessary.

The performance review system ensures fair evaluations of employee performance and objective decisions regarding remuneration. To ensure consistency across evaluations and minimise potential bias, supervisors participate in calibration sessions. Beyond evaluating performance, the review process serves as a key mechanism for identifying gaps between our current training offerings and the actual and future training needs of our employees.

The career development policy underscores the value of professional growth and personal progression, motivating employees to engage in training initiatives that deepen their expertise and strengthen their capabilities. With a learning and development programme in place to support new employee's development in their roles, we hope to accelerate their journey in integrating into the team and enable them to make meaningful contributions to the organisation's success. Prosperity REIT has provided training programmes for new hires to build essential job-related competencies, as well as development initiatives for managerial staff to promote their career advancement.

The training programme provides a range of skills to enhance the effectiveness of both employees and the organisation during onboarding. Our learning and development strategies focus on strengthening competencies across multiple facets, integrating specific technical skills with essential business acumen and leadership abilities. The following illustrates the training sessions, which are delivered through a mix of the methods:

Orientation programme: We organise an annual orientation programme for new employees to formally integrate them into the REIT and to familiarise them with our operational processes and corporate values. This programme is vital in facilitating their transition into the workplace and cultivating a strong sense of belonging, enabling them to learn about our corporate culture, including our history, business, values and mission.

On-the-job training: Employees are given direct instruction from their supervisors for the tasks.

Internal and external training sessions: We provide employees with a diverse array of online or physical job-related training aimed at equipping them with the latest knowledge and skills relevant to the real estate industry and their specific roles within the organisation.

This year, our staff participated in the following training sessions:

BRILLIANT PERFORMANCE CONVERSATION WORKSHOP

To promote leadership and management skills among our employees, the Group organised a Brilliant Performance Conversation Workshop for our People Managers. The workshop focused on the five topics including "Foundation of Performance Management", "Determining Fair Ratings", "Preparing for the Conversation", "Delivering Effective Feedback", and "Application through Case Scenarios". Through these case scenarios, participants applied the theories and knowledge into workplace-simulating practices to enhance their understandings on and internalise related people management skills for real-life application.



GLOBAL TOWN HALL SHARING SESSIONS

In April, ESR has launched its first Global Connect Town Hall, aiming to provide a platform for all employees to meet, get business updates, celebrate milestones, and share ideas on how we can achieve more together. The session focused on financial highlights, workplace and employee experience and a refreshed brand for ESR. In November, our Executive Committee leaders gave a sharing on key business highlights and initiatives that will drive ESR's strategy and momentum in 2026 and beyond. These sessions highlight a strong sense of community within the organisation and encourage open communication and engagement by empowering employees to contribute to their collective success.

LEARNING BITES: ARTIFICIAL INTELLIGENCE ("AI") FOR EVERYONE

With the global advancement and evolution of AI technologies, both individuals and organisations have begun to harness AI tools. During the Reporting Year, ESR Group IT hosted two webinars aimed at introducing various AI tools, such as Microsoft Copilot and Copilot Studio, and their integrations into employees' daily workflow. These sessions helped employees gain a clearer understanding of the AI landscape, recognise the capabilities and limitations of these tools, and identify potential "Quick-Win" solutions. By acquiring such knowledge, employees are better equipped to integrate AI solutions into their work to enhance productivity and streamline processes.



Sponsorship for professional development: To encourage our employees to better equip themselves with professional skills, we sponsor all employees for external professional development. In line with our commitment to excellence in sustainability practices, 75% of Prosperity REIT's employees hold a sustainability-related professional qualification, such as the CESGA, CEP or BEAM Professional qualification.

Percentage of employees who received ESG-specific training during the Reporting Year

100%

TOTAL TRAINING HOURS

383 hours

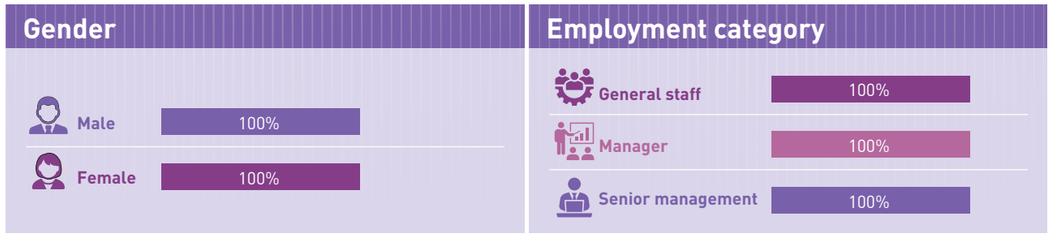
AVERAGE TRAINING HOURS

32 hours

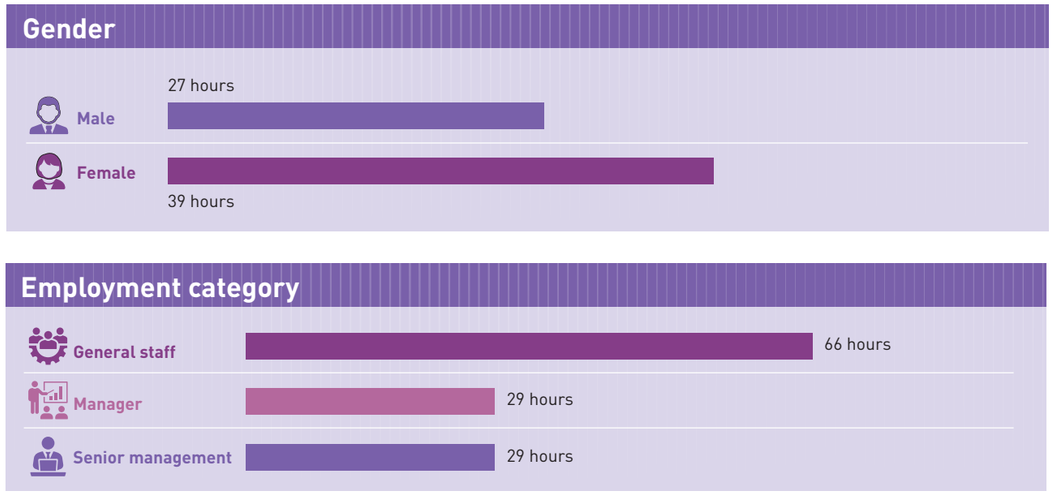
PERCENTAGE OF EMPLOYEES TRAINED

100%

PERCENTAGE OF EMPLOYEES TRAINED IN 2025 BY CATEGORY



AVERAGE TRAINING HOURS IN 2025 BY CATEGORY



TALENT PIPELINE AND SUCCESSION PLANNING

We carry out a thorough assessment of our workforce structure on a yearly basis to enhance our talent pipeline. This process includes discussions on cultivating new talent pools and forecasting hiring needs in alignment with evolving industry trends. To better plan for succession, we examine and identify high-potential employees to plan for successors in key leadership roles. In support of nurturing new leaders within Prosperity REIT, we actively invest in employee development initiatives, ensuring that we equip the most promising individuals to lead the organisation to the future.

To attract young professionals keen on establishing a career in asset management and to develop the next generation of future leaders, we have introduced a structured management trainee programme tailored for recent graduates. Trainees gain valuable experience through mentorship, hands-on on-site learning, and continuous performance coaching throughout the programme. Upon successful completion of the programme, they will be elevated to managerial positions, setting the stage for their future advancement into senior management roles.

During the Reporting Year, we launched the Summer Internship Programme, providing undergraduate students with valuable hands-on experience in the Group's day-to-day operations and deepening their understanding of the real estate industry. The programme seeks to offer interns with meaningful exposure to diverse business functions, fostering professional growth, industry insight, and a strong foundation for future careers, all while strengthening our talent pipeline and commitment to nurturing the next generation of industry leaders.

SUMMER INTERN

Throughout my internship, I was actively involved in various aspects of urban farm operations, and I am particularly grateful for the opportunity to participate in a CSR event, the Mobile Food Pantry, together with different stakeholders such as bank, NGO, community and teammates.



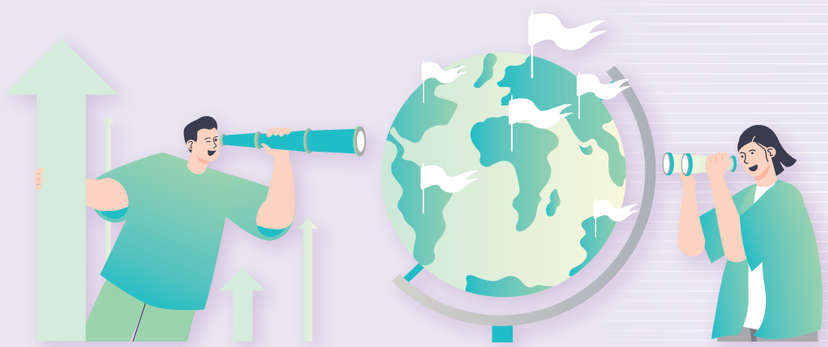


Prosperity REIT has offered me a valuable experience by allowing me to conduct workshops during lunchtime at The Metropolis Tower for promoting the urban farm to our tenants. I believe this is a unique opportunity for a summer intern to host a Fun Day event. Through this experience, I developed essential teamwork and communication skills.



I am truly grateful for the guidance and learning opportunities I received. It has been an incredibly rewarding experience.





Community

COMMUNITY INVESTMENT AND ENGAGEMENT

In conducting our business, we remain committed to giving back to society. To better engage with our stakeholders and fulfil their expectations, we have implemented the ESR Community Development Policy, which outlines our efforts to enhance the social and economic development of the communities in which we operate. The policy focuses on employee engagement in volunteer work, environmental protection, support for philanthropic and humanitarian projects, donations, education and scholarships. We seek to generate a positive social impact by encouraging active participation in community service.

In 2025, Prosperity REIT has been honoured with the "Caring Company 2024/25 – Leading Performance" award and recognised as a Caring Company – 15 Years+ by the Hong Kong Council of Social Service, demonstrating our long-standing commitment and outstanding performance in community service. This year also marks our 11th year of partnership with our nominator organisation, ELCSSHK.



Giving back to society

To gain deeper insights into our programmes and promote sustainability in the community, Prosperity REIT engages in meaningful partnerships with our respected business partners. By leveraging our resources and expertise, while aligning our shared values, we aim to create prosperity, improve the wellbeing of the communities we serve, and focus on supporting the elderly and youth development initiatives in Hong Kong.



SOFT MEAL CAMPAIGN

In 2025, Prosperity REIT partnered with ELCSSHK and DBS Hong Kong volunteers to host a special soft meat luncheon and outing at Cyberport for elderly individuals with swallowing difficulties. With limited soft meal options available in Hong Kong, the event provided a meaningful opportunity for seniors from elderly centres to enjoy a dignified dining experience in an elegant Chinese restaurant setting. The day, enriched with interactive games and a relaxing park stroll, fostered joy, social connection, and compassionate care, reflecting Prosperity REIT's commitment to inclusive well-being and community engagement as part of our sustainability efforts.









FEEDING HONG KONG – EXPERIENCE HARVESTING @ MT



In February, we welcomed Feeding Hong Kong for a harvest at our rooftop farm in The Metropolis Tower, donating 45 kg of freshly harvested vegetables, such as tomatoes, beetroots, bell peppers, and radishes to local charities.





REGULAR CROPS DONATIONS



In our mission to uplift underprivileged communities through urban farming, we proudly introduced our food donation initiative since 2024, reflecting our commitment to social responsibility and community engagement. In 2025, Prosperity REIT donated a total of 579 kg of crops from our self-managed urban farms to Feeding Hong Kong, reinforcing our dedication to enhancing food wellness in the communities we serve. This contribution is carried out usually on a monthly basis. By consistently providing fresh produce, we strive to ensure that our donations make a meaningful impact on local food security and community welfare.



"MOBILE FOOD PANTRY" PROGRAMME

Later in July, we partnered with OCBC Hong Kong to support a Mobile Food Pantry event, hosted by Feeding Hong Kong. We supplemented rescued surplus food with over 80 kg of our own freshly harvested crops, benefiting more than 90 families with the help of 27 dedicated volunteers. This initiative exemplifies our commitment to transforming surplus food into a valuable resource for those in need, while also aligning with Prosperity REIT's "Sustainability Vision 2030" to address food security while protecting the community.







SANTA SACK CAMPAIGN

Prior to Christmas, we collaborated with Feeding Hong Kong once again to deliver food to families and individuals struggling with food security. Our efforts focused on packing a total of 500 Santa Sack Food Bags filled with essential staples, supporting over 60 charities serving seniors and low-income families and ensuring that crucial support reaches those most in need. By participating in the Santa Sack Campaign, we are not only providing nourishment but also spreading joy and hope during the festive season, reinforcing our commitment to uplift vulnerable individuals in our community.









BLOOD DONATION DAYS WITH HONG KONG RED CROSS BLOOD TRANSFUSION SERVICE



To support the urgent appeal from the Hong Kong Red Cross Blood Transfusion Service, Prosperity REIT organised two Blood Donation Days at their Kwun Tong centre in February and October. This initiative exemplifies our commitment to community health and the wellbeing of those in need. With participation from 15 dedicated employees of the REIT Manager, we demonstrated the power of collective action in supporting vital health services. Each donation not only replenishes essential blood supplies but also reinforces our ethos of giving back to the community. We are grateful for the enthusiastic involvement of our team. Together, we are helping to ensure that critical treatments remain accessible to patients facing health challenges.





GOODWELL SHARING JOY • LOVING ELDERLY 2025





To demonstrate our support for our community, we sponsored the CSR event "Goodwell Sharing Joy • Loving Elderly 2025". With nearly 500 elderly participants in attendance, we provided the prizes for the lucky draw, as well as gift bags for each participant to take home, promoting the inclusion of the elderly in our community.



ELCSSHK SIM LOVE

Continuing our commitment to community support, we are proud to have donated 5G phone SIM cards to ELCSSHK for the third year in a row. This initiative is designed to improve connectivity for elderly individuals and low-income families, allowing them to access essential social services and actively participate in their community. By offering these vital resources, we aim to eliminate barriers in communication, ensuring that these individuals receive the support they need for an enhanced quality of life.





SKIP LUNCH DAY 2025

The Skip Lunch Day, organised by The Community Chest, invites participants to forgo their usual lunch expenses to contribute to a meaningful cause. This programme aims to support individuals living on the streets, as well as residents in cage homes and cubicles. Employees actively participated in this effort and shared their experiences, which has fostered a strong sense of community and purpose within our organisation. By collectively taking this small step since 2021, we are making an impact on the lives of those in need.





Involving Our Staff

We are dedicated to cultivating an environment where employees are inspired to participate in socially beneficial activities while balancing their professional and personal lives. In line with the ESR Employee Volunteering Leave policy, we encourage our staff to engage in meaningful community service. This policy enables our employees to make an impact within the community. All eligible employees are entitled to up to 2 days of paid leave each year to participate in volunteer activities sponsored by ESR.

Throughout the Reporting Year, our staff actively participated in different community initiatives, contributing to a total of 630 volunteer hours. In recognition of our efforts, we have been awarded the "Hong Kong Volunteer Award — Top 10 Highest Volunteer Hour" under the category of corporate with less than 100 full-time employees of the Hong Kong Volunteer Award.

2025 香港義工獎
HONG KONG VOLUNTEER AWARD



Total volunteering hours

630 hours



Our Awards

	NAME OF AWARDS	ORGANISATION	AWARDS	WINNING ENTITIES
A. Global ESG Rating				
1.	Global Real Estate Sustainability Benchmark (GRESB)	GRESB	5-star Rating	Prosperity Real Estate Investment Trust
2.	Sustainalytics ESG Risk Rating	Morningstar Sustainalytics	Negligible Risk	Prosperity Real Estate Investment Trust
3.	FTSE EPRA Nareit Global Real Estate Developed Index	FTSE Russell	Constituent	Prosperity Real Estate Investment Trust
B. Sustainability Awards				
1.	WELL Building Standard	International WELL Building Institute ™	Platinum	Prosperity Millennia Plaza
2.	BEAM Plus EB V2.0 Comprehensive Scheme	Hong Kong Green Building Council Limited	Platinum	The Metropolis Tower, Prosperity Place and Prosperity Millennia Plaza
3.	BEAM Plus EB V2.0 Selective Scheme (Energy Use)	Hong Kong Green Building Council Limited	Excellent	Prosperity Millennia Plaza
4.	BEAM Plus EB V2.0 Selective Scheme (Management Portfolio)	Hong Kong Green Building Council Limited	Excellent	The Metropolis Tower, 9 Chong Yip Street, Prosperity Place, Prosperity Center, Trendy Centre and New Treasure Centre
5.	Green Building Award 2025	Hong Kong Green Building Council Limited	Finalist – Facilities Management	The Metropolis Tower
6.	Hong Kong Green and Sustainable Finance Award 2025	Hong Kong Quality Assurance Agency	Visionary Blueprint towards Net-Zero	Prosperity Real Estate Investment Trust
7.	Excellence in Facility Management Award	The Hong Kong Institute of Facility Management	Excellence	The Metropolis Tower
8.	Indoor Air Quality Certificate	Environmental Protection Department	Excellent Class	Prosperity Place
9.	Indoor Air Quality Certificate	Environmental Protection Department	Good Class	The Metropolis Tower, Prosperity Millennia Plaza, 9 Chong Yip Street and Trendy Centre
10.	Wastewi$e Certificate	Environmental Campaign Committee	Excellent	Prosperity Millennia Plaza
11.	Wastewi$e Certificate	Environmental Campaign Committee	Good	The Metropolis Tower, Prosperity Place and Prosperity Center
12.	Energywi$e Certificate	Environmental Campaign Committee	Excellent	The Metropolis Tower
13.	IAQwi$e Certificate	Environmental Campaign Committee	Excellent	Prosperity Place
C. Social Awards				
1.	Caring Company 15 Years Plus Logo (2024-2025)	The Hong Kong Council of Social Services	Leading Performance	ESR Asset Management (Prosperity) Limited
2.	Corporate Partnership 9 Year Plus	Evangelical Lutheran Church of Hong Kong	Trophy	ESR Asset Management (Prosperity) Limited
3.	Hong Kong Volunteer Award 2025	Agency for Volunteer Service	Corporate — Certificate of Appreciation (500–1,999 service hours)	ESR Asset Management (Prosperity) Limited
4.	Hong Kong Volunteer Award 2025 (Corporate Award)	Agency for Volunteer Service	Top 10 Highest Volunteer Hours (Corporate with 100 or less than 100 full-time employees)	ESR Asset Management (Prosperity) Limited
5.	Hong Kong Occupational Safety & Health Award	Occupational Safety & Health Council	Excellence	Prosperity Millennia Plaza and Trendy Centre
6.	Hong Kong Occupational Safety & Health Award	Occupational Safety & Health Council	Outstanding	The Metropolis Tower, Prosperity Place and New Treasure Centre

D. Professional Membership

	Organisation	Membership	Entity
1.	Business Environmental Council	Corporate Member	Prosperity Real Estate Investment Trust

HKEX ESG Reporting Code Content Index

PART B: MANDATORY DISCLOSURE REQUIREMENTS

INDICATORS	REFERENCE
Governance Structure	Our Sustainability Governance and Management — Board Statement; Our Sustainability Governance and Management — Risk Management
Reporting Principles	About This Report — Reporting Principles; Stakeholder Engagement and Materiality Assessment; Nature — Energy Efficiency & Greenhouse Gas Emissions; Scope 3 Greenhouse Gas Emissions; Scope 3 Emissions Inventory
Reporting Boundary	About This Report — Reporting Scope

PART C: "COMPLY OR EXPLAIN" PROVISIONS

INDICATORS		REFERENCE
A. Environmental		
Aspect A1: Emissions		
General disclosure		Nature — Managing Our Environmental Performance and Impact
KPI A1.1	The types of emissions and respective emissions data.	Air emission is not material to our operations.
KPI A1.2	[Repealed]	
KPI A1.3	Total hazardous waste produced and intensity.	Nature — Waste Management
KPI A1.4	Total non-hazardous waste produced and intensity.	Nature — Waste Management
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Nature — Energy Efficiency & Greenhouse Gas Emissions
KPI 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.	Nature — Waste Management We are in midst of improving the data accuracy and reliability of our waste data and will set a quantitative waste reduction target at an appropriate time.
Aspect A2: Use of resources		
General disclosure		Nature — Managing Our Environmental Performance and Impact
KPI A2.1	Direct and indirect energy consumption by type in total and intensity.	Nature — Energy Efficiency & Greenhouse Gas Emissions
KPI A2.2	Water consumption in total and intensity.	Nature — Water Management
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Nature — Energy Efficiency & Greenhouse Gas Emissions
KPI 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.	Nature — Water Management Our operations face no issues in sourcing water that is fit for purpose.
KPI A2.5	Total packaging material used for finished products.	Our operation does not involve the use of packaging materials.
Aspect A3: The environment and natural resources		
General disclosure		Nature — Managing Our Environmental Performance and Impact
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Nature — Managing Our Environmental Performance and Impact
Aspect A4: Climate Change		
General disclosure		[Repealed]
KPI A4.1	[Repealed]	

INDICATORS		REFERENCE
B. Social		
Employment and labour practices		
Aspect B1: Employment		
General disclosure		People — Employee Relations and Labour Standards; Equal Opportunities, Anti-discrimination and Inclusivity at Workplace
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	People — Equal Opportunities, Anti-discrimination and Inclusivity at Workplace Hong Kong is the only location of operations covered in this report.
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	People — Equal Opportunities, Anti-discrimination and Inclusivity at Workplace Hong Kong is the only location of operations covered in this report.
Aspect B2: Health and safety		
General disclosure		People — Occupational Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	People — Occupational Health and Safety
KPI B2.2	Lost days due to work injury.	People — Occupational Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	People — Occupational Health and Safety
Aspect B3: Development and training		
General disclosure		People — Training and Development
KPI B3.1	The percentage of employees trained by gender and employee category.	People — Training and Development
KPI B3.2	The average training hours completed per employee by gender and employee category.	People — Training and Development
Aspect B4: Labour standards		
General disclosure		People — Employee Relations and Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	People — Employee Relations and Labour Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	People — Employee Relations and Labour Standards

INDICATORS		REFERENCE
Operating practices		
Aspect B5: Supply chain management		
General disclosure		Building/Services — Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Building/Services — Supply Chain Management
KPI 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.	Building/Services — Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Building/Services — Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Building/Services — Supply Chain Management
Aspect B6: Product responsibility		
General disclosure		Building/Services — Data Privacy Protection; Service Quality and Tenant Satisfaction
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not relevant to our business
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Building/Services — Service Quality and Tenant Satisfaction
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Not material to our business
KPI B6.4	Description of quality assurance process and recall procedures.	Building/Services — Service Quality and Tenant Satisfaction
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Building/Services — Data Privacy Protection

INDICATORS		REFERENCE
Aspect B7: Anti-corruption		
General disclosure		Building/Services — Business Ethics
KPI 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.	Building/Services — Business Ethics
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Building/Services — Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Building/Services — Business Ethics
Community		
Aspect B8: Community investment		
General disclosure		Community — Community Investment and Engagement
KPI B8.1	Focus areas of contribution.	Community — Community Investment and Engagement
KPI B8.2	Resources contributed to the focus area.	Community — Community Investment and Engagement

PART D: CLIMATE-RELATED DISCLOSURES

PARAGRAPH	DESCRIPTION	REFERENCE
Governance		
19	An issuer shall disclose information about:	
	(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate- related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about: (i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (ii) how and how often the body(s) or individual(s) is informed about climate- related risks and opportunities; (iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; (iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	Nature — Climate Change Risk and Adaptation — Governance
	(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (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.	

PARAGRAPH	DESCRIPTION	REFERENCE
Strategy		
Climate-related risks and opportunities		
20	An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	
	(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	Nature — Climate Change Risk and Adaptation — Strategy
	(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	
	(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	
	(d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	
Business model and value chain		
21	An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:	
	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	Nature — Climate Change Risk and Adaptation — Strategy Due to the nature of our business, climate-related risks and opportunities primarily arise from our 7 properties in Hong Kong, where the entirety of our business and value chain is located and where these risks and opportunities are deemed most material.
	(b) a description of where in the issuer's business model and value chain climate- related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	

PARAGRAPH	DESCRIPTION	REFERENCE
Strategy and decision-making		
22	An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:	
	(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	Nature — Climate Change Risk and Adaptation — Strategy The climate-related transition plan is currently under development as a next step in our climate resilience strategy.
	(i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;	
	(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);	
	(iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan;	
	(iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	
	(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	
23	An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	

PARAGRAPH	DESCRIPTION	REFERENCE
Financial position, financial performance and cash flows		
Current financial effect		
24	An issuer shall disclose qualitative and quantitative information about:	
	(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	Nature – Climate Change Risk and Adaptation – Metrics and Targets We do not anticipate 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.
	(b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	
Anticipated financial effect		
25	The issuer shall provide qualitative and quantitative disclosures about:	
	(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and	Nature — Climate Change Risk and Adaptation — Strategy Given the current limitations in data availability and quantifiable financial metrics, our assessment of anticipated financial impacts for climate-related transition risks focused on the changes in electricity prices and carbon pricing based on NGFS climate scenarios.
	(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	

PARAGRAPH	DESCRIPTION	REFERENCE
Climate resilience		
26	An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:	
	(a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	Nature — Climate Change Risk and Adaptation — Strategy As the results of the climate scenario analysis are generated through computer-based climate simulations and projections, they represent indicative estimates that may change as climate conditions evolve, and more real-world data becomes available. We acknowledge that uncertainties remain due to assumptions embedded in assessment methodologies, the use of hypothetical scenarios, and factors dependent on future conditions. These uncertainties are inherent in long-term projections, where physical risks vary by location and transition risks depend on evolving policies, market dynamics, and technological developments. To ensure relevance and reliability, our disclosures focus on the financial impact projections up to 2030, as we believe the results beyond 2030 carry significantly higher uncertainty due to long-term assumptions and the increasingly distant nature of future conditions. Nonetheless, this science-based and data-informed approach provides valuable insights that help us anticipate climate-related risks and opportunities and strengthen our resilience planning. We will continuously review and update our methodology to improve the accuracy of the assessment.
	(b) how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out.	

PARAGRAPH	DESCRIPTION	REFERENCE
Risk Management		
27	An issuer shall disclose information about:	
	(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about: (i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	Nature – Climate Change Risk and Adaptation – Risk Management We did not change the processes we use to identify, assess, prioritise and monitor climate-related risks compared with the previous reporting period.
	(b) the processes the issuer uses to identify, assess, prioritise and monitor climate- related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	
	(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	

PARAGRAPH	DESCRIPTION	REFERENCE
Metrics and Targets		
Greenhouse gas emissions		
28	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as:	
	(a) Scope 1 greenhouse gas emissions;	Nature – Energy Efficiency & Greenhouse Gas Emissions Scope 3 Emissions Inventory
	(b) Scope 2 greenhouse gas emissions; and	
	(c) Scope 3 greenhouse gas emissions.	
29	An issuer shall:	
	(a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	Nature – Energy Efficiency & Greenhouse Gas Emissions Scope 3 Emissions Inventory
	(b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	
	(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and	
	(d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	

PARAGRAPH	DESCRIPTION	REFERENCE
Climate-related transition risks		
30	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	As all our 7 properties are located in Hong Kong, 100% of our business model is exposed to similar levels of transition risks. Policy and legal risks have been identified as having a relatively significant impact across various issues, including energy mix and energy use, carbon price, green building targets and standards, as well as litigation and non-compliance.
Climate-related physical risks		
31	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	For physical risks, tropical cyclones have been identified as having the most significant impact to our operations. The direct impacts resulting from tropical cyclones are mainly related to the additional costs incurred for restoring assets damaged during climate events. As all our 7 properties are located in Hong Kong, 100% of our business model is impacted by different levels of risk of damage from tropical cyclones, given their location in Hong Kong.
Climate-related opportunities		
32	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	As a global shift on sustainability intensifies, Prosperity REIT recognises opportunities arising from the transition to lower-carbon economy. To align with evolving market expectations and capture opportunities, we have incorporated energy-efficient technologies and sustainable building elements across all our 7 properties located in Hong Kong, which represent 100% of our business model.
Capital deployment		
33	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Nature – Climate Change Risk and Adaptation – Strategy

PARAGRAPH	DESCRIPTION	REFERENCE
Internal carbon prices		
34	An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision- making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	Currently, we do not apply a carbon price in decision-making, but will explore options and opportunities to incorporate carbon pricing considerations in the future.
Remuneration		
35	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	Nature – Climate Change Risk and Adaptation – Governance
Industry-based metrics		
36	An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry- based metrics associated with disclosure topics described in the IFRS S2 Industry- based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	Currently, we do not apply industry-based metrics, but will explore the possibility of relevant disclosure in the future.

PARAGRAPH	DESCRIPTION	REFERENCE
Climate-related targets		
37	An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:	
	(a) the metric used to set the target;	Nature – Energy Efficiency & Greenhouse Gas Emissions
	(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	
	(c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);	
	(d) the period over which the target applies;	
	(e) the base period from which progress is measured;	
	(f) milestones or interim targets (if any);	
	(g) if the target is quantitative, whether the target is an absolute target or an intensity target; and	
	(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	
38	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
	(a) whether the target and the methodology for setting the target has been validated by a third party;	Nature – Energy Efficiency & Greenhouse Gas Emissions
	(b) the issuer's processes for reviewing the target;	
	(c) the metrics used to monitor progress towards reaching the target; and	
	(d) any revisions to the target and an explanation for those revisions.	
39	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	Nature – Energy Efficiency & Greenhouse Gas Emissions

PARAGRAPH	DESCRIPTION	REFERENCE
40	For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:	
	(a) which greenhouse gases are covered by the target;	Nature – Energy Efficiency & Greenhouse Gas Emissions Scope 3 Emissions Inventory Our GHG emissions targets are gross emissions targets and were not derived using sectoral decarbonisation approach. Currently, we do not have any plans in using carbon credits towards achieving our SBTs.
	(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	
	(c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	
	(d) whether the target was derived using a sectoral decarbonisation approach; and	
	(e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:	
	(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	
	(ii) which third-party scheme(s) will verify or certify the carbon credits;	
	(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	
	(iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	
Applicability of cross-industry metrics and industry-based metrics		
41	In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	Currently, we do not apply cross-industry metrics and industry-based metrics, but will explore the possibility of relevant disclosure in the future.

Independent Verification Statement

HKQAA
HONG KONG QUALITY ASSURANCE AGENCY
香港品質保證局

Independent Assurance Report

1. Introduction

Hong Kong Quality Assurance Agency ("HKQAA", "we", "our", "us") was engaged by Prosperity Real Estate Investment Trust ("the Company") to conduct an independent assurance of the sustainability disclosures ("Sustainability Disclosures") presented in its Sustainability Report 2025 ("the Report") for the reporting period 1 January 2025 to 31 December 2025 ("Verification Period") and issue this Independent Assurance Report. For the avoidance of doubt, all Appendices listed at the end of this Independent Assurance Report and as attached hereto are hereby incorporated by reference and form an integral part of this Independent Assurance Report. The Report outlines the Company's sustainability performance, including climate-related financial impacts, and covers aspects such as governance, strategy, risk management, and metrics and targets.

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

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

For the avoidance of doubt, our sustainability assurance activities and the Independent Assurance Report is subject at all times to the assumptions, dependencies, boundaries, limitations, exclusions and scope of roles and responsibilities as set out under Appendix A attached hereto. Appendix A is also available on the HKQAA website (www.hkqaa.org) under the navigation path: News & Resources > Guides & Forms > Guidelines > Sustainability Assurance.

2. Assurance Methodology

HKQAA's assurance procedure was conducted:

- with reference to the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000"), issued by the International Auditing and Assurance Standards Board ("IAASB").

The evidence gathering processes were designed to obtain a limited level of assurance, as set out in the international standards, using a risk-based approach.

Our assurance procedures included, but were not limited to:

- Reviewing relevant policies, procedures, relevant documentation and records provided by the Company, including those related to climate-related information such as governance, risk identification, and performance metrics.
- Interviewing key management and personnel responsible of the Company for reporting and climate-related governance.
- Conducting analytical reviews of disclosures for plausibility and consistency with sector benchmarks, external frameworks, and internal supporting data.
- Selecting representative samples of disclosures, with a focus on materiality and risk, and assessing the underlying evidence for each sample using judgmental sampling.
- Evaluating the transparency of disclosed assumptions, dependencies, and boundaries.

HKQAA
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香港品質保證局

- Assessing the completeness of coverage with respect to the requirements of the reporting criteria, including reviewing methodologies used for estimations, sensitivity analyses, and disclosures of uncertainties.

3. Conclusion

Based on the procedures performed, evidence obtained, and subject to the stated assumptions, dependencies, boundaries, limitations, and exclusions, nothing has come to our attention that causes us to believe that the selected sustainability disclosures in the Company's Sustainability Report 2025 for the Verification Period from 1 January 2025 to 31 December 2025 are not presented, in all material respects, in accordance with the requirements of the ESG Reporting Code.

This Independent Assurance Report on limited assurance is made solely for the use of Prosperity Real Estate Investment Trust and the users of its Sustainability Report 2025 for the purpose of use in accordance with and with reference, to the reporting criteria set out in the Introduction section of this report. We do not accept or assume responsibility for any other purpose or to any other person to whom this Independent Assurance Report is shown or into whose hands it may come. We confirm our independence from the Company in conducting this engagement.

The engagement leader on the assurance engagement resulting in this independent assurance report is Tiff Yeung.

Signed on behalf of Hong Kong Quality Assurance Agency

Hong Kong Quality Assurance Agency

04 March 2026

Ref: 14991048

Scope 3 Emissions Inventory

SCOPE 3 CATEGORY		DEFINITIONS	SOURCE OF ACTIVITY DATA	SOURCE OF EMISSION FACTOR	GHG EMISSIONS IN 2025 (tCO_2e)
1	Purchased goods and services	Extraction, production and transportation of goods and services purchased and acquired that are not included in categories 2 to 8.	Primary procurement spend data from Prosperity REIT	US EPA EEIO	3,093
2	Capital goods	Extraction, production and transportation of capital goods purchased or acquired by the company in the reporting year.	Primary procurement spend data from Prosperity REIT	US EPA EEIO	429
3	Energy-related activities	Emissions related to the production of fuels and energy purchased and consumed by the reporting company in the reporting year that are not included in Scope 1 or Scope 2 (e.g., upstream emissions and transmission and distribution (T&D) losses)	Primary energy data from properties managed by Prosperity REIT	Sustainability reports of the local utility companies for electricity in Hong Kong (CLP and HK Electric) "Guidelines to Defra's Greenhouse Gas Conversion Factors for Company Reporting" published by the Department for Environment, Food and Rural Affairs (Defra) of the UK	1,139
4	Upstream transportation and distribution	Transportation and distribution of products purchased in the reporting year, between a company's tier 1 suppliers and its own operations in vehicles not owned or operated by the reporting company. Third-party transportation and distribution services purchased by the reporting company in the reporting year	Not applicable	Not applicable. The emissions from upstream transportation and distribution activities are included in the scope 3 categories of "Purchased goods and services" and "Capital goods".	
5	Waste generated in operations	Emissions from waste treatment (e.g., disposal in landfill, incineration, composting, recovery for recycling, waste-to-energy, etc.) in facilities owned or operated by third parties	Primary waste data from properties managed by Prosperity REIT	"Guidelines to Defra's Greenhouse Gas Conversion Factors for Company Reporting" published by the Department for Environment, Food and Rural Affairs (Defra) of the UK	197
6	Business Travel	Emissions from transportation of employees for business-related activities in vehicles owned or operated by third parties (e.g., aircraft, train, bus, passenger car).	Land and air travel of Prosperity REIT employees	Not available as there were no business travel expenses incurred during the Reporting Year.	
7	Employee commuting	Emissions from transportation of employees between their homes and their worksites.	Number of Prosperity REIT employees	Carbon Footprint Management Toolkit for Sustainable Low-Carbon Living by City University of Hong Kong "Guidelines to Defra's Greenhouse Gas Conversion Factors for Company Reporting" published by the Department for Environment, Food and Rural Affairs (Defra) of the UK	2
8	Upstream leased assets	Emissions from the operation of assets that are leased by the reporting company in the reporting year and not already included in the reporting company's Scope 1 or Scope 2 inventories.	Not applicable	Not applicable. Prosperity REIT's business nature does not involve operation of upstream leased assets.	

SCOPE 3 CATEGORY		DEFINITIONS	SOURCE OF ACTIVITY DATA	SOURCE OF EMISSION FACTOR	GHG EMISSIONS IN 2025 (tCO_2e)
9	Downstream transportation and distribution	Emissions from transportation and distribution of sold products in vehicles and facilities not owned or controlled by the reporting company that occur in the reporting year.	Not applicable	Not Applicable. Prosperity REIT's business nature does not involve sold products.	
10	Processing of sold products	Emissions from processing of sold intermediate products by third parties (e.g., manufacturers) subsequent to sale by the reporting company.	Not applicable	Not applicable. Prosperity REIT's business nature does not involve sold products.	
11	Use of sold products	Emissions from the use of goods and services sold by the reporting company in the reporting year.	Not applicable	Not applicable. Prosperity REIT's business nature does not involve sold products.	
12	End-of-life treatment of sold products	Emissions from waste disposal and treatment of products sold by the reporting company in the reporting year at the end of their life.	Not applicable	Not applicable. Prosperity REIT's business nature does not involve sold products.	
13	Downstream leased assets	Operation of assets owned by Prosperity REIT (lessor) and leased to other entities in the reporting year, not included in Scope 1 and Scope 2 — reported by lessor.	Primary electricity data from Prosperity REIT	Sustainability reports of the local utility companies for electricity in Hong Kong (CLP and HK Electric)	4,770
14	Franchises	Operations of franchises not included in Scope 1 and Scope 2 — reported by Prosperity REIT.	Not applicable	Not applicable. Prosperity REIT's business nature does not involve operations of franchises.	
15	Investments	Emissions associated with investments by Prosperity REIT in the reporting year, not included in Scope 1 and Scope 2 — reported by Prosperity REIT.	Not applicable	Not applicable. All 7 assets in the reporting scope are under the direct ownership and management of Prosperity REIT.	



PROSPERITY REIT 泓富產業信託

Stock Code: 808

Prosperity REIT is managed by
ESR Asset Management (Prosperity) Limited,
a subsidiary of ESR Group Limited

www.prosperityreit.com

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