

Sustainability Disclosure

Introduction

This Sustainability Disclosure outlines the approach of the DFI Retail Group ('the Group' or 'DFI') to managing sustainability-related risks and opportunities across our operations and value chain. The report covers the financial year ended 31 December 2025. The consolidated sustainability information applies to the same reporting entity as our consolidated financial statements for subsidiaries, but excludes associates, joint ventures and franchisees unless otherwise stated. The disclosure aims to provide investors and stakeholders with decision-useful information on our governance, strategy, risk management, and the metrics and targets associated with each of our sustainability pillars.

Our reporting approach is developed with reference to leading international frameworks and standards, including the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and the IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2) issued by the International

Sustainability Standards Board (ISSB). These frameworks guide the structure and content of our disclosures to ensure transparency, consistency and comparability with global best practices. Where relevant, we also reference the Global Reporting Initiative (GRI) Standards and the SASB Standards for the food and multiline retail sectors to provide industry-specific metrics.

This report builds on the foundation shared in our previous Sustainability Reports and reflects our continued progress in integrating sustainability into our business strategy and financial planning. It includes updates on our double materiality assessment, climate scenario analysis, and transition planning, as well as enhanced disclosures on governance and risk management processes. Cross-references to sections of the Annual Report are provided to enable stakeholders to relate our sustainability disclosures to our broader financial and business reporting.

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Sustainability Framework

At DFI, our purpose is to sustainably serve Asia for generations with everyday moments. We are committed to transforming Asia’s retail landscape through sustainable choices that benefit both people and the planet. Our sustainability strategy is anchored in three strategic pillars: **People**, **Products**, and **Planet**, with **Governance** as the cornerstone, ensuring robust leadership and oversight.



Group Chief Legal, Sustainability and Corporate Affairs Officer's Review

Guided by our purpose to 'Sustainably Serve Asia for Generations with Everyday Moments', 2025 marked another year of steady progress in delivering on our sustainability ambitions. During the year, we continued to strengthen governance, embed sustainability into our business strategy, and deliver measurable progress across our three pillars — People, Products, and Planet.

Governance, strategy and risk management

Our Board and Sustainability Committee maintain strong oversight of our progress and priorities. We uphold our key principles of being **'focused, balanced and collaborative'** in delivering our strategy, concentrating our efforts on our most material issues and working with our team members, suppliers, partners, and communities.

This year, we streamlined our sustainability disclosure, and enhanced our double materiality assessment, climate scenario analysis, and transition plan, further improving transparency and alignment with IFRS S1 and S2.

People

We continue to create value for our customers through a wide range of health, wellness and nutritional products to help them live healthier lives. Across banners, our community giveback programmes supported over 1.25 million beneficiaries, empowering lives through health, wellness and community initiatives. Our new platform for learning and development (DFILEARN) and structured leadership development

programmes strengthened capability building for our team members. We maintained 100% approved ethical audits for Own Brand factories in high-risk countries, reinforcing our commitment to human rights in our supply chain.

Products

Our Own Brand strategy continued to make sustainable choices accessible and affordable. We expanded our offerings with sustainability certifications, such as Rainforest Alliance-certified coffee and responsibly sourced seafood. We launched Own Brand Low-Carbon Rice and 7-Eleven products that embraced circularity through our 'Grounds to Green' programme. By the end of 2025, we successfully transitioned 83% of our Own Brand product plastic packaging components to be reusable, recyclable, or compostable.

Planet

We are proud of our decarbonisation achievements across our operations and supply chains. As of 2025, we achieved a 22% reduction in Scope 1 and 2 emissions compared to our 2021 baseline, marking clear progress towards our 50% reduction target by 2030. This reflects the cumulative impact



of our initiatives, ranging from investments in refrigeration upgrades to energy-efficiency projects across our stores.

Our focus on four key commodities in our Scope 3 portfolio is also yielding results. We launched 380 tonnes of Low-Carbon Rice, surpassing our 200-tonne target and demonstrating that sustainable options can be affordable and scalable by advancing collaboration across value chains. We achieved 100% certified deforestation-free sourcing for coffee beans used by 7CAFÉ in Hong Kong, Macau and Singapore, as well as IKEA. We initiated a systematic supplier engagement programme and launched a Sustainability Innovation Challenge to support decarbonisation for the beef and dairy industries.

Waste diversion improved to 66% from 61% across the Group, driven by enhanced recycling and reduction practices across our distribution centres and stores, and the expansion of food donation partnerships.

Recognition and collaboration

Our efforts have been recognised through multiple accolades and most importantly by our customers and shareholders. We continue to invest in industry

collaboration by participating in the Consumer Goods Forum (CGF)'s Climate Transition and Plastic Waste Coalitions, and the World Economic Forum First Movers Coalition for Food, reinforcing our belief that systemic transformation can only be delivered through collective action.

Looking ahead

As we look ahead to 2026 and beyond, we remain focused on delivering our plans across our priorities within the People, Products and Planet pillars. These include continuing to embed sustainability into learning and governance frameworks across the Group, scaling our low-carbon rice programme, amplifying supplier engagement and innovation across key commodities, accelerating energy-efficiency and renewable energy procurement in priority markets, and progressing on waste diversion programmes. These initiatives will continue to position the Group as 'Customer First, People Led, Shareholder Driven' to support our long-term success.

Erica Chan

Group Chief Legal, Sustainability
and Corporate Affairs Officer
3 March 2026

Performance Highlights

	Our Commitment	2025 Progress
<p>Scope 1 and 2 reduction for continuing businesses from 2021 baseline</p>	<p>≥50% by 2030</p> <p>Net zero by 2050</p>	<p>22%</p>
<p>Scope 3</p>	<p>4 key commodities</p> <p>Drive decarbonisation across supply chains of Rice, Coffee, Dairy, Beef</p>	<p>380 tonnes</p> <p>Low-Carbon Rice launched with ≥30% emission reductions in the rice fields</p> <hr/> <p>100%</p> <p>Coffee beans for 7CAFÉ Hong Kong, Macau and Singapore, and IKEA with certification for deforestation-free sourcing</p> <hr/> <p>DFI Sustainability Innovation Challenge</p> <p>launched to source global decarbonisation innovations for Beef and Dairy</p>
<p>Waste Diversion</p>	<p>≥80% by 2030</p>	<p>66%</p>
<p>Plastic packaging Own Brand plastic packaging components to be Recyclable, Reusable or Compostable (RRC) by design</p>	<p>≥85% by 2030</p> <p>by weight of all plastic packaging components sold</p>	<p>83%</p>
<p>Ethical Sourcing Own Brand factories in high-risk countries with approved ethical audits</p>	<p>100%</p>	<p>100%</p>



Curtis Liu, Chief Executive Officer, Food (Right) and Mr. Chaikun Tepkasetkul, President of Toumi Foods and Product Co., Ltd. (Left) attended the signing ceremony to announce the strategic partnership



DFI and The Mills Fabrica launched the Sustainability Innovation Challenge to drive decarbonisation in beef and dairy



Sustainability Month 2025, themed 'Sustainability – Today, Tomorrow, Together', engaged 3,000+ team members across 32 activities to bring ambitions to life

External Engagement through Memberships

Our sustainability efforts are strengthened through active participation in global and local initiatives, coalitions and task forces, and through adherence to recognised standards.

- The Consumer Goods Forum (CGF) – Towards Net Zero Coalition, Plastic Waste Coalition
- World Economic Forum – First Movers Coalition for Food
- Business Environment Council in Hong Kong – Climate Change Business Forum Advisory Group, Circular Economy Advisory Group
- Hong Kong General Chamber of Commerce – Environment & Sustainability Committee
- Hong Kong Retail Management Association – Sustainability Task Force
- Food Wise Hong Kong Steering Committee – Member
- WWF-Hong Kong – Sustainable Seafood Business Membership Programme
- amfori BSCI (Business Social Compliance Initiative) – Member

Major Awards and Recognition

Across our markets, we have received more than 60 awards reflecting our achievements in the People, Products, and Planet pillars. A selection of our key awards is highlighted here.

People

- 1. Retail Asia Awards 2025: ESG Initiative of the Year**
Mannings Hong Kong's 'Safe Disposal of Unused Medicines' Programme
- 2. People's Association Community Spirit Awards 2025: Merit Award**
Cold Storage, Giant, Guardian, and 7-Eleven's community giveback programmes
- 3. Business Awards of Macau 2025: Corporate Social Responsibility Award**
Mannings' PharmaCare Programme provides health and wellbeing benefits for team members and their family members
- 4. Company of Good, National Volunteer & Philanthropy Centre (NVPC): 1 Heart**
DFI community contributions and commitment to meaningful, long-term social impact in Singapore
- 5. HR Asia Best Companies to Work For In Asia Award: (i) Diversity, Equity, and Inclusion Award, Best Companies to Work For in (ii) Hong Kong and (iii) Cambodia**
Recognitions for DFI Retail Group, and Hong Kong and Cambodia teams for people and culture performance
- 6. Hong Kong Management Association: Award for Excellence in Training and Development 2025**
Pioneering Qualifications Framework Level 6 Programme for the Hong Kong retail industry
- 7. Equal Opportunities Commission Racial Diversity & Inclusion Employers Award Scheme: (i) Racial Equity in Hiring (Gold), (ii) Inclusive Workplace Culture (Gold) and (iii) Community Engagement (Silver)**
DFI Hong Kong team received three recognitions for fostering inclusion across our workplace

Products

- 8. UNSDG Achievements Award Hong Kong 2025: Individual SDG Award for Goal 13: Climate Action**
DFI's low-emissions rice pilot delivered emissions reductions for a key commodity
- 9. FMCG Asia Awards 2025, Sustainability Initiative of the Year – Hong Kong**
DFI's low-emissions rice pilot achieved a successful launch in Hong Kong's retail market
- 10. ESGBusiness Awards 2025: Supply Chain Partnership Award**
DFI's supply chain collaboration helped deliver low emissions rice to consumers
- 11. ESGBusiness Awards 2025: (i) Circular Economy Award, (ii) Initiative Award**
7-Eleven Hong Kong & Macau's Grounds to Green Upcycling Programme
- 12. HK International Beer Awards 2025: Certificate of Bronze in Specialty Beer, Non-Aged**
7-Eleven collaborated with Maxim's to launch 'BOB x 7CAFÉ Coffee Beer,' brewed using upcycled coffee grounds from 7CAFÉ and surplus bread from Maxim's
- 13. Global Wine & Spirits Awards Asia: Silver Award 2025 in Beer, Specialty**
Global recognition of 'BOB x 7CAFÉ Coffee Beer' for its quality and sustainability attributes
- 14. Asia 100 Sustainable Agri-food Development Forum: Circular Economy Innovation Award**
Maxim's WeGen farming's closed-loop model

Planet

- 15. 2024 Hong Kong Awards for Environmental Excellence: Shops and Retailers – Bronze Award**
DFI's outstanding environmental performance was recognised by the Environmental Campaign Committee in Hong Kong
- 16. CLP Smart Energy Award 2025: Sustainable Carbon Neutral Award, Excellence Award (Services)**
Maxim's strong performance in energy efficiency and the adoption of renewable energy sources across its operations
- 17. HKMA Sustainability Award 2025: Excellence in Environmental Sustainability Initiative (Large Organisation Category), Certificate of Excellence**
DFI's initiatives elevated sustainability performance and demonstrated excellence in environmental sustainability
- 18. Hong Kong Sustainable Development Innovation and Technology Awards 2025: Towards Net Zero Innovation and Technology, Excellent Award**
Maxim's SmartOps, a digital transformation initiative, enhanced production line efficiency and strengthened food traceability
- 19. TVB ESG Awards 2025: ESG Special Recognition Award – with Merit**
Both DFI and Maxim's received the award in recognition of our ESG performance and industry leadership
- 20. World Green Organisation Climate Action Award 2025: Climate Action Award**
Recognition for Maxim's efforts in ESG integration and carbon management



Sustainability Governance

Our Approach to Sustainability Governance

Sustainability governance is a cornerstone of our sustainability framework and underscores our commitment to robust oversight of sustainability-related risks and opportunities. Through well-defined governance processes, DFI ensures an integrated approach to sustainability strategy planning and implementation.

The Board is accountable for the governance processes, controls, and procedures that monitor, manage, and oversee sustainability-related risks and opportunities. Oversight is supported by the Management Committee, which translates strategic direction into operational execution and continuously monitors progress through established controls. Our overall governance approach is detailed in the Corporate Governance section of the Annual Report.

This section outlines DFI's sustainability governance structure in more detail, including the roles of the Board, Board Committees, the Sustainability Committee, and key working teams. Each committee or management team comprises individuals with the relevant skills and competencies to fulfil their roles. Responsibilities are delegated and integrated across relevant functions and formats within the Group.

To ensure the Board remains appropriately skilled, we monitor and disclose the competencies of our Board members in industry-specific and sustainability issues, as outlined in our Board Composition and Operational Management section.

In 2025, the Board convened two sessions – in March and November – to review progress, performance, and plans on sustainability matters. Additionally, our Sustainability Committee held 11 meetings during the year to assess the progress of our sustainability initiatives. Each meeting focused on different material sustainability topics outlined in the Sustainability Strategy section of this report. We continue to review and adapt the governance cadence of our Sustainability Committee to align with the maturity of our journey.

Our remuneration and rewards programmes – covering short-term and long-term incentive plans – are designed to support our overall business strategy, including sustainability objectives and performance. Relevant sustainability objectives are formally integrated into the annual objective-setting process, and performance against those objectives is considered during reviews. This approach cascades top-down, from the Management Committee to all team members. More information about our remuneration philosophy for senior leaders is in the Corporate Governance section of our Annual Report.

Board of Directors

- Oversees significant sustainability-related risks, opportunities, and impacts by ensuring that sustainability considerations are integrated into DFI's purpose, governance, strategy, decision-making, and risk management processes.
- Provides oversight of our risk management framework, including sustainability-related risks.

Bi-annual Progress Update

Audit Committee

- Oversees and assesses the effectiveness of the Group's risk management framework.
- Oversees the integrity, accuracy and reliability of sustainability data and disclosures.
- Oversees compliance with sustainability reporting regulations and standards.
- Reviews assurance of sustainability metrics provided by external independent practitioner.

Sustainability Committee

- Comprises Group Chief Executive (Chair), Group Chief Financial Officer, Group Chief Legal, Sustainability and Corporate Affairs Officer, and Chief Executive Officer of Food.
- Leads the strategic direction and approves DFI's sustainability targets.
- Provides governance oversight to ensure alignment of sustainability initiatives with business priorities.
- Monitors and reviews progress in sustainability

Risk Management Committee

- Oversees principal and material risks including sustainability-related risks, and integrates into the risk management framework.
- Assesses risk appetite, tolerance, and promotes a strong risk culture.
- Reviews and monitors controls in place to mitigate such risks.

ESG Reporting Team

- Manages sustainability data collection for internal and external reporting.
- Maintains data quality and integrity.
- Reviews and maintains compliance with sustainability reporting regulations and standards.

Sustainability Team

- Develops and drives implementation of sustainability strategy and action plans.
- Coordinates execution of initiatives with internal and external stakeholders to achieve sustainability targets.
- Monitors external developments and responds to emerging risks and opportunities.

Sustainability Working Groups

- Leads execution of sustainability initiatives in specific focus areas to achieve sustainability targets and objectives.
- Provides progress updates, challenges and solutions to the Sustainability Committee.

Sustainability Strategy

Our Sustainability Framework

DFI Retail Group's Sustainability Framework is anchored on three strategic pillars—**People, Products, and Planet**—with **Governance** as the foundational cornerstone across all our sustainability policies and practices.

Sustainably Serve Asia for Generations with Everyday Moments



People

We empower lives across Asia by promoting health, safety, and wellbeing for customers, team members, suppliers and communities.



Products

We enable sustainable choices by integrating sustainability into our own product design and packaging, increasing the range of products with sustainability certifications, and ensuring affordability without compromising quality.



Planet

We play our part in reducing our environmental impact through carbon reduction across our value chain and continuing to minimise waste.

Double Materiality Assessment

Our strategic focus areas are informed by a double materiality assessment, which evaluates sustainability issues from two perspectives: **financial materiality** and **impact materiality**. Our annual assessment process incorporates:

- 1. Identification:** In 2025, we identified 22 relevant sustainability-related risks and opportunities that cover both potential dependencies and areas of impact at an industry and operational level. This process referenced leading reporting standards, including IFRS S1 and S2, GRI, and SASB.
- 2. Evaluation:** We assessed the materiality of these topics on their dependencies, impacts, risks, and opportunities through internal and external stakeholder engagement. The evaluation considered both the likelihood of the event occurring and the magnitude of impact. For **impact materiality**, senior management and selected stakeholders, including our suppliers, investors, and NGO partners, participated in a survey to rate the materiality of risks and opportunities. For **financial materiality**, we refreshed last year's assessment through workshops and interviews with senior members of the finance and sustainability teams. Based on the assessment, 13 issues are considered to have higher financial and impact materiality.
- 3. Validation:** Key members of senior management reviewed and validated the results of the double materiality assessment. We also compared the results with previous assessments to ensure continued relevance.

Scope of our assessment

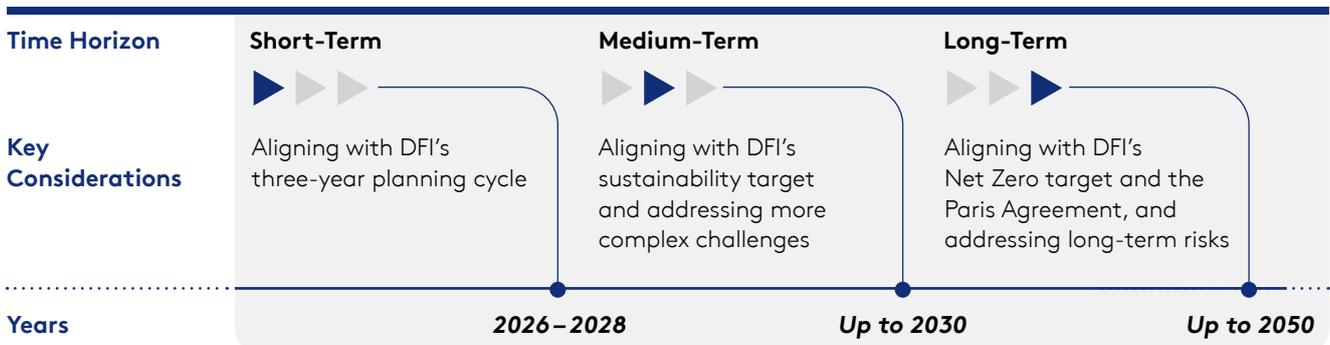
Value chain

Our assessment takes a holistic view across our entire value chain, with the following key considerations.

Value Chain	 Upstream	 Own Operations	 Downstream
Key Considerations	<ul style="list-style-type: none"> Operating in Asia, DFI procures products from numerous fragmented suppliers, who depend on raw materials and international and local supply chain networks. We are also dependent on our landlords, non-trade suppliers and service providers as part of our upstream ecosystem. 	<ul style="list-style-type: none"> Products are sent to our distribution centres, where they are organised for delivery to stores, e-commerce fulfilment centres, pick-up locations, and directly to customers' homes. Our local banners have a network of outlets delivering a quality shopping experience both in-store and online. Our 42,000+ team members are key to delivering smooth operations across our businesses. 	<ul style="list-style-type: none"> We are strongly committed to delivering high-quality products and exceptional service to our customers. We are expanding our business across media and data insights, presenting digital advertising opportunities for B2B partners, creating more personalised and relevant experiences for customers. We are an integral part of the local communities that we serve.

Time horizon

When considering our risks and opportunities, we assess their materiality in the short-, medium-, and long-term. These time horizons are determined by aligning with DFI's planning horizons and broader long-term commitments, as follows.



Our Material Sustainability Issues

This materiality assessment process was designed to identify and prioritise sustainability-related risks and opportunities that could affect and influence our prospects. Based on this process, we focus on 13 issues with the highest financial and impact materiality. While other issues ranked relatively lower in the materiality assessment, they remain actively considered across our operations and value chain management practices where appropriate. These include addressing emerging issues such as managing biodiversity risks and water conservation.

Material Issue	Impact Materiality: <i>DFI's Impact on Society</i>	Financial Materiality: <i>Risk and Opportunity to DFI</i>	Value Chain	Time Horizon
Governance				
Data privacy and cybersecurity	Robust data protection and cybersecurity measures safeguard the data security and privacy of our operations and consumers.	Risks <ul style="list-style-type: none"> Operational and sales disruptions, potential revenue loss and legal costs associated with data breaches or other cybersecurity incidents. Reputational damage due to the loss of trust in cybersecurity integrity. 	◀ ● ▶	▶▶▶
Ethics and anti-corruption	Strong policies and practices that prevent corruption and bribery, foster fair competition and protect intellectual property rights across our markets.	Risks <ul style="list-style-type: none"> Financial losses from fraud, bribery, or misappropriation of funds. Increased compliance and monitoring costs to address corruption risks. Reputational damage that reduces credibility in global markets. 	◀ ● ▶	▶▶▶
◀ Upstream ● Own Operations ▶ Downstream ▶▶▶ Short-term ▶▶▶ Medium-term ▶▶▶ Long-term				

Material Issue	Impact Materiality: DFI's Impact on Society	Financial Materiality: Risk and Opportunity to DFI	Value Chain	Time Horizon
People				
Customer value creation	Addressing societal demands for value-driven products and services that enhance personal wellbeing to meet evolving customers' needs.	Risks <ul style="list-style-type: none"> Lower market share if customers switch to competitors with better offerings. Capital investment needed for infrastructure and service enhancements. Opportunities <ul style="list-style-type: none"> Attract value-focused customers and expand market share. Strengthen customer loyalty through exceptional service. 		
Community giveback	Providing support to local communities enhances social resilience and builds momentum in addressing societal issues.	Opportunities <ul style="list-style-type: none"> Strengthen customer and brand loyalty through stronger community engagement. Improve brand reputation as a community-friendly organisation. 		
Team member success	As a major retailer with a large workforce, DFI can provide competitive benefits, professional development and career advancement opportunities.	Risks <ul style="list-style-type: none"> Increased challenges to attract and retain team members. Impact on capability development from misaligned skills leading to inefficiencies and higher costs. Opportunities <ul style="list-style-type: none"> Increased productivity through investments in training and mentorship initiatives. Improved culture of creativity and continuous improvement through opportunities for professional growth. 		
Health, safety and wellbeing	Providing a safe and healthy working environment can safeguard the physical and mental wellbeing of team members, reducing the risk of workplace accidents, injuries and illnesses.	Risks <ul style="list-style-type: none"> Increased costs for medical treatment, rehabilitation, and compensation for workplace injuries or illnesses. Operational disruption caused by workplace incidents leading to downtime and decreased productivity. Increased costs for fines and penalties from non-compliance with health and safety regulations. Reputational damage from work-related safety incidents. 		
Ethical sourcing and supply chain management	Ethical sourcing and supply chain transparency can enhance supply chain resiliency and allow customers to purchase responsibly sourced products.	Risks <ul style="list-style-type: none"> Increased costs from supply chain interruptions stemming from suppliers' violations of social issues. Reduced market share associated with consumer boycotts due to violations of social standards. 		

Material Issue	Impact Materiality: DFI's Impact on Society	Financial Materiality: Risk and Opportunity to DFI	Value Chain	Time Horizon
Products				
Sustainable choices	<p>Providing a growing range of affordable sustainable products accelerates the adoption of sustainable consumption practices by consumers.</p> <p>Developing and offering products with high nutritional quality and health benefits to improve public health and address growing consumer demand for healthier lifestyles.</p>	<p>Risks</p> <ul style="list-style-type: none"> • Consumer backlash and brand damage from greenwashing allegations. • Inability to offer relevant products to eco-conscious customers. <p>Opportunities</p> <ul style="list-style-type: none"> • Increased revenue opportunity from shifting consumer preferences towards low-carbon and sustainable choices. • Improved market differentiation through strong positioning on sustainable products. 		
Sustainable packaging	<p>Adopting sustainable packaging for Own Brand products reduces plastic waste, improves recyclability, and promotes the use of recycled materials to support a circular economy.</p>	<p>Risks</p> <ul style="list-style-type: none"> • Potential compliance challenges with packaging regulations may result in increased costs and pose risks to product quality and customer preferences. <p>Opportunities</p> <ul style="list-style-type: none"> • Increased market share from eco-conscious consumers attracted to innovative packaging solutions that are both sustainable and functional. • Cost savings associated with materials and transportation due to lighter and more compact sustainable packaging. 		
Product quality and safety	<p>Rigorous product quality and safety standards enable us to deliver reliable goods that protect our customers.</p>	<p>Risks</p> <ul style="list-style-type: none"> • Increased costs and reputational damage associated with regulatory breaches and product recalls. <p>Opportunities</p> <ul style="list-style-type: none"> • Improved market differentiation through strong positioning on high-quality products. 		

 Upstream
  Own Operations
  Downstream
  Short-term
  Medium-term
  Long-term

Material Issue	Impact Materiality: DFI's Impact on Society	Financial Materiality: Risk and Opportunity to DFI	Value Chain	Time Horizon
Planet				
Climate change: carbon reduction	Food retail and distribution centres use energy for refrigeration, heating, ventilation and air conditioning (HVAC), contributing to energy and greenhouse gas (GHG) emissions, while consumer goods are also a source of GHG emissions.	<p>Transition risks</p> <ul style="list-style-type: none"> Increased costs associated with compliance with new climate-related regulations and carbon mechanisms. <p>Opportunities</p> <ul style="list-style-type: none"> Increased revenue opportunity from shifting consumer preferences towards low-carbon choices. Cost savings from successful investments in low-carbon technologies that enhance energy efficiency. 		
Climate change: climate resilience	As a major food retailer in several Asian markets, our ability to continue operations during extreme weather events is critical to ensuring a stable food supply to our customers.	<p>Physical risks</p> <ul style="list-style-type: none"> Increased costs from physical damage to goods and properties caused by extreme weather events. Decreased revenue from business disruptions caused by store closures during severe weather events. Increased cooling energy operating costs to maintain comfortable shopping and working temperatures. Increased disruptions and costs from supply chain disruptions due to crop failures. 		
Waste recycling and reduction	Food and general retail can generate food and product waste due to unfit or damaged products and unsold goods, or waste from transporting and storing our products.	<p>Risk</p> <ul style="list-style-type: none"> Increased operating costs to comply with environmental regulations and standards on waste management. <p>Opportunities</p> <ul style="list-style-type: none"> Cost savings related to the collection, processing, recycling, and disposal of waste from effective resource management practices. 		

Our Strategic Response

Three guiding principles shape our strategic response to material sustainability issues:

- **Focused:** We concentrate on areas where we can create the most significant impact, such as our Own Brand products and key product categories, while strategically addressing value chain challenges unique to our operational context.
- **Balanced:** We carefully navigate the price-sensitive nature of our markets while pursuing sustainability goals. Our approach prioritises practical, equitable solutions that deliver value for all stakeholders – customers, shareholders, and the environment – without compromising either affordability or long-term progress.
- **Collaborative:** We actively partner with industry coalitions to tackle systemic challenges, leveraging shared resources and expertise to amplify impact, drive efficiencies, and foster a sustainable future.

Building on these principles, the subsequent sections – **People, Products, and Planet** – illustrate how these commitments translate into actions and measurable progress in the reporting period. Additionally, responses to our principal risks and key Governance matters, including the Code of Conduct, anti-corruption, data privacy, and cybersecurity, are covered in the Corporate Governance section.

Material issue	Our commitment and strategic response
Governance	
Data privacy and cybersecurity	We are committed to being a responsible custodian of the data entrusted to us by customers, team members, business partners, and other stakeholders, keeping it secure and processing it in accordance with legal requirements and stakeholder expectations.
Ethics and anti-corruption	We are dedicated to conducting our business with a strong commitment to ethical responsibility and adherence to laws and regulations in all the regions where we operate.
People	
Customer value creation	Our customer-centric approach creates value by offering products and services that enhance personal wellbeing while addressing emerging needs.
Community giveback	We support community growth through programmes and investments that promote health and development.
Team member success	We invest in our team members' development, promote diversity, equity and inclusion, and prioritise their health and safety.
Health, safety and well-being	
Ethical sourcing and supply chain management	We are committed to ethical sourcing practices to safeguard human rights in our supply chains.
Products	
Sustainable choices	We offer our customers a growing range of sustainable products while deepening sustainable consumption practices and education within our industry.
Sustainable packaging	Starting with our Own Brand products, we are committed to enhancing packaging recyclability and introducing more sustainable packaging materials.
Product quality and safety	With the extensive range of products we offer and the markets we serve, we are deeply committed to rigorous product quality and safety standards to protect our customers.
Planet	
Climate change: carbon reduction	We prioritise the decarbonisation of our operations and value chains by adopting more eco-friendly refrigerants, reducing energy consumption, and developing low-carbon choices for our key product categories.
Climate change: climate resilience	We are actively assessing and managing climate-related risks to prevent adverse impacts on society and the environment, ensuring long-term resilience and sustainability.
Waste recycling and reduction	We continue to progress and strengthen our comprehensive initiatives for a cleaner planet.

Climate-Related Risk and Opportunity Disclosures

This section provides a deeper dive into our climate-related risks and opportunities, with reference to the Task Force on Climate-Related Financial Disclosures (TCFD) and IFRS S2.

Climate-Related Risks and Opportunities and Resilience Analysis

Climate change creates physical and transition risks for our business. We have identified and assessed these risks, along with potential opportunities, and conducted climate scenario analysis to assess their potential impacts and our resilience.

DFI Retail Group initiated climate scenario analysis in 2022 to understand how climate-related risks and opportunities could impact our business model, strategy, and financial planning across the short-, medium-, and long-term horizons, using both qualitative and quantitative approaches. The scenario analysis is reviewed annually to incorporate updates from external climate projections, changes in our business model and value chain, and methodological changes.

In our 2025 review, we incorporated quantitative assessments of the changing impacts of potential extreme weather events, drawing on climate projections by the World Bank Climate Change Knowledge Portal, the Aqueduct and AgriAdapt platforms from the World Resources Institute (WRI), and the CGIAR Climate Resilience Platform. We also updated projections on relevant transition risk indicators, such as electricity price projections in our different markets, by the Network for Greening the Financial Systems (NGFS). Qualitative assessments were used to supplement data gaps through market research and expert judgment. Assessments were conducted at the relevant geographical level for each risk and aggregated to form a Group-wide perspective, recognising limitations in data availability and the inherent uncertainty in the information used to estimate potential financial effects.

Insights from scenario analysis are integrated into DFI's broader strategic and financial planning processes. These insights help shape our sustainability roadmap, prioritise capital allocation, and guide product innovation.

We have selected a set of climate-related scenarios to represent diverse pathways relevant to both physical and transition risks, reflecting the latest international developments on climate-related scenario sources and assumptions. The key scopes, parameters and assumptions are outlined below.

Scenarios	Warming by 2100	~1.5°C	>3°C
	Physical	SSP1-2.6	SSP2-4.5
	Transition	Net zero 2050 (Orderly)	Current policies (Hot House World)
	Assumptions on policy and technology developments	Ambitious policy implementation accelerates decarbonisation.	Only currently implemented policies are preserved, leading to severe climate impacts globally.
External data sources	Physical risks: <i>World Bank Climate Change Knowledge Portal (WBCKKP) – CMIP6 projections</i> <i>Climate Resilience Portal – Impacts on agricultural commodities</i> <i>WRI Aqueduct – Water stress impacts</i> Transition risks: <i>Network for Greening the Financial System (NGFS)</i>		
Time horizon	Short-, medium- and long-term (see section on Materiality Assessment)		
Geographical	National, sub-national and local as appropriate: Our geographical assessment depends on context. We consider risks of potential asset damage at the local level, and assess impacts at the national or sub-national levels.		
Coverage	Own operations, downstream, upstream: Our review of potential supply chain risks is constrained by data availability. We look to expand this analysis as more decision-useful data becomes available.		

There remain inherent uncertainties in our scenario analysis due to the wide variability and uncertainty in climate projections, challenges in isolating the effects of multiple contributing factors, and evolving non-climate-related risks and trends. The results indicate that, although we are exposed to multiple physical and transition risks that are expected to intensify over time, we have begun implementing mitigation measures to address them. Beyond the risks and opportunities disclosed, we also evaluated other risk factors, such as operational exposure to drought and water stress, which were assessed to be at lower risk levels and therefore not discussed in further detail.

Baseline Risk: Financial effects

Less than US\$2m per year Between US\$2m and US\$20m per year Greater than US\$20m per year

Increase in impact compared to current period

<5% 5-20% >20%

Short-term Medium-term Long-term

Risks and opportunities (risk type)	Potential business and financial effects	Primary financial effect	Value Chain	Baseline materiality
Physical risks				
Typhoon (acute)	Increased frequency and severity of typhoons can lead to storm surges and asset damages, operational delays, transport and supply chain disruptions, and increased safety risks for employees and customers.	<ul style="list-style-type: none"> Revenue Operating expenses 	◀●▶	Yellow
Heavy rainfall and flooding (acute)	Heavy rainfall days can lead to localised flooding, operational delays, transport and supply chain disruption, and increased safety risks for employees and customers.		◀●▶	Green
Heatwaves and high temperatures (acute and chronic)	High heat events (heat index above 35°C) can increase the risk of heat-related illnesses to team members and customers; reduce crop yields and affect animal welfare.	<ul style="list-style-type: none"> Operating expenses Cost of Goods Sold (COGS) 	◀●▶	Green
	Higher temperatures can lead to higher cooling needs, leading to higher energy costs.	<ul style="list-style-type: none"> Operating expenses 	◀●▶	
Availability and price of commodities (acute and chronic)	Increased extreme weather events can lead to potential disruption in availability and/or price fluctuations of key agricultural commodities.	<ul style="list-style-type: none"> COGS 	◀●▶	Green
Transition risks				
Climate-related regulations (policy)	While our operations and activities are currently not directly regulated by a carbon pricing system, mandatory carbon pricing regulations on electricity and energy use can indirectly lead to higher operating costs.	<ul style="list-style-type: none"> Operating expenses 	◀●▶	Yellow
Increased production cost (policy and market)	Rising commodity and energy prices from regulations can increase production costs.	<ul style="list-style-type: none"> COGS 	◀●▶	Green
Increased investor and consumer concerns (market and reputation)	Compliance with growing volume and complexity of mandatory climate-related disclosure requirements, and risk of fines and reputational damage from inaccurate climate disclosures or greenwashing allegations.	<ul style="list-style-type: none"> Cost of capital 	◀●▶	Green
Opportunities				
Consumer preferences change to low carbon products (market)	Increasing availability of sustainable products may lead to improved customer loyalty and increased revenue as eco-conscious preferences rise.	<ul style="list-style-type: none"> Revenue 	◀●▶	Yellow
Low carbon technologies transition (technology)	Advancing low-carbon technology adoption could improve energy efficiency and reduce carbon emissions, hence improving competitiveness.	<ul style="list-style-type: none"> Capital expenses 	◀●▶	Yellow

Current Financial Effects from Climate Risks and Opportunities

For FY25, the financial effects experienced by DFI from climate-related risks and opportunities include the following:

- Capital investment of US\$7.7 million into refrigeration upgrades and energy efficiency projects to reduce our emissions and improve operational energy efficiency.
- Increased revenue from the launch of low-emissions rice, offered at price levels comparable to conventional rice. This led to higher product sales year-on-year, demonstrating strong consumer interest in sustainable products without compromising affordability.
- Business interruptions faced during extreme weather events in Hong Kong, Macau and Guangdong. Three typhoons at Signal 8 or above (wind speed over 118 km/h) led to reduced footfall in our retail outlets, offset by increased e-commerce and food grocery revenue, as consumers shifted their purchasing and consumption behaviour during the events. The overall impact is financially immaterial.

Change in risk over time under

~1.5°C scenario	> 3°C scenario	Most affected markets	Assessment approach	Our responses to minimising risks and maximising opportunities
		HKG, VNM	Quantitative, based on climate projections in markets (WBCKP).	<ul style="list-style-type: none"> • Developed business continuity plans, standard operating procedures and evacuation plans to prioritise the safety of team members and asset protection during flood events. • Implementing security of supply initiatives and resilient sourcing practices to minimise disruptions to the availability of products and raw materials. • Adopt energy-saving equipment to mitigate cooling cost increase.
		SE Asia, HKG, CHN		
		All markets		
		HKG, TWN		
		All markets	Semi-quantitative, based on climate projections of key crops.	<ul style="list-style-type: none"> • Improve understanding and assessment of at-risk commodities and regions to inform sourcing strategy. • Diversify supply source to regions with more sustainable farming practices.
		All markets	Quantitative, based on climate projections in markets (NGFS).	<ul style="list-style-type: none"> • Allocate US\$14-28 million for 2026 – 2030 on Scope 1 and 2 projects to reduce emissions. • Integrate internal carbon pricing into decision making process on investment projects on emissions reduction.
		All markets	Semi-quantitative, based on price projections of selected crops (NGFS).	<ul style="list-style-type: none"> • Engage suppliers to improve on energy, water and resource management to increase supplier efficiency. • Diversify supply source to regions with more sustainable farming practices.
		All markets	Qualitative, based on internal subject matter expertise.	<ul style="list-style-type: none"> • Integrate climate risks into enterprise risk management. • Maintain and improve data quality standards on emission data disclosed. • Ongoing monitoring, updating of policies and procedures to ensure adherence to evolving regulations.
		All markets	Quantitative, based on internal cost simulation of key technologies.	<ul style="list-style-type: none"> • Develop a structured transition plan for Scope 3, concentrating on four priority categories (rice, dairy, beef, and coffee). • Promote innovation through our Sustainable Innovation Programme. • Launch or procure new products with improved packaging, emissions or other sustainability credentials.
		All markets	Semi-quantitative, based on consumer survey and internal subject matter expertise.	<ul style="list-style-type: none"> • Allocate US\$14-28 million for 2026 – 2030 on Scope 1 and 2 projects to reduce emissions. • Deploy low-carbon energy efficiency and carbon reduction technologies in line with internal carbon pricing threshold.

Climate Transition Plan

In response to the identified risks and opportunities, we are committed to supporting a climate transition that protects our planet, meets customers’ needs, and aligns with our long-term purpose. To achieve this, we have set clear targets and developed implementation and engagement strategies to drive progress. The Metrics and Targets section provides further detail on our progress.

Strategic ambition

2030 Target: 50% Reduction in Group Scope 1 & 2 greenhouse gas (GHG) emissions relative to FY21 baseline
2050 Target: Achieve Net Zero Greenhouse Gas (GHG) emissions

Implementation strategy

	Short- and medium- term (Now – 2030)	Long-term (Up to 2050)
Business operations	<ul style="list-style-type: none"> Transition to lower GWP refrigerants and implement energy efficiency projects. Ongoing behavioural change and energy monitoring for reduced usage. Increase renewable energy procurement in selected markets, to support the local transition towards sustainable energy. 	<ul style="list-style-type: none"> Increase renewable energy procurement in our key markets to close residual gaps. Transition to lower emissions vehicles.
Products and services	<ul style="list-style-type: none"> Scale up Own Brand low-emissions rice to 1,000 tonnes in 2026. Conduct supplier engagement to drive action and carbon measurements. 	<ul style="list-style-type: none"> Increase the proportion of sustainable and low-emissions products.
Policies and standards	<ul style="list-style-type: none"> Energy and sustainability assessment for new store expansion. Use an internal carbon price, benchmarked to prevailing renewable energy certificate (REC) prices, as an input to the annual capital expenditure budgeting process. Update sustainable procurement policies. 	<ul style="list-style-type: none"> Periodic review and update to policies.
Financial planning	<ul style="list-style-type: none"> Allocate US\$14 to 28 million for 2026 – 2030 on Scope 1 and 2 projects to reduce emissions. Investment in pilots for low-carbon and sustainable technologies. Support Sustainable Innovation Challenge to catalyse solutions. 	<ul style="list-style-type: none"> Periodic evaluation of financial allocation towards sustainability.

Engagement strategy

Suppliers	Drive supplier actions through capacity building and support in decarbonisation planning, product carbon footprinting, and innovation funding.
Industry	Collaborate in international industry fora, including the Consumer Goods Forum and the World Economic Forum First Movers Coalition for Food, to drive and share industry best practices, promote collaboration and provide demand signals to suppliers.
Consumers and civil society	Provide sustainable product choices with lower emissions, supported by consumer education and awareness initiatives to improve understanding of product choices.
Governments	Participate in government and public sector-led initiatives to manage emissions, including innovation funding, energy and carbon savings initiatives and waste reduction programmes.

Dependencies: Our targets are set to align with a science-based approach, the latest international agreement on climate change and the national commitments of our markets. Our transition plan depends on continued and progressive policy, technology, and market developments, based on our principles of a focused, balanced, and collaborative approach, and aligns with our corporate strategy of ‘Customer First, People Led, Shareholder Driven’. As our business portfolio evolves through acquisitions and disposals, our capital investment will be adjusted accordingly.

Sustainability Risk and Opportunity Management

Integration of Sustainability into Overall Risk Management

Our ability to respond to and manage risks is critical to sustaining growth and operational resilience. We align our risk management approach with international principles and standards, including ISO 31000 and COSO. We recognise the interconnectivity between climate, nature, social, and financial risks, and address them in an integrated manner in our enterprise risk management approach.

In 2025, we enhanced our annual risk review process. This process includes identifying, assessing, reprioritising, and reporting risks to the Board, with input from all business units, the Management Committee, and the Board, ensuring a comprehensive and integrated approach.

Climate-related risks—both physical and transition—are identified and assessed alongside other key risks and incorporated into the consolidated Group risk register. The revised process aligns risk assessment with business strategy, defines risk appetite, and embeds these considerations into business planning and operational management. Each Management Committee member is accountable for the key risks within their area, including climate-related risks, as identified through this assessment (see Risk Management and Governance, and Principal Risks and Uncertainties sections for an integrated risk disclosure).

Risk Management Process for Sustainability Risks and Opportunities

Since 2022, DFI has regularly identified, assessed, and reviewed our transition and physical climate and environmental risks, referencing the TCFD and IFRS S1 and S2 standards, and aligning with the Group's overall risk assessment approach. The risk assessment on sustainability and climate risks and opportunities covers our direct operations, as well as upstream and downstream risks and opportunities along our value chain, and across the short-, medium-, and long-term timeframes, across all markets where we operate (see Double Materiality Assessment for a description of scope and coverage). We use climate-related scenario analysis to inform risk identification and resilience planning, covering a diverse set of scenarios, assessing risks by type, likelihood, and magnitude, and combining qualitative and quantitative methods.

On an annual basis, we review and update the risk assessment based on changing macroeconomic, political, and scientific developments, and disclose the results in our Sustainability Disclosure, with reference to the TCFD and IFRS S1 and S2 standards (see Climate-Related Risks and Opportunities and Resilience Analysis).

To manage material sustainability and climate-related risks and opportunities, we maintain business continuity and risk management plans. Depending on the nature of the risk, we assign risk owners within the Group accountable for managing and mitigating the relevant risk. We link climate-related targets to capital allocation decisions to contribute towards our climate transition plan. We also apply an internal carbon price in the budgeting process at a portfolio level (see Climate Transition Plan).

People

People are at the heart of DFI's long-term success. Every day, we serve millions of customers with high-quality, affordable essentials in convenient locations and with exceptional service. We are committed to making a difference for our communities. Our purpose is powered by a talented, healthy and diverse workforce, supported by a robust supply chain network.

To support our customers, communities, team members and supply chain networks, we are committed to supporting our people through creating value for customers, giving back to communities, ensuring team members' success and sourcing ethically.

Customer Value Creation

Expanding access for customers to health and wellness through Own Brand offerings and innovative services such as preventive health assessments, pharmacy-led care programmes, and nutritional solutions.

Community Giveback

Driving impact through initiatives that promote health and wellbeing, alleviate poverty, as well as strengthening and restoring resilience, including large-scale donation programmes and emergency relief efforts.

Team Member Success

Investing in learning and development through digital platforms and academies, strengthening leadership capability, and fostering health and safety, wellbeing, and inclusion across all markets.

Ethical Sourcing

Upholding rigorous standards for human and labour rights through comprehensive supplier assessments, audits, and engagement to ensure responsible practices across our supply chains.

Related SDGs:



16.1
average training hours
per FTE (Target: 14)

>1.25 million
beneficiaries supported by community
giveback initiatives

43%
female representation
among senior leadership

100%
ethical audits
of Own Brand factories in high-risk countries

Customer Value Creation

As a leading retailer in Asia, we are committed to creating value for our customers. This includes offering a wide range of health, wellness, and nutritional products to help them live healthier lives.

Within our Health and Beauty segment, our expertise in wellness helps deliver products and services that are built on trust and guided by expert advice. This includes products in derma care, hair care, and supplements that have clinically proven efficacy, are recommended by health professionals, and are proven to minimise irritation, long-term side effects, and exposure to synthetic chemicals. We aim to increase customers' access to professional wellness services, enabled by technology and informed by consumer analytics.

In 2025, we progressed several initiatives across our health, wellness, and nutritional offerings:

- Launched professional health services at Mannings and Guardian across more than 450 pharmacies in all markets.
- Mannings introduced Chinese Wellness Hubs combining modern technology with traditional Chinese medicine, offering consultations with registered Chinese medicine practitioners.
- Rolled out Health Pods at Mannings providing assessments of 20+ wellness metrics with personalised nutritionist consultations to support preventive care.
- Mannings expanded skin and scalp assessment services such as My Skin Lab, offering micro-precision analysis using advanced Korean technology and personalised beauty-advisor consultations.

A core part of our Own Brand and ready-to-eat strategy is to make essential health and nutritional products more affordable and accessible to our customers. Within our Own Brand food products, we maintain strict standards to meet local regulatory requirements in the markets we operate in. For example, all health and nutrition information and claims must be validated through test reports or internationally recognised scientific evidence. Disclosure of supplementary nutritional information, nutritional profiling, and claims of health benefits are strictly aligned with national regulatory and applicable guidance and benchmarks, and are validated by our dedicated Group Technical team with experience in food science, health and nutrition.

Over the year:

- 7-Eleven Hong Kong launched the light and healthy range with a total of 100 SKUs, including ready-to-eat products such as sandwiches, wraps, salads, ready meals, and high-protein snacks and drinks.
- We also launched new Own Brand food products targeting customers seeking affordable and accessible healthy and nutritional food, for example, products which contain lower or no sugar, fat, sodium, or artificial ingredients. The products currently carry nutrition information panel, and specific nutritional icons will be added in 2026 to further enhance communication and transparency for our customers.



- We continued to expand our Own Brand offering of personal care, household and other non-food products, including products containing natural or organic ingredients and minimising the use of artificial or controversial ingredients.

To ensure that customer trust is maintained as our offerings expand, DFI's Responsible Marketing Policy sets clear requirements for how our products and services are communicated. It requires that marketing communications must be truthful, accurate, and transparent. Where health or nutritional information is referenced, claims must be factual, evidence-based, and supported, and the misuse of scientific or technical terminology to imply unsubstantiated health or nutrition benefits is prohibited. The policy also mandates a responsible approach to marketing children's products, prohibits the promotion of unhealthy habits or over-consumption, and requires compliance with DFI's marketing principles, including those relating to children, women, and the responsible use of social media.

Health within Reach

Mannings Expanded Health Services to Bring Care Closer to Communities



(Fourth-sixth from left) Alex Liu, Managing Director of Mannings Hong Kong, Macau & China and his leadership team Philip Chiu and YC Wong, and Bupa representatives at the PharmaCare Programme event

Mannings is transforming community healthcare through two pioneering initiatives that create value for customers and ease pressure on the public health system, where patients have traditionally relied on for minor and routine health needs. This has been compounded by a lack of access to convenient clinic locations and related health services in local communities.

The **PharmaCare Programme**, launched in March 2023, offers pharmacist consultations and medication for minor health issues at over 60 Mannings stores across Hong Kong. Mannings partnered with Bupa Hong Kong to provide members with convenient access to healthcare. In 2025, the programme expanded to Macau and has now facilitated over 60,000 visits since launch, serving more than 110,000 members. Customer feedback remains highly positive, with an overall experience rating of 4.7 out of 5, reflecting strong trust and satisfaction. This helps to reduce hospital congestion and promote timely care.

Complementing this, Mannings launched the **Hospital Authority Community Collection Service**, enabling patients to collect prescriptions, including refrigerated items, at nearly 60 Mannings pharmacy stores via the 'HA Go' app. This service reduces waiting time in hospitals and allows customers to consult pharmacists, improving convenience and reducing the risk of overprescription.

In addition, Mannings supported emergency healthcare efforts during the Wang Fuk Court fire incident in Tai Po in November 2025. The Primary Healthcare Commission set up medical stations at temporary shelters, coordinating professionals from public and private sectors to provide medical assessments, treatment of mild injuries, medications, and psychological support. Mannings pharmacists provided assistance at one of these shelters to support residents.

These initiatives underscore Mannings' commitment to delivering accessible, affordable, and trusted healthcare solutions that enhance wellbeing for customers, team members, and communities. This dedication has earned industry recognition, including the Corporate Brand Awards of Excellence from the Hong Kong Economic Journal and the Corporate Social Responsibility Award at the Business Awards of Macau 2025.

Community Giveback

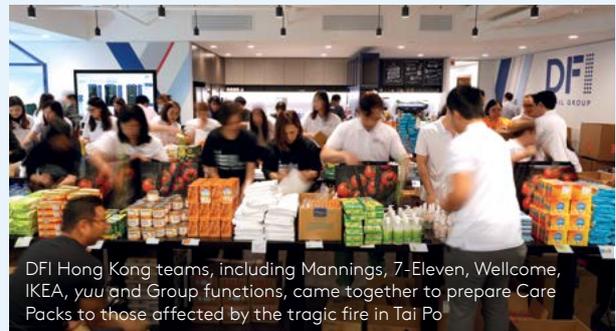
At DFI, giving back to the community is integral to our mission of fostering a better future. Our Community Giveback initiatives are designed to create meaningful impact through active engagement and investment in social solutions. In 2025, we continued to expand our community efforts across all business formats, with banners driving programmes that supported more than 1.25 million beneficiaries through food and wellness product donations and partnerships with social enterprises. These activities are central to our aim of improving lives and building sustainable communities. This year, we invested US\$3.9 million in community programmes, underscoring our commitment to social responsibility, fostering community engagement, and promoting sustainable development. The following sections highlight how the Group and each business format—Health & Beauty, Convenience, Food, Home Furnishings and Maxim’s—collectively contributed to these goals through tailored initiatives and partnerships.

Community at Heart

Continued Support to Local Communities across Group and Banners



DFI continued to support mental health and inclusive wellbeing with close collaboration with MINDSET, including the annual Walk Up Jardine House fundraiser



DFI Hong Kong teams, including Mannings, 7-Eleven, Wellcome, IKEA, yuu and Group functions, came together to prepare Care Packs to those affected by the tragic fire in Tai Po



Team member volunteers from Guardian Malaysia donated daily essential supplies to Malaysian Red Crescent



Volunteers from 7-Eleven Hong Kong distributed free hot meals and essentials supplies to underprivileged people through the 'Sik Tak Fan La' Charity Programme



Darren Chan, Managing Director of Food, Hong Kong & Macau (fifth from right), represented Wellcome Hong Kong in launching the 'Breakfast Buddies' Community Programme in partnership with the Foodlink Foundation



IKEA Taiwan's partnership kick-off with Social Enterprise Insights marked a new milestone in advancing social innovation and supporting food and agriculture entrepreneurs across the region

In 2025, DFI and our banners continued to stand with communities across our markets, responding to urgent needs and supporting long-term well-being. Through coordinated relief, targeted donations and close collaboration with partners, our Group contributed meaningful assistance to families, youth and vulnerable groups.

Group

The Group strengthened its commitment to mental health and inclusive wellbeing through close collaboration with MINDSET, a charity focused on making a tangible and sustainable difference to the underserved mental health community. In 2025, 639 DFI team members participated in the Virtual Race of **Walk Up Jardine House**, MINDSET's annual fundraiser, collectively achieving over 76.8 million steps in support of mental health awareness, reinforcing cross-banner involvement and fostering a culture of wellbeing. In Singapore, more than 1,700 team members and their families joined together with 200 beneficiaries from MINDSET and Care Community Services Society at the annual **Family Carnival** to celebrate raising S\$230,000 through the in-store donation box programme. These efforts supported mental health initiatives while also helping families and children in need.

In response to the tragic Tai Po fire in Hong Kong, DFI mobilised a coordinated relief effort to support the affected community. Working closely with government agencies and NGO partners, DFI and its brands, including Mannings, Wellcome Hong Kong, 7-Eleven Hong Kong, IKEA Hong Kong, and yuu, together with the support of Hong Kong Maxim's Group, have collectively contributed HK\$12 million in cash and HK\$8 million in kind to assist affected residents. Beyond immediate relief, DFI is also supporting interim recovery. Families moving into transitional housing received DFI Care Packs and bed frames, with each pack containing daily essentials, food, drinks, and wellness products to help restore comfort and a degree of stability for residents impacted by the tragedy. The Group's support aims to address both urgent needs and ongoing challenges while helping communities rebuild steadily.

Health and Beauty

Our Health and Beauty division advanced community wellbeing through health and hygiene initiatives, primarily through care pack donations and education. **Helping Kids Grow Happier, Healthier and Stronger** by Mannings supported underprivileged families in Hong Kong with health supplements, educational workshops, and sports activities, benefiting more than 10,000 children and families and delivering PharmaCare services to 2,000 of them. **Together Keeping Kids Clean and Healthy** by Guardian Malaysia provided hygiene kits and care packs to 2,000 low-income families, while **Enhancing Wellness for Every Child** by Guardian Singapore distributed 300 wellness packs to children and youths. Guardian Indonesia's **Healthy Kids, Happy Future** reached over 3,600 beneficiaries across 12 schools and delivered care packs, clean water facilities, and health education.

Convenience

7-Eleven Hong Kong continues to address food insecurity, environmental sustainability, and social inclusion through a range of targeted programmes. The **'Sik Tak Fan La' Charity Programme** partnered with Pei Ho Counterparts to provide ready-to-eat meals for underprivileged people, distributing more than 23,000 meal boxes. Its surplus food donation programme also reduced food waste and hunger by redistributing over 54 tonnes of surplus food with Foodlink Foundation, benefiting over 130,000 individuals. Additionally, the **Grounds to Green Coffee Grounds Upcycling Programme** converted coffee grounds from 7CAFÉ outlets into organic fertiliser, supporting local farms and enabling the production of nutritious, sustainable meals.

Food

In Hong Kong, Wellcome supported food security and nutrition for vulnerable groups. The **'Sik Jor Fan Mei' Rice Donation Programme**, launched in 2021, enabled customers to support low-income families by purchasing rice, with Wellcome matching donations and partnering with Foodlink for distribution. In 2025, the programme has made donations of 4 million kg of rice, equivalent to 384,000 bowls. The **'Breakfast Buddies'** initiative launched in 2025 provided breakfast coupons and nutritious foods, including fruit, eggs, oatmeal, and milk, to 21,000 primary students from low-income families. Wellcome also continued its surplus food donation initiative, redistributing 276 tonnes of surplus food, which served more than 650,000 meals. In Cambodia, Lucky Supermarket supported healthcare and humanitarian services through contributions to the Cambodian Red Cross and Kantha Bopha Children's Hospital, and organised surplus food donations and community cooking events to reduce waste and provide food assistance. In addition, Lucky mobilised rapid relief during community disruptions, providing essential support to affected families.

Home Furnishings

IKEA continued to advance social innovation and food system resilience through regional and local partnerships. **Instellar and IKEA Social Entrepreneurship Accelerator (I-SEA)** in Indonesia provided capacity-building, mentorship, and partnership opportunities to 10 social enterprises, reaching over 14,000 beneficiaries from vulnerable and marginalised groups in the second cohort. Together with IKEA Social Entrepreneurship, IKEA Taiwan also launched a new partnership in October 2025 with Social Enterprise Insights (SEI), Taiwan's largest social enterprise platform, to empower food and agriculture social entrepreneurs. The partnership will support Taiwanese social enterprises in expanding their reach and translating their impact into concrete benefits such as job creation, inclusive sourcing, and community-driven services, with the aim to start the accelerator programme in the first half of 2026.

Restaurants

Maxim's promoted inclusive dining and wellbeing of the vulnerable groups through two key initiatives in 2025. The **GENTLEMEAL Programme** provided safe, nutritious soft meals for seniors with swallowing difficulties, donating 15,000 portions with business partners to elderly homes and community centres and offering dine-in experiences at selected outlets to foster family togetherness and social inclusion. Meanwhile, the **Kiddy Heart Canteen Programme**, in partnership with Baptist Oi Kwan Social Service, delivered affordable nutritious meals reviewed by nutritionists, mental health services, tutoring, and festive celebrations to children from low-income families, reaching over 10,000 beneficiaries since 2013.

Team Member Success

Our commitment to team member success includes protecting their health, safety and wellness, developing their talent and capability, and fostering inclusion at all levels.

Through major initiatives such as the launch of DFILEARN, enhanced leadership programmes, and structured career development frameworks, we strengthened capability building and empowered growth across all levels of our business formats. Our focus on retention, wellbeing, and diversity ensured a supportive and inclusive workplace, while robust health and safety practices safeguarded team members in every environment. These collective efforts have driven measurable improvements in engagement, leadership quality, and organisational resilience—leading in our recognition by the HR Asia for Best Companies to Work For in Asia Market Award.

Protecting Our Team Members

In 2025, DFI maintained a strong safety record. We recorded zero work-related fatality in 2025. Recordable and lost-time injury rates were 1.10 and 0.76 per 200,000 hours worked, respectively, reflecting improvements driven by enhanced safety measures. Notwithstanding these improvements, we continue to encourage injury reporting to strengthen our safety culture.

We are committed to establishing a safe workplace that supports the wellbeing and success of our team members while adhering to all health and safety regulations across our operating regions. Compliance with governing laws and regulations remains a cornerstone of our approach, ensuring that our practices meet or exceed local requirements and international standards.

DFI also enforces Health and Safety requirements along the value chain under our Supplier Code of Conduct, which requires suppliers to provide safe and healthy work environments supported by robust management systems aligned with applicable laws, international standards, and industry best practices. To ensure contractor safety, we operate a comprehensive third-party management programme. In 2025, we commissioned an external review of our health and safety practices, benchmarking performance against local and global peers.

Our Health and Safety Management System, managed by a dedicated team, focuses on proactive risk management, compliance with international standards, and continuous improvement:

- We conduct comprehensive risk assessments to identify hazards in stores and warehouses, such as loading dock access and machinery operations, and implement preventive measures to minimise accidents.
- Risks are prioritised and assigned to accountable individuals, with action plans that set clear objectives and measurable targets. These plans include process improvements and educational programmes designed to reduce injuries.
- Emergency preparedness is reinforced through training and routine drills covering evacuation, first aid, and crisis communication, ensuring team members understand their roles during critical situations.

- Internal audits are carried out regularly to verify compliance with safety protocols, identify gaps, and drive improvements across our Occupational Health Management System.
- Safety training is embedded in onboarding, equipping new team members with knowledge of workplace risks, protective measures, and emergency contacts from day one.
- Every reported injury undergoes a thorough investigation, with findings translated into actionable recommendations to prevent recurrence and strengthen compliance.
- Progress is reviewed against objectives using data-driven analysis of injury rates and hotspots, enabling continuous enhancement of our practices.
- External verification remains a priority, with our systems in Singapore continuing to meet ISO 45001 standards through independent audits.

Our approach to human rights is guided by the Jardine Matheson Human Rights Policy, which sets out a commitment to respecting internationally recognised principles, including the UN Universal Declaration of Human Rights, the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. The policy states that employment is voluntary, prohibits forced, child and trafficked labour, and requires compliance with applicable labour laws covering minimum age, minimum wages and working hours. It also recognises freedom of association and collective bargaining in accordance with local laws. It seeks to maintain a fair, diverse and inclusive workplace and does not tolerate bullying, intimidation, discrimination, or harassment. Suppliers and contractors are encouraged to follow the same principles, extending these expectations beyond our direct operations.

Developing Our Team Members

DFI remains committed to building a culture of continuous learning by integrating development opportunities into everyday work. In 2025, we achieved an average of 16.1 training hours per full-time equivalent (FTE), surpassing our 2025 target of 14, reinforcing our team members' focus on capability building. We also continued to deliver impactful programmes that strengthened leadership skills and aligned team members with our growth ambitions across all levels.

Our learning and development programmes are designed to provide opportunities for all team members, including full-time, part-time, permanent, and contract staff, with access to programmes depending on role-specific or organisational needs. Our Professional Development Policy covers all full-time team members, enabling them to apply for subsidies for external training and further education, including university courses. Reimbursement amounts are subject to local market practices. The policy ensures fair access to development opportunities regardless of team members' personal characteristics.

In 2025, we have:

- Introduced the DFI Skills Framework to define skills for all team members and tailored for key functions and formats. Each skill is structured with current and target proficiency levels, enabling assignment of appropriate learning types and supporting targeted development.
- Revamped our digital Learning Management System and launched DFILEARN, achieving 98% activation and over 15,000 learning hours, advancing organisational capability and enabling self-directed learning.
- Launched DFI Functional Academies, including the Sustainability Academy, which equip team members with essential functional knowledge to understand related risks and opportunities, strengthening awareness and engagement in our relevant initiatives.

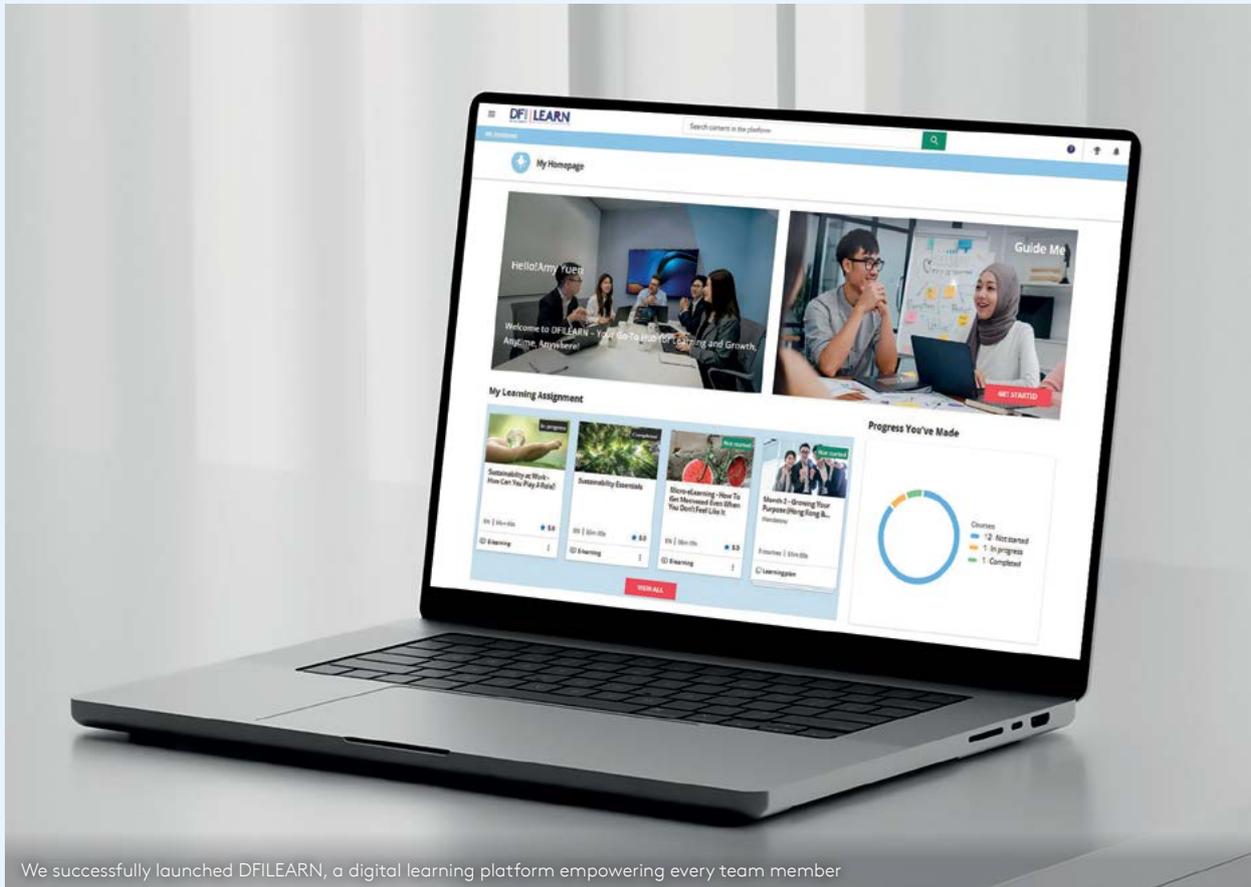
- Involved close to 100 leaders in flagship leadership development programmes – Leading the DFI Way, driving leadership excellence, AI innovation, and strategic thinking, with exceptional satisfaction scores.
- Embedded succession planning through multiple talent programmes targeting successor pipelines across job grades to promote upward mobility.
- Established a structured store training framework, including the Hong Kong's government-established Qualification Framework Level 6 and the Store Manager Development Programme, driving improvements in customer and team member experience, digital transformation, and store performance.
- Provided training on the Code of Conduct, covering anti-bribery, anti-corruption, health and safety, first responder, information security, personal data protection, anti-discrimination and anti-harassment etc. to newly hired team members and refresher courses are arranged every one to two years.

These initiatives collectively enhanced leadership quality, strengthened team effectiveness, and supported talent retention. Training satisfaction improved by four percentage points to 80%, as reflected in the Your Voice Counts team member survey.

To further strengthen our talent pipeline, we also expanded our early-career recruitment initiatives. Across the Philippines, Cambodia, and Vietnam, our Summer Internship Programme attracts diverse local students ahead of graduation, supporting workforce localisation and early talent development. In parallel, the Store Summer Internship builds a sustainable frontline pipeline by introducing students and early-career talent to retail operations, improving conversion into permanent roles. To broaden our recruitment channels, the Student Ambassadors Programme enhances our employer brand on campus and cultivates a diverse pool of engaged student talent for internship, part-time and graduate opportunities. Together, these initiatives complement our learning and development efforts, ensuring a steady flow of future talent aligned with DFI's long-term growth.

Learn and Grow, Anytime, Anywhere

DFI launched DFILEARN and Sustainability Academy



2025 marked a transformative year for capability building at DFI. We successfully revamped our digital Learning Management System and launched DFILEARN, our brand-new learning platform designed to make knowledge accessible to every team member. Officially launched on 27 June 2025, DFILEARN enables team members to learn anywhere, anytime in the flow of work, offering flexibility and personalisation like never before.

With its user-friendly, visually engaging interface, AI-powered recommendations, and gamified features such as badges and certifications, DFILEARN empowers self-directed learning across professional, technical, and personal development topics. Since launch, the platform has contributed to over 15,000 learning hours and achieved 98% activation, reflecting our commitment to building a culture of continuous growth.

As part of this digital transformation, we introduced the Sustainability Academy, a dedicated learning hub focused on advancing essential sustainability knowledge and awareness across the organisation. Through curated courses and interactive modules, the Academy equips our teams with the skills to integrate sustainability and environmental management into everyday decisions, reinforcing DFI's purpose-driven approach and supporting our long-term sustainability goals.

Together, DFILEARN and Sustainability Academy represent our journey towards empowered, future-ready teams that enable every individual to learn, grow, and lead in a rapidly evolving retail landscape.

Enhancing Retention, Wellbeing and Benefits

Creating a supportive and engaging workplace is central to DFI's people strategy. This section highlights how we strengthen team member retention through career development opportunities, comprehensive wellbeing initiatives, and competitive benefits. From onboarding and performance management to mental health support and recognition programmes, these efforts aim to foster long-term growth, resilience, and a positive experience for all team members across our markets.

Retention and career development	<ul style="list-style-type: none"> • Enhanced onboarding programmes and clear career development opportunities help team members envision long-term professional growth within the organisation. • Regular reviews and benchmarking of employment, remuneration, and benefit policies ensure market competitiveness. • Transparent and objective evaluation processes measure performance against individual and team goals, recognising and rewarding strong contributions through: <ul style="list-style-type: none"> • Management by Objective (MBO): Collaborative goal-setting aligns individual objectives with organisational priorities. • Multidimensional performance appraisal: Evaluates technical skills, interpersonal relationships, and adherence to company values through multi-source feedback. • Team-based performance appraisal: Encourages collaboration by assessing both individual contributions and team dynamics. • Variable performance-based pay: DFI applies variable performance-based pay to the majority of our full-time team members across all operating markets, including those in stores, Distribution Centres (DC), and Store Support Centres (SSC). Variable pay plans, such as Store Incentive Plan, DC Incentive Plan, Short-Term Incentive Plan (STIP) and Long-Term Incentive Plan (LTIP), are designed to reward performance. Various key performance indicators (KPIs), including business and individual performance criteria, are established based on their relevance to each plan and role. • Agile conversations: Promotes ongoing dialogue and real-time feedback through regular check-ins. • Regular salary reviews provide high-performing team members greater consideration for pay increases.
Wellness and benefits	<p>DFI offers a comprehensive range of benefits to support team members' well-being:</p> <ul style="list-style-type: none"> • Medical coverage, life insurance, retirement plans, discounts at DFI outlets, and flexible work arrangements for office-based roles. • Dedicated wellness rooms in Hong Kong offices for meditation, prayer, and lactation support. • Team Member Assistance Programme offering free 24-hour hotline and face-to-face consultations across multiple markets. • Expanded mental health awareness training for Store and Distribution Centre leaders to equip them with essential skills to support wellbeing.
Engagement and recognition	<ul style="list-style-type: none"> • Annual Your Voice Counts engagement survey to assess team member satisfaction and inform improvement initiatives. • Long service awards presented at milestones to acknowledge commitment and contributions. • DFI Wellbeing Month 2025, under the theme 'C.A.R.E. for Better', featured over 50 events across markets to promote physical, mental, social, and financial wellbeing, including: <ul style="list-style-type: none"> • Physical and Mental Wellbeing Expos offering free health assessments. • A recognition campaign where team members awarded over 10,000 badges to their peers to show appreciation and celebrate successes. • Interactive activities such as the C.A.R.E. Bear Hunt and wellbeing quizzes, engaging over 500 participants. • Financial wellbeing workshops and expert-led tea chats on resilience and sustainable wellbeing. • Local market events such as sports tournaments, health carnivals, and cultural celebrations.

Fostering Diversity, Equity and Inclusion

At DFI, we are committed to actively fostering a diverse, equitable, and inclusive environment that reflects the vibrant communities we serve. In 2025, DFI achieved a gender diversity rate of 42% among senior leaders. DFI also continued to advance diversity, equity, and inclusion (DE&I) through the following initiatives focused on promoting a culture that embraces differences in backgrounds, perspectives, and experiences.

DFI actively manages full adherence with our Code of Conduct policies, which encourages and requires all staff to support cultural and gender diversity, uphold non-discrimination, and embrace mutual understanding. Team members are able to report any instances of discrimination or breaches of relevant Code of Conduct requirements to their superiors or through anonymous channels via our internal reporting hotlines and related channels.

We actively support the recruitment and development of a diverse workforce at all levels of our organisation. Our training and mentorship programmes are designed to enhance awareness and understanding of DEI principles, fostering a sense of belonging for all team members. We utilise AI software to ensure bias-free language in communication materials, including job descriptions, and monitor diversity metrics among job applicants to maintain an inclusive hiring process.

We are developing our Diversity, Equity, and Inclusion (DE&I) Policy, to be launched in 2026, to reinforce our commitment to creating a workplace where everyone feels valued, respected, and empowered.

In addition to our standard practices, we have also implemented relevant initiatives:

- The DFI Inclusion Network was established in 2025 to foster a culture of belonging and allyship across the organisation. The network serves as a platform for engagement and learning, promoting diversity and inclusion through interactive events, awareness campaigns, and collaboration among team members across the markets.
- Inclusive employment at 7-Eleven Singapore: Through collaboration with the OctAVE Outpatient Rehabilitation Centre at the Institute of Mental Health, we provide work opportunities for Persons with Mental Health Conditions (PMHC) at our training store, supporting recovery and inclusion.
- Across every market and format, DFI develops and promotes regular events, celebrations, team member gatherings, training initiatives, and community engagements that embrace the full extent of local and regional diversity throughout Asia, which remains one of the world's most diverse and dynamic cultural regions.

Ethical Sourcing and Supply Chain Management

DFI remains committed to upholding the highest standards of ethical sourcing and supply chain management. Our risk-based governance approach combines pre-qualification assessments, supplier categorisation, and audits or reviews aligned with globally recognised audit standards. We emphasise continuous improvement by providing suppliers with technical support and feedback, while supplier briefings reinforce requirements and compliance with DFI's Supplier Code of Conduct. These measures ensure transparency and accountability across our operations and partnerships.

In 2025, we audited 100% of DFI's Own Brand production facilities located in high-risk countries against globally recognised ethical standards, sustaining the milestone achieved in 2024. This reflects our commitment to ensuring all Own Brand supplying factories meet DFI's ethical requirements, and we apply the same standards to any factories entering our Own Brand supply chains.

Our supply chain governance is overseen by the Sustainability Committee and managed by DFI's Group Technical team. To uphold these standards, we set clear goals, monitor key indicators of supply chain compliance, and share best practices across internal teams and suppliers. Recognising the importance of social and environmental issues

in the supply chain, the Responsible and Ethical Sourcing team is involved in product development right from the initial briefing stage and provides support and guidance to stakeholders throughout the process.

Supplier assessments follow a structured process:

- Pre-qualification questionnaire: All prospective Own Brand suppliers must complete a broad pre-qualification questionnaire that includes key-topic screening on critical ethical topics such as child labour and forced labour.
- On-site or document audit: Suppliers are categorised by risk based on their location (based on the amfori Country Risk Classification), with all factories in high-risk locations requiring a third-party Ethical Audit to a recognised global standard. To support the development of small businesses, factories that meet a defined maximum turnover or staff size limit may be eligible for a rigorous third-party desktop audit process.
- Non-compliance monitoring and improvement: All ethical non-compliances are reviewed by our Responsible and Ethical Sourcing team, and time-bound corrective action plans are agreed with the factory. Persistent non-compliances or failure to resolve within the agreed timeframe may result in suspension or termination of the business relationship.

Metrics and Targets – People

The reported headcount represents the spot figure as of December 31, 2025. The FY25 reduction in team members is primarily attributable to the divestment of SG Food.

	Unit	2025	2024	2023
Team Members' Demographics				
Total number of team members	No.	42,525	45,308	47,465
Team members by age group	%			
• Below 30		33%	32%	33%
• 30-50		47%	47%	47%
• Above 50		20%	21%	20%
Team members by work region	%			
• Hong Kong		45%	44%	42%
• Chinese mainland		13%	13%	14%
• Indonesia		11%	9%	10%
• Malaysia		9%	9%	9%
• Singapore		6%	13%	13%
• Others		16%	12%	12%
Team members by job type	%			
• Permanent		93%	88%	86%
• Temporary		7%	12%	14%
• Full-time		63%	63%	62%
• Part-time		37%	37%	38%
Total new hires	No.	16,908	20,632	26,622
• Below 30	%	70%	64%	60%
• 30-50		24%	28%	30%
• Above 50		6%	8%	10%
Training				
Team members' average training hours per FTE	hours	16.1	16.6	13.6
Gender Diversity				
Gender diversity of senior leadership (band 6 or above)	%	Male: 57% Female: 43%	Male: 63% Female: 37%	Male: 62% Female: 38%

Note: The number of team members reflect spot headcount as of December 31, 2025. The reduction in team members is mainly attributable to the divestment of the Singapore Food business.

	Unit	2025	2024	2023
Health and Safety				
Number of working hours	Million hours	83.7	89.1	83.7
Fatalities	No.	0	0	0
Fatalities rate	Per 200,000 hours worked	0.00	0.00	0.00
High-consequence work-related injuries	No.	0	12 [†]	7
High-consequence work-related injury rate	Per 200,000 hours worked	0.00	0.03 [†]	0.02
Recordable work-related injuries	No.	459	547*	592
Recordable work-related injury rate	Per 200,000 hours worked	1.10	1.23*	1.41
Lost time injuries	No.	318	376	426
Lost time injury rate	Per 200,000 hours worked	0.76	0.84	1.02
Ethical Sourcing				
Factories in high-risk countries supplying Own Brand products audited against amfori BSCI or equivalent standards DFI Target: 100% by 2024	%	100%	100%	94%

* The 2024 comparative figures for recordable work-related injuries have been restated due to methodology alignment between DFI IKEA and DFI practices. Corresponding figures for 2023 remain unchanged due to limitations in historical data granularity which preclude retrospective reclassification.

† 2024 data have been restated to reflect the reclassification of a case to high-consequence status in April 2025, subsequent to the issuance of the previous annual report.

Products

The products we provide across our operations are at the heart of our customers' daily lives. In each of our markets, customers expect diverse product assortments and trusted brands that meet their personal needs. Increasingly, they seek more sustainable products at accessible price points, while ensuring their expectations for quality and safety are always met.

Our core focus areas for the year under the Products pillar are:

Sustainable Choices

Through our Own Brand strategy, we can better influence quality, cost, and product mix, enabling us to offer healthier, more sustainable options without compromising value. We integrate environmental and social considerations into sourcing and product development, while collaborating with global franchise partners to adopt leading responsible sourcing practices.

Sustainable Packaging

We apply circularity principles to reduce environmental impact, focusing on eliminating unnecessary plastics, introducing reusable solutions, and transitioning to recyclable or compostable materials. Our packaging strategy is guided by global best practices and industry commitments, including the Consumer Goods Forum's Golden Design Rules.

Product Quality and Safety

We uphold rigorous standards throughout the product lifecycle, supported by robust risk assessments, audits, and compliance processes. Our technical teams work closely with suppliers to ensure compliance with global food safety standards and DFI's stringent requirements.

Related SDGs:



48%
In-Scope Own Brand products
with third-party sustainability certificates (2024: 28%)

83%
Own Brand plastic packaging
that is recyclable, reusable or compostable
(Target: At least 85% by 2030)

100%
Own Brand factories
with recognised global food safety initiative certifications or DFI audit (2024: 100%)

Sustainable Choices

We are committed to being our customers' advocates in their demands for high-quality, safe, sustainable, and value-for-money products. In addition to the wide assortment of National Brand products, this is delivered through over 1,700 Own Brand products across four leading brands: Mannings Guardian, Meadows, Yu Pin King and Vitapet, on sale across our multiple retail channels. Our Own Brand's mission is to provide consumers with high-quality, value-for-money products that meet consumer demand for cost efficiency without compromising living standards as well as a growing range of sustainable choices.

Across our Own Brand offerings, DFI incorporates environmental and social sustainability considerations within our strategic decision-making on sourcing quality products, optimising production and distribution, and minimising inefficiencies and waste. In addition, customers are increasingly prioritising healthy, nutritious products, for example, avoiding high-fat, high-salt, high-sugar products and pivoting towards products with beneficial health and nutritional claims. Within our Own Brand strategy, healthy and sustainable options are prioritised, provided they meet our key criteria for customer preferences, product quality, safety, regulatory compliance, and value for money.

In addition to our Own Brand products, as responsible franchise operators for global leading brands such as IKEA and 7-Eleven, we incorporate their leading practices in responsible sourcing, ensuring that consumers have access to high-quality products regardless of where they live and shop.

Our ongoing practices and progress in 2025 include:

- Identifying, tracking and monitoring sustainable raw material options, prioritising products with third-party environmental or social sustainability standard certification. Currently, we track our progress in selected food and non-food categories, covering seafood, coffee, cocoa, paper, wood, eggs and chicken.
- Development of a suite of Sustainable Products logos to increase the ease for customers to make more sustainable options and identify sustainability traits within their products. Currently, 138 of our Own Brand products carry a Sustainable Products logo or a third-party certification.
- Launching more sustainable products, including Yu Pin King Low-Carbon Rice and 7-SELECT juices.
- Updating our nutritional labelling on products to increase the ease for customers to make more sustainable options and identify health and nutritional benefits within their products.
- Reviewing our trade procurement policies, scorecard and supplier evaluation to provide more concrete guidance to our procurement teams to enable consistent and systematic decision-making when it comes to sustainability considerations.
- Providing supplier training and engagement on key sustainability topics to raise awareness and to enable better sourcing considerations in our upstream value chain (in progress, see also Carbon Footprint Reduction section).
- Continuing to supply a diverse range of organic products including fresh produce, grains, milk, soy products and infant food to cater for customers' preferences.

Sustainable certification is a practical approach for customers and us to identify responsibly sourced products and form a key element of our responsible and ethical sourcing strategy. In 2025, we successfully expanded our range of in-Scope Own Brand products with third-party sustainability certificates to 48%. We have reviewed our primary raw materials and prioritised those with the highest risks.

Product	Priority risk	Third party sustainable certification or commitment	Progress by the end of 2025
Seafood	Overfishing, unsustainable aquaculture practices	Where feasible, seafood products should obtain Marine Stewardship Council, Aquaculture Stewardship Council, or equivalent recognised certification body, as evidence that they are obtained from sustainable and well-managed fisheries.	81% of Own Brand's and all of IKEA's pre-packed seafood are sustainably certified.
Coffee	Deforestation, unsustainable forest management	Where feasible, coffee and cocoa products are to be Rainforest Alliance-certified, or equivalent certification for deforestation-free sourcing, and support biodiversity conservation and fair treatment of farmers.	100% of 7CAFÉ Hong Kong, Macau and Singapore; and all IKEA Coffee.
Cocoa			Chocolate products from Meadows Gold range are using cocoa from Rainforest Alliance-certified sources.
Paper		All Own Brand paper products to transition to Forest Stewardship Council® (FSC®) certification by 2028.	75% of Own Brand SKUs are using FSC Paper.
Wood		Wood used for IKEA products is either certified for sustainably sourced, or recycled.	99.5%
Eggs	Animal Welfare	All Meadows eggs comply with DFI-recognised cage-free and free-range animal welfare standards, verified through independent third-party audits to ensure non-cage housing, appropriate welfare conditions, and validated outdoor access where applicable.	All Meadows eggs are cage-free. All IKEA eggs are free range.
Chicken	Animal Welfare	Apply animal welfare principles set in IKEA Supplier Code of Conduct IWay 6 for chicken used in IKEA.	All IKEA HK chicken meet the principles.

We are continually reviewing products with higher environmental and social impacts and risks and identifying the feasibility of obtaining sustainability certifications in the markets that we operate in and source from. Where we recognise that not all products can obtain relevant sustainability certifications, we continue to collaborate with our suppliers and partners to minimise environmental and social impacts from our sourcing practices and continue to explore additional certification requirements and assortment for other categories. This is reflected in our ongoing efforts to review and update our procurement policies and guidance, as well as to continue supplier engagement and capacity-building to improve their awareness and practices in sustainable sourcing.

As well as assessing the sustainability of each product, our diverse product and business portfolio provides opportunities to take a holistic approach, incorporating circularity principles where relevant. For example, our 7CAFÉ's Rainforest Alliance coffee grounds are used as natural fertiliser to grow fresh vegetables and fruits, which are further made into products such as 7-SELECT juices within our 7-Eleven stores, as part of our 'Grounds to Green' upcycling programme. Our Low-Carbon Rice (see the Carbon Footprint Reduction section), while primarily targeting our Food business, has also been served in IKEA restaurants and bistros in Hong Kong, expanding the product's reach across our portfolio.

Grounds to Green

7-Eleven Expanded Coffee Grounds Upcycling Programme



7-Eleven Hong Kong expanded 'Grounds to Green' Coffee Grounds Upcycling Programme

In 2025, 7-Eleven Hong Kong expanded the **'Grounds to Green' Coffee Grounds Upcycling Programme**. Launched in 2024, the initiative repurposes used 7CAFÉ coffee grounds into natural fertiliser to grow fresh produce, advancing circularity and supporting our social impact objectives.

Phase Three (Farm to Table) established a cross-sector collaboration with New Life Farm, a local social enterprise, and Foodlink Foundation, alongside WeGen Farming and Maxim's Group. Coffee grounds were converted into natural enzymes and fertiliser for seasonal crops cultivated at New Life Farm and WeGen Farming. New Life Farm provides vocational rehabilitation for individuals recovering from mental illness, while WeGen Farming focuses on sustainable agriculture. Crops grown at New Life Farm were incorporated into 7-SELECT juices: *Cucumber*, *Kiwifruit*, *Apple*, and *Beetroot Apple*. Crops grown at WeGen Farming were used in ready-to-eat items: *Pumpkin Soup* and *Fried Rice with Pumpkin*, developed in collaboration with Maxim's Group. The products were launched on 10 September 2025 under the theme 'Grounds to Goodness.' The programme has received industry recognition, including Double Gold at the Marketing-Interactive PR Awards 2025 and two accolades at the ESG Business Awards 2025, underscoring its impact in embedding sustainability across operations and partnerships.

Since its inception, the programme has cumulatively recycled approximately 1.4 million cups of coffee grounds and produced 2,371 kilograms of crops, reinforcing its role in the circular economy. Earlier phases included partnerships with local charities and the introduction of Coffee BOB, a craft beer brewed in collaboration with Maxim's Group using upcycled coffee grounds and surplus bread, which earned Bronze at the Hong Kong International Beer Awards 2025.

Sustainable Packaging

Product packaging, especially plastics, plays a fundamental role in the modern global retail industry. It provides durability, versatility, and cost-efficiency, enabling safe transportation, extended shelf life, and convenience for millions of consumers. For categories such as Food, Health and Beauty, and Convenience, plastics help ensure product integrity and hygiene. However, single-use plastics and non-recyclable packaging can contribute to waste, pollution, and resource depletion. As a retailer, our responsibility is to minimise the impact of plastic packaging on the

environment, by influencing supply chains, distribution networks, product design, and packaging, which we are able to drive directly through our Own Brand portfolio. Our target is to achieve at least 85% of all Own Brand plastic packaging, measured by the weight of components, to be recyclable, reusable or compostable (RRC) by 2030.

Achieving progress in sustainable packaging means rethinking design, sourcing, and end-of-life solutions. Through responsible design and sustainable practices, we aim to transform plastics from a challenge into an opportunity for positive impact.

Our sustainable packaging approach is grounded in a hierarchy of 5R key principles, and we have made notable progress at each level.

Refuse	Removing unnecessary plastic, such as plastic film, for example removing 100% shrink wrap from Alcohol Swabs in Guardian.
Replace	Replacing non-recyclable plastics with recyclable, reusable or compostable (RRC) alternatives. In the second quarter of 2025, we replaced plastic pouches in our beauty accessories range with sustainably sourced paper boxes, removing 2,400 tonnes of plastic packaging.
Reduce	Redesigning products to use less plastic. In our Meadows snack range, we redesigned the blister tray and inner packaging on Sesame and Spring Onions saltines, resulting in a 7% reduction in PET material used.
Reuse	Introducing refill options to enable reuse of packaging. We introduced Refill pouches for Mannings Guardian body cleaning products, trialling on two of our best-selling SKUs. The result is a saving of 1,800kg of PET and enabling reuse of pump-dispenser bottles.
Recycle	Incorporating recycled materials and maximising packaging recyclability. In 2025, Mannings Hong Kong has transitioned to shopping plastic bags with a minimum of 50% recycled plastic content and incorporated messaging to encourage consumers to reuse the plastic bags. Four toothbrush SKUs have transitioned from virgin material to 50% recycled material, using sustainably sourced paper for the backing card. This has delivered a 1,900kg weight reduction, and replaced 12,000 kg of virgin material with recycled material.

As a member of the Consumer Goods Forum and the Plastic Waste Coalition, DFI has endorsed six Golden Design Rules that guide us in optimising packaging for recyclability. These include improving the value of PET bottle and tray recycling,

eliminating problematic elements, enhancing the recyclability of rigid HDPE and PP, reducing virgin plastic in B2B packaging, and providing clear on-pack recycling instructions.

Smart and Sustainable Packaging

Switching from Plastic Wrap to Textile Door in Distribution Centres



Our Distribution Centres cut single-use plastic by introducing reusable textile doors and straps for roll cages in 2025

DFI Retail Group's Hong Kong Distribution Centres have taken a major step toward waste reduction by introducing textile doors and straps as secondary packaging for roll cages. This initiative, launched in 2025 at the Wellcome Fresh Food Centre and 7-Eleven facilities, replaces traditional single-use plastic wrap with reusable textile solutions. It reinforces our commitment to circularity and operational efficiency.

The transition began with trials in 2023 and 2024 and culminated in full adoption in 2025. These textile doors are designed to secure goods during transport, prevent product loss, and streamline handling. Eliminating the need for stretch plastics. As a result, the Wellcome Fresh Food Centre alone has reduced annual plastic usage by 55%, saving approximately 31 tonnes of plastic per year. Across all Hong Kong DCs, the waste diversion rate improved from 88% in 2024 to 92% in 2025, demonstrating measurable progress.

Beyond environmental benefits, textile doors deliver operational advantages: they save time on wrapping and unwrapping, reduce recycling workload for store team members, and lower investment costs compared to disposable plastics. This journey underscores DFI's focus on scalable, practical solutions that drive both sustainability and business value across our supply chain.

Product Quality and Safety

At DFI, we uphold the highest standards of quality, safety, and compliance across our operations. For Own Brand products, this commitment is reflected in rigorous controls throughout the product lifecycle. All Own Brand production facilities must comply with DFI's Supplier Technical Standards, which set minimum requirements for local regulatory compliance, technical policies, and product specifications.

Our **Product Quality and Safety Programme** encompasses:

- **Clear objectives:** Designing, manufacturing, and delivering products that meet or exceed regulatory requirements and customer expectations, and to protect product and brand integrity by ensuring compliance and consistency.
- **Management oversight with dedicated resources:** Relevant members of our Management Committee, Own Brand and Group Technical teams are involved in setting strategic goals, allocating resources, and reviewing compliance performance regularly.
- **Training:** Ongoing programmes equip team members with knowledge and best practices in compliance, risk management, and operational standards. All newly hired food-store team members are required to complete mandatory training on food safety and hygiene, with an annual refresher course to ensure continued compliance and awareness.
- **Risk assessment:** Systematic pre- and post-launch evaluations to identify hazards and implement fit-for-purpose controls. Before launch, every product undergoes internal assessment and validation by a third-party accredited laboratory to ensure compliance with quality, safety, and legal requirements. Post-launch, we maintain a robust surveillance programme to monitor manufacturing and product compliance, enabling us to identify and address emerging issues promptly.
- **Third-party audits:** Mandatory audits for Own Brand food production facilities, prioritising GFSI certification. In 2025, 90% of our Own Brand food factories were audited against globally recognised food safety schemes under the Global Food Safety Initiative (GFSI). The remaining 10% of facilities without GFSI certification were audited by an independent third party under the DFI audit scheme.
- **Performance monitoring:** Continuous surveillance of manufacturing and compliance to address issues proactively. The Hazard Analysis Critical Control Point (HACCP) programme for our Fresh Food Centre in Hong Kong has external certification.
- **Incident response:** During the reporting period, no major product safety incidents occurred that required public recall or posed significant consumer risk. For minor issues identified, root-cause analysis of incidents and corrective actions are developed and agreed with suppliers. Remediation plans included repairs, replacements, design modifications, and, where necessary, enhanced quality control, and were completed in alignment with regulatory requirements, with costs monitored.
- **Emergency protocols:** Group Product Alert and recall procedures are tested annually through mock exercises, ensuring defined escalation criteria, standardised reporting, timely confirmation, and effective product withdrawal for quality, safety, and legality incidents.
- **Customer complaint mechanisms:** We provide multiple channels for customers and other external stakeholders to provide feedback on defective products, including customer hotlines, emails, websites, social media platforms and digital applications to cater for specific market needs.

Metrics and Targets – Products

		Unit	2025	2024	2023
Sustainable Choices	Own Brand target categories: products with sustainability certifications.	% of SKU	48%	28%	24%
Sustainable Packaging	Own Brand plastic packaging components by weight sold to be Recyclable, Reusable or Compostable (RRC) by design.*	% of SKU	83%	n/a	n/a
Product Quality and Safety	Factories of Own Brand food products with a globally recognised food safety audit certification.†	% of SKU	90%	85%	81%

* Comparative data for 2023 and 2024 is not available. The RRC rate calculation methodology was implemented in 2025, and historical data could not be retrospectively calculated due to data unavailability.

† The remaining food factories were audited by a nominated third-party according to DFI audit scheme.

Planet

Protecting the planet represents a fundamental responsibility for leading businesses to drive meaningful change. At DFI, we recognise the complexity created by our extensive retail network and diversified supply chain, which contributes to a broad carbon footprint and varied waste streams. To address these challenges, we concentrate on the areas where we can achieve the greatest impact, supported by structured investments, innovation, and collaboration across our operations and value chain.

Our approach under the Planet pillar combines ambitions with disciplined execution, embedding environmental responsibility into decision-making and working with partners to accelerate decarbonisation, advance circularity, and deliver measurable outcomes at scale.

Carbon Footprint Reduction

We advanced our climate transition plan through refrigeration upgrades and energy efficiency improvements. Beyond our own operations, we partnered with suppliers to decarbonise our Scope 3 emissions in 4 key categories, including rice, coffee, beef, and dairy, through certified sourcing, innovation challenges, and capacity-building programmes. Asia's food and goods sourcing supply chains are fundamentally fragmented across tens of thousands of individual suppliers that feed into local, regional and global production and supply networks. These core categories represent the most material emissions areas for driving collective practices towards carbon reduction.

Waste Recycling and Reduction

Guided by circularity principles, we tackled food waste and packaging through practical and innovative solutions. Initiatives include reducing plastic shrink wrap with reusable textile roll cages, expanding food donation partnerships, and upcycling coffee grounds into fertiliser and meat trimmings into biodiesel.

Biodiversity and Water Conservation

Although biodiversity and water risks are not DFI's material topics, we recognise stakeholder expectations for transparency. We continue to monitor and disclose progress, including water-efficient farming practices in our low-emissions rice programme and sourcing certified products to mitigate deforestation exposure.

Related SDGs:



Scope 1 and 2:

22%

emission reduction for continuing businesses vs 2021 baseline (Target: 50% reduction by 2030)

Scope 3:

380 tonnes

Low-Carbon Rice launched in 2025

66%

waste diversion

(2024: 61%)

Carbon Footprint Reduction

Scope 1 and 2

Our primary sources of Scope 1 and 2 emissions are refrigerant leaks and electricity use. We remain committed to achieving a 50% reduction by 2030 compared to a 2021 baseline, as well as striving towards net zero by 2050. To support this progress, DFI has invested over US\$42 million since 2022, including US\$7.7 million in 2025, across a wide range of energy efficiency measures and refrigeration upgrades. Our efforts and progress in 2025 include:

- Conversion of refrigeration systems, including the first two CO₂ refrigeration systems in Hong Kong supermarkets, significantly reduced emissions from refrigerant leakages.
- Conversion of existing refrigeration gases towards gases with lower Global Warming Potential (GWP) in over 217 supermarkets and 150 7-Eleven stores in Hong Kong.
- Implementation of energy efficiency monitoring and air conditioning equipment, leading to lower energy usage and improved energy monitoring across over 800 supermarkets and 7-Eleven stores.
- Purchase of renewable energy certificates in Indonesia covering 2.2GWh of electricity use, to support the transition in a market with a carbon intensive power grid. This expands our investment in renewable energy – which to-date also include on-site solar panel systems on the rooftop of the Wellcome Fresh Food Centre, Hong Kong, and IKEA Taiwan.
- We continued to advance low-carbon logistics through the deployment of electric vehicles. In Hong Kong, Wellcome has operated a 24-tonne electric truck since February 2024, eliminating diesel use while reducing noise pollution and maintenance needs due to its simpler mechanical design. In Taiwan, IKEA's 26-tonne electric truck has been in operation since 2023, further strengthening our transition to cleaner distribution solutions across markets. We will also continue to explore opportunities to expand electric vehicle adoption in other markets.
- We provided onboarding training on energy saving to equip team members with the knowledge and practices needed to support ongoing reductions in energy use across our operations.

Cooling Down, Warming Less

Market Place commissioned Hong Kong's first CO₂-based natural refrigerant system



Refrigerants are crucial for keeping food fresh and safe for our customers. The majority of DFI's Scope 1 emissions stem from refrigeration systems during everyday use.

In 2025, DFI continued to upgrade refrigeration systems across its stores with advanced technologies designed to minimise gas leakage and enhance energy efficiency.

We commissioned the first CO₂-based natural refrigerant system in Hong Kong's food retail sector at the Cloudview Market Place store in North Point in April 2025, followed by a sub-critical CO₂ refrigeration system in Oliver's The Delicatessen in Central Hong Kong in September 2025. This is a milestone in our journey toward our target of a 50% reduction in Scope 1 and Scope 2 emissions by 2030.

With a Global Warming Potential (GWP) of just 1, CO₂ is one of the most environmentally responsible refrigerants available. By replacing legacy high-GWP refrigerants with this eco-friendly system, the transition significantly reduces direct emissions. The new system simultaneously improves energy efficiency, delivering about 13% reduction in annual electricity consumption of the refrigeration system and approximately 438 tonnes of carbon emissions, equivalent to the annual carbon absorption of 26,500 trees.

In 2025, 7-Eleven Hong Kong also upgraded to lower-GWP refrigerants in 150 stores, further reducing emissions and improving operational energy efficiency.

Our focus on addressing refrigerant emissions is integral to our Net Zero 2050 ambition and reflects our commitment to leading the sustainable transformation of the retail industry across Asia.

In addition to the initiatives, we continue to identify actions towards continual improvement, monitor and measure our energy and environmental performance, and identify how these initiatives lead to the improvement of our overall energy and GHG performance.

The continued efforts are translating into tangible emissions reduction. Adjusted for divested businesses, by the end of FY25, we remain on track at 22% reduction in Scope 1 and 2 emissions from 2021 baseline.

Scope 3

Within Scope 3, our purchased goods (Category 1) remain the most significant source of emissions. As we operate in a diverse region and rely on a vast, global supplier network, we remain committed to providing value-for-money, sustainable daily necessities for our customers. We are committed to sourcing products with lower impacts on the environment, more efficiently produced and from suppliers with credible environmental and social standards.

Our underlying principles to be focused, balanced and collaborative underpin our strategy to unlock meaningful and tangible emissions reduction. Our transition plan for Scope 3 emissions reduction focuses on four priority categories based on their importance to our customers in Asia and our ability to influence and activate decarbonisation efforts. These categories are rice, coffee, beef and dairy, where we have made continued progress in 2025. Key progress includes:

- Launch of our Own Brand low-emissions rice under the Yu Pin King brand, exceeding our original target to achieve 380 tonnes (original target at 200 tonnes). We have further committed to a long-term partnership with our supplier, Toumi Foods and Product Co., Ltd., including the production and delivery of 1,000 tonnes of Low-Carbon Rice to the Hong Kong and Macau markets in 2026. We shared our learnings with industries through various online and physical seminars to encourage adoption to increase the impacts.
- Adoption of Rainforest Alliance-certified coffee beans for 7CAFÉ in Hong Kong, Macau and Singapore, to ensure that our coffee beans are sourced from deforestation-free plantations. We have also expanded our circularity initiative by converting our coffee grounds into fertiliser to supply farms that produce vegetables for our 7-Eleven products.
- Launch of our first Sustainability Innovation Challenge with The Mills Fabrica, seeking to find innovative and cost-effective solutions that can help address the emissions from beef and dairy farming. This competition is open to global innovators and successful awardees, to be announced in 2026, who will have opportunities to work with our relevant suppliers.
- Launch of our supplier engagement and capacity building programme across key suppliers from the above categories to engage our suppliers and team members, provide training and advisory support, foster a community of learning and celebrate joint successes. The programme involves collaboration between the Commercial and Sustainability teams and is overseen by the Sustainability Committee with periodic updates on its progress. We are also updating our sustainable procurement policies and principles to enhance emphasis on suppliers' sustainability performance and support sustainable procurement.
- Engagement with international industry fora to gain insights and help shape international industry developments and standards, share our learnings with peers and support industry progress. Notably, we are part of the Climate Transition Coalition of the Consumer Goods Forum (CGF) and contributed towards the development of the Supplier Engagement resources and Common Data Framework, and actively applied them in our own decarbonisation and data management efforts. We have also participated in events and publications by the World Economic Forum's First Mover Coalition for Food, providing demand signals for sustainable production of key commodities such as rice, beef and dairy.

A Bowl Full of Climate Action

DFI's Own Brand Yu Pin King Successfully Scaled Up Low-Carbon Rice

御品 YU PIN KING

首推 低碳米 耕種計劃

Pioneer Low-Carbon Rice Cultivation Programme

- ✓ 減少碳排放
Reduces carbon emissions
- ✓ 支持可持續發展
Supports sustainable development
- ✓ 減少用水及環境污染
Reduces water use and environmental impact

榮獲多個可持續發展獎項
Recognised for multiple Sustainability Awards

DFI Own Brand Yu Pin King Low-Carbon rice programme

Scan QR code to learn more:

Rice is a staple food across Asia and a significant source of greenhouse gas emissions, making it one of DFI's top Scope 3 categories. To address this challenge, we led a successful sustainable rice cultivation pilot programme in Thailand in 2024, producing 110 tonnes of certified Low-Carbon rice with a minimum 30% reduction in GHG emissions compared to conventional cultivation while maintaining rice quality and yield.

Building on the success of the 2025 launch of Low-Carbon Rice, which saw a remarkable 25% increase in sales, DFI continues to lead the way in sustainable sourcing and climate action. In 2025, we are scaling up the programme through a five-year strategic partnership with Toumi Foods, targeting an increase in Low-Carbon Rice production and delivery to 1,000 tonnes for the Hong Kong and Macau markets in 2026—five times the 2025 goal. This milestone reflects our commitment to making sustainable, affordable products a reality for our customers while driving positive change in the food industry.

In the programme, DFI and Toumi actively support farmers by promoting green practices such as alternate wetting and drying irrigation, prohibiting straw burning, and optimising soil and fertiliser management. These efforts not only reduce Scope 3 emissions across the value chain but also empower farmers to adopt sustainable practices that strengthen climate resilience and improve livelihoods.

Our efforts have been recognised with three notable awards this year:

- UNSDG Achievement Awards Hong Kong 2025 for its contribution to SDG 13: Climate Action
- ESG Business Awards 2025 – Sustainable Supply Chain Partnership Award – Hong Kong
- FMCG Asia Awards 2025 – Sustainability Initiative of the Year – Hong Kong

These accolades underscore our leadership in building resilient, responsible supply chains and driving decarbonisation across the value chain.

Sustainability is a collective responsibility. With DFI's extensive retail network, we actively partner with stakeholders to drive meaningful impact. From supporting farmers with green practices to optimising procurement and logistics, and providing customers with sustainable options, we are creating positive change for both people and the planet.

To support an effective and progressive decarbonisation pathway, we rely on every part of our business to make structured, balanced decisions about our investments in decarbonisation. We allocate an annual carbon budget to our businesses and use internal carbon pricing to support decision-making. Given our operations across diverse markets, we apply an internal carbon price, where relevant, to support informed and localised investment decisions that balance emissions reduction with cost efficiency. The internal price is benchmarked to prevailing renewable energy certificate (REC) prices locally and is used as an input to the evaluation of applicable projects and investment decisions on emission reduction. Any shortfalls against their carbon budgets will need to be compensated through the purchase of RECs. At present, we do not rely on other forms of carbon offsets to meet our target towards 2030.

Our progress towards our 2030 target is built on sustained, systematic efforts to scale successful initiatives. In 2026, we will continue to strengthen the initiatives outlined above and in our climate transition plan (see Climate Transition Plan).

Waste Recycling and Reduction

DFI is dedicated to minimising waste generated during our operations and diverting it from landfill where practicable. Our waste diversion target is to achieve an 80% reduction by 2030.

Adopting a consistent approach to product packaging, our approach to managing waste is similarly grounded in a hierarchy of five key principles: Refuse, Reduce, Reuse, Replace, and Recycle. We provided onboarding training and refresher training to team members to reinforce behaviour in applying these principles. In 2025, we continued to progress following this hierarchy for our key waste types, significantly improving our total waste diversion to 66% compared to 61% in 2024.

Non-Product Waste – Paper Carton

- Paper carton provides an efficient and lower impact protection for the distribution of our products, especially from our distribution centres to stores. The collection of used paper cartons can be done more effectively within our distribution centres. To minimise the use of paper cartons in stores, our distribution centres managed single pick products in tote boxes, enabling paper carton recycling to be primarily handled there.
- Our major distribution centres contain paper carton compressing facilities to consolidate all paper carton use to be subsequently diverted to our recycling partner.
- Where paper cartons are delivered to stores, we collaborate with local collection organisations and partners to collect the used paper cartons. We provide training and support to our store teams to encourage high rates of paper and carton recycling and monitor collection rates through store surveys and sampling.

Non-Product Waste – Operational Plastic Use

- Our behavioural change campaign with team members also led to increased awareness to minimise plastic and packaging use and recycle consumed plastic wherever feasible.
- Since 2023, we have piloted various approaches to identify alternatives to plastic wrap for deliveries.
- For specific applications, we have transitioned to using textile doors and straps to secure products in roll cages. These can be reused, resulting in a reduction of plastic shrink wrap usage by more than 50% by weight at our Wellcome Fresh Food Centre and 7-Eleven distribution centre compared to last year.
- Where plastic shrink wrap is still required, we have optimised specifications by reducing thickness from 12mm to 8mm without compromising product protection during pallet delivery. This change helps cut over 80 tonnes of plastic annually. All shrink wrap used is collected and recycled at our distribution centres post-consumption.

Product Waste – Food Waste

- We continue to strengthen our operational excellence in managing our inventory to reduce the product loss or waste along the distribution chain.
- We have continued our partnerships with our existing donation partners, Feeding Hong Kong and Foodlink, and increased the donation channels of our surplus food or products to include Food Commons and Kadoorie Farm and Botanical Gardens. Our partnership with Kadoorie Farm and Botanical Gardens is notable as it represents the first time we have donated our food surplus as animal feed to support local biodiversity.
- For food waste which cannot be consumed, for example, coffee grounds, we have explored innovative approaches to upcycle them into other uses. Our Grounds to Green Programme (see details on P.71) represents our efforts to innovate and improve the circularity of our products. We also continue our collaboration with a local biofuel company to transform trimmed meat fat into biodiesel for our operations.
- Where surplus food cannot be donated, we have identified appropriate ways to divert the waste for lower-impact waste treatment. Building on our existing initiative to divert food waste from our Food business to Hong Kong's Anaerobic Digestion facility, O-PARK, for biogas production, 7-Eleven Hong Kong joined the programme in February, with 649 stores now participating. In 2025, our distribution centres consolidated and diverted 1,525 tonnes of food waste to O-PARK.
- We measure food loss and waste using a structured approach that combines system shrinkage records, category-specific weight proxies, and verified diversion data from NGOs and recyclers, supplemented by proxy-based modelling for stores with reference to GRI.

Biodiversity and Water Conservation

As a consumer retail business operator across our business formats, our most material contributions are in reducing our greenhouse gas emissions and waste, we recognise that we have a role to play in the conservation of biodiversity and natural resources, including water. At DFI, we continue to promote holistic approaches to sustainability, incorporating consideration of water, forest and other biodiversity issues into our decision-making as appropriate.

Our risk assessment of water indicates that our major operating locations in Asia are in low- to medium-water-stress areas (based on analysis of the WRI Aqueduct Water Risk Atlas). While we are at lower risk of water stress, we continue to implement water-conservation practices across our operating locations. We recognise that water stress may affect our key commodities, and we continue to monitor and evaluate these risks as they emerge. For example, we have identified that rice, one of our key commodities, is projected to be at risk of water stress in locations such as Thailand under future climate scenarios. Our low emissions rice programme helps to manage this risk by promoting Alternate Wetting and Drying (AWD) methods, which significantly reduce the water use in irrigation, improving the resilience of local farmers while lowering emissions from methane.

While we are not subject to regulations on deforestation, we continue to evaluate our exposure to deforestation risks, focusing on key commodities (such as coffee, cocoa, beef, wood/paper and palm oil) across our wide range of products. Sourcing sustainably certified products helps us mitigate this exposure, and we continue to identify potential improvement areas in our sustainable sourcing approach.

In summary, our efforts in 2025 include:

- **Water efficiency in own operations:** At the Wellcome Fresh Food Centre, one of our major water-consuming facilities, improved operational planning and upgraded equipment to improve water efficiency. These include the shift from steam boilers to instant heaters and the transition from running-water defrosting to air-flow exchange methods, which have reduced its water consumption by 23% compared with 2024.
- **Training-led resource efficiency:** Team members are trained on environmental efficiency, including energy, waste, plastic and water use, to encourage behavioural changes in their daily work and living environment.
- **Water efficiency in supply chain:** Low-emissions rice programme, which involves Alternate Wetting and Drying (AWD) methods to reduce water usage by up to 30%.
- **Managing deforestation exposure:** Increasing the proportion of sustainably certified Own Brand products to source from suppliers with no-/low-deforestation risks, including Rainforest Alliance certification for our coffee and cocoa, and Forest Stewardship Council (FSC) for our paper products.
- **Managing exposure to unsustainable fishing practices:** Increasing the proportion of sustainably certified Own Brand products to source from suppliers with sustainable fishing and responsible aquaculture practices, including Marine Stewardship Council (MSC) for fisheries and Aquaculture Stewardship Council (ASC) for farmed seafood.

Our environmental and climate-related approach is informed by the Jardine Matheson Sustainability Policy and Climate Change Policy, which apply across the Group and are reviewed periodically by executive management. These policies outline principles relevant to ESG expectations, including meeting applicable environmental and climate-related requirements, supporting continual improvement through regular monitoring, review and disclosure of progress, and measuring environmental impacts to guide target-setting such as greenhouse gas emission reduction. They also reinforce the importance of environmental awareness and climate literacy among team members, while encouraging wider engagement on sustainability topics across team members, customers, partners and, where appropriate, suppliers.

Our Supplier Code of Conduct also strengthens our approach by setting clear ESG expectations for suppliers. It requires suppliers to maintain policies and procedures to manage and minimise their environmental impacts, including responsible resource use and the management of water and air emissions. The Code also grants DFI audit rights and the ability to end relationships in cases of material non-compliance, supporting a disciplined process to work with suppliers who meet defined ESG standards and integrate ESG considerations into supplier engagement and procurement.

Metrics and Targets – Planet

Area	Performance indicator	Unit	2025	2024	2023
Scope 1 and 2 emissions	Total Scope 1	kt CO ₂ e	162	239	236
	Refrigerants	kt CO ₂ e	155	231	228
	Fuels for own trucks	kt CO ₂ e	7	8	8
	Total Scope 2 (market-based)	kt CO ₂ e	295	328	341
	Total Scope 2 (location-based)	kt CO ₂ e	296	328	341
	Total Scope 1 & Scope 2 (market-based)	kt CO ₂ e	457	567	577
	Total Scope 1 & Scope 2 (location-based)	kt CO ₂ e	458	567	577
	Scope 1 & Scope 2 (market-based) intensity	tCO ₂ e per US\$m net sales	52	64	63
Energy	Total energy consumption	Million GJ	2.35	2.52	2.59
	– Fuel	Million GJ	0.10	0.11	0.11
	– Electricity	Million GJ	2.25	2.41	2.48
	Energy intensity	GJ per US\$m net sales	254	284	282
Scope 3 emissions	Category 1 Purchased goods and services	kt CO ₂ e	2,062	2,174	2,307
	Category 14 Franchise	kt CO ₂ e	50	72	78
	Category 15 Investment	kt CO ₂ e	113	488	493
	Other Scope 3 categories	kt CO ₂ e	594	543	560
Waste Recycling and Reduction	Diverted waste				
	Paper	%	92%	89%	82%
	Food waste	%	15%	11%	12%
	Plastic	%	94%	78%	68%
	Others	%	43%	37%	44%
	Total diversion rate	%	66%	61%	56%

Scope 1 and 2 GHG emissions – for continuing businesses

Performance indicator	Unit	2025	2024	2023
Total Scope 1	kt CO ₂ e	82	132	127
Total Scope 2 (market-based)	kt CO ₂ e	265	288	291
Total Scope 1 & 2	kt CO ₂ e	347	420	418

Note: The difference between market-based and location-based Scope 2 figures is attributed to the purchase of Renewable Energy Certificates (RECs) for our operations in Indonesia.

Supporting Information

Basis of Preparation and Presentation

Disclosure Boundaries

This Disclosure covers ESG data for the year ended 31 December 2025. Where feasible, data from the two previous years is also provided, and any comparative figures from prior years have been adjusted to comply with updated DFI ESG accounting policy where material following our restatement policy.

For the scope of coverage, we include all subsidiaries of DFI unless stated otherwise. Associates, joint ventures and franchisees of DFI are out of scope unless stated otherwise.

DFI uses the operational control consolidation approach when reporting its ESG performance. For entities DFI owns and where we exercise operational control, the performance indicators are reported on a 100% basis.

Our Reported Datapoints

Our disclosure of data is prepared with reference to the IFRS S1 and S2 Standards and the Global Reporting Initiative (GRI) Standards.

DFI engaged third-party assurance for Scope 1 and 2 Greenhouse Gas Emissions. Please refer to the limited assurance statement in our Sustainability Disclosure 2025 for details.

Outcome Uncertainties and Estimation

In preparing the ESG-related information, DFI has made key judgements, estimations, and assumptions where the processes and issues involved with the data, models, and methodologies are evolving. Not all ESG data are of the same data quality standard, and there are challenges in accessing data on a timely basis and the lack of consistency and comparability between data. Reliance on historical data as a reliable predictor of future trends is limited. We expect industry guidance, market practice, and regulations in this field to

continue to change. This means the ESG metrics discussed in this Sustainability Disclosure carry an additional degree of inherent risk and uncertainty.

DFI may have to re-evaluate its reported metrics, update or alter the methodologies, and may be required to amend, update, and recalculate its ESG disclosures and assessments in the future, as market practice and data quality, accuracy, and availability change.

Restatement Policy

If an error or change in methodology leads to a change in a total figure that exceeds the materiality threshold of 5% of the original figure, the Group's total figures will be restated. The reasons for changes, revised comparative figures, and the differences would be noted.

In line with the IFRS Sustainability Disclosure Standards, DFI will not restate the prior year's data due to business divestments.

Reporting Basis

Planet

(1) Total Scope 1 & 2 greenhouse gas emissions

Scope 1 and 2 GHG emissions are calculated and consolidated with reference to the GHG Protocol Corporate Accounting and Reporting Standard ('GHG Protocol') and GRI 305: Emissions.

Scope 1 emissions refer to the gross direct refrigerant emissions from refrigeration and air conditioning equipment that are owned or controlled by DFI, with leakage estimated based on total weight of refrigerant purchased. Fugitive emissions from fire extinguishers are considered immaterial and therefore are not reported. Emission factors and global warming potential (GWP) values are obtained from data by the UK Department for Environment, Food and Rural Affairs (DEFRA) and the Intergovernmental Panel on Climate Change (IPCC)'s Sixth Assessment Report (AR6).

Scope 2 emissions refer to gross emissions from the generation of purchased electricity consumed by DFI. DFI reports both the location-based and market-based Scope 2 GHG emissions. We consider emissions from heating, cooling, or steam to be immaterial, and therefore are not reported. For the location-based approach, we use emissions factors from regional or national sources, or from the International Energy Agency (IEA). For the market-based approach, emission factors are based on the purchased contractual instruments between DFI or its subsidiaries and energy provider. Market-based emissions will be equivalent to location-based emissions, if no deliberate selection of electricity supplier is made and if no contractual arrangements have been made related to renewable energy attributes.

In a small number of cases, data is not directly available from our sites and we use data extrapolated from previously known consumption for the site, or estimated using other sites that are comparable in size and format.

(2) Total Scope 3 greenhouse gas emissions

Scope 3 GHG emissions are calculated with reference to the GHGP Scope 3 Guidance and GRI 305: Emissions.

DFI identifies Categories 1, 14, 15 as the most material categories of emissions, and we report on these categories separately, with the remaining categories reported as 'Other Scope 3 Categories'. Categories 8, 10 and 13 are not relevant to our retail operations and therefore we do not report on these. Given the complexity of our business and operations, actual data is not consistently available, and we rely on assumptions and estimations when calculating our emissions where data gaps exist.

Category 1: Purchased goods and services includes all upstream (i.e. cradle-to-gate) emissions from the production of products and services purchased in the reporting year. We calculated emissions from 1) purchased food items using an activity-based approach by product weight, 2) purchased non-food items and 3) services purchased by DFI, the latter two calculated using a spend-based approach. The average data method calculations are based on the publicly available emission intensity of different food product categories. For the spend-based method, we used the emissions intensities of different industries multiplied by the value of products or services purchased.

Category 14: Franchises - includes emissions from the operation of franchises not included in Scope 1 or Scope 2. For DFI, this includes Scope 1 and Scope 2 emissions from the convenience franchises in the Chinese mainland, Hong Kong and Macau, and Singapore.

Category 15: Investments – includes scope 3 emissions associated with DFI's investments in the reporting year, not already included in scope 1 or scope 2. For 2025, this covers all Scope 1 and 2 emissions from Maxim's Restaurant Group weighted by share ownership.

(3) Total energy consumption

Energy consumption is calculated and consolidated in accordance with GRI 302: Energy.

Energy consumption refers to the total usage of stationary and mobile fuel, as well as electricity. The data is collected from actual electricity bills, purchase records or internal estimations.

(4) Total waste disposal and diversion

Waste disposal and diversion are calculated with reference to GRI 306: Waste 2020.

Waste is defined as any material DFI discards, intends to discard, or is required to discard, categorised into hazardous and non-hazardous waste.

- **Hazardous waste:** Waste possessing characteristics in Annex III of the Basel Convention or defined as hazardous by national legislation (e.g. clinical and pharmaceutical waste, batteries, cartridges).
- **Non-hazardous waste:** Further categorised into Product Waste (shrinkage/written-off items such as expired food or damaged goods) and Non-Product Waste (operational by-products such as secondary packaging, polyfoam, plastic wraps, and general refuse).

Referring to GRI 306, Waste Disposal is defined as waste sent to landfill or incineration. Waste diversion is defined as waste prevented from entering landfills through methods such as reuse, repair, repurposing, and recycling. **Waste diversion rate (%)** is calculated as the total weight of diverted waste divided by the total weight of waste generated.

Product waste:

- Disposal weight is calculated based on system shrinkage records. The weight of primary packaging is estimated using category-specific proxies derived from sampling. Diversion figures are based on actual records provided by NGOs, government bodies, or third-party recyclers.

Non-product waste:

- **Distribution centres (DCs) and office:** Disposal and diversion are calculated based on invoice data or reports from waste collectors. This includes hazardous waste such as batteries and cartridges.
- **Stores:** Due to the high volume of sites, the Group adopts a proxy-based approach. Waste generation is estimated using activity data, such as revenue, multiplied by waste intensity proxies. These proxies were developed with external consultants through sampling in key markets.

- **Specific diversion estimates:** For paper in Hong Kong and the Chinese mainland, diversion rates are determined via store-level surveys regarding recycling practices, applied to the estimated waste generation.

People

People-related data is calculated with reference to GRI 2: General Disclosures 2021 and GRI 404: Training and Education 2016.

Team member: defined as Individuals in an employment relationship with DFI according to national law.

This includes full-time, part-time, permanent, and temporary employees.

Training: defined as any type of knowledge-based and skills-based session, attended by team members on a compulsory or voluntary basis. This includes DFI-organised instructor-led or functional knowledge exchange sessions, digital learning provided by DFI's learning platform, and approved external training and education leave paid for by DFI.

Senior leadership: Defined as Grade 16 or above according to the Willis Towers Watson Global Grading System, which we have matched to the DFI grading system for direct comparison.

- (1) **Average training hours:** Calculated as total training hours divided by total Full-Time Equivalent (FTE) employees. Part-time members are counted as 0.5 FTE. Headcount is based on year-end figures; divested businesses use FTE as of the final day before divestiture.
- (2) **Senior leadership diversity (%):** Calculated as the number of female senior leadership members divided by the total number of senior leadership members.

Health and safety: The health and safety data is calculated with reference to the GRI 403 Occupational Health and Safety. Data covers all employees (full-time, part-time, permanent, and temporary). Rates are calculated per 100 full-time equivalent employees (based on 200,000 hours worked annually).

- (3) **Work-related injuries:** Defined as negative impacts on health arising from exposure to hazards at work.
- (4) **Lost time injuries:** defined as work-related injuries or illnesses that result in an employee being unable to perform their regular work duties for at least two scheduled workdays including the day of the incident.
- (5) **Recordable work-related injuries:** defined as work-related injuries that result in any of the following: days away from work, restricted work, medical treatment beyond first aid, or significant injury diagnosed by a physician or other licensed healthcare professional.
- (6) **High-consequence work-related injuries:** defined as work-related injuries that result in the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 180 workdays.
- (7) **Fatality:** defined as the death of an employee resulting from a work-related injury or occupational illness during employment on company premises or while performing job-related duties.

Hours worked: based on actual clock-in and clock-out records for most stores and distribution centres. For offices, standard hours minus leave are applied to average headcount.

Rates (TRIR, LTIR, high-consequence, fatality): Calculated using the standard formula: (Number of incidents × 200,000)/total hours worked.

- (8) **Factories (in high-risk countries) supplying Own Brand products audited against amfori BSCI or equivalent standards (cumulative):** Percentage of Own Brand factories in high-risk countries audited against amfori BSCI or equivalent standard cumulatively out of all Own Brand factories. Factories in countries are categorised as 'high-risk' according to the amfori BSCI Countries Risk Classification and other published country risk indexes on labour rights protection.

Products

- (1) **Own Brand plastic packaging:** The weight of all RRC components as a percentage of the weight of all plastic components for DFI's Own Brand products. The scope covers active Own Brand products that contain plastic packaging components, sold within the reporting year. For the weight of a packaging or packaging component to be reported as recyclable, reusable or compostable (RRC), the following conditions must be met. The plastic component is recyclable if it: uses RIC #1 PET, #2 HDPE, #4 LDPE, or #5 PP and can be collected and recycled by design. Products that do not contain any plastic packaging components – for example, products packaged solely in glass, paper, or metal – are outside the scope of this metric.
- (2) **Product sustainability certification SKUs:** For the relevant Own Brand product category, percentage of SKUs that have received globally recognised sustainability certifications. The applicable in-scope categories are seafood, eggs, coffee, cocoa, and paper. For the paper category, we consider SKUs with recycled paper in addition to sustainability certifications. The certifications include but are not limited to Marine Stewardship Council (MSC), Aquaculture Stewardship Council (ASC), Best Aquaculture Practices (BAP), Forest Stewardship Council (FSC), Rainforest Alliance.
- (3) **Factories of Own Brand products with a globally recognised food safety audit certification:** Percentage of Own Brand factories that hold certification from a globally recognised food safety programme that is accredited under the Global Food Safety Initiative (GFSI) scheme, relative to all Own Brand factories. Facilities that do not possess GFSI certification must adhere to the food safety requirements outlined in DFI's Supplier Technical Standards, which are established by our Technical team and audited by a DFI-appointed third-party partner.

Independent practitioner’s limited assurance report on DFI Retail Group Holdings Limited’s ESG data

To the board of directors of DFI Retail Group Holdings Limited

Limited assurance report on the consolidated ESG data

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated ESG data, which consists of the greenhouse gas emissions of DFI Retail Group Holdings Limited (the ‘Group’), included within the Planet section of the Group’s Sustainability Disclosure of the Group’s Annual Report 2025 as identified in the Consolidated ESG data section below (the ‘Consolidated ESG data’) for the year ended 31 December 2025.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Consolidated ESG data is not prepared, in all material respects, in accordance with the criteria applied as explained in the Total Scope 1 & 2 Greenhouse Gas Emissions section within the Planet section of the Group’s Sustainability Disclosure 2025.

Consolidated ESG data

The Consolidated ESG data for the year ended 31 December 2025 is summarised below:

Data Point	Units	2025
Total Scope 1 & Scope 2 (location-based)	kt CO ₂ e	458
Total Scope 1 & Scope 2 (market-based)	kt CO ₂ e	457

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (‘ISAE’) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information (‘ISAE 3000 (Revised)’), and, in respect of the greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance engagements on greenhouse gas statements (‘ISAE 3410’), issued by the International Auditing and Assurance Standards Board (the ‘IAASB’).

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under these standards are further described in the Practitioner’s responsibilities section of our report.

Our independence and quality management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 issued by the IAASB, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities for the Consolidated ESG data

Management of the Group is responsible for:

- the preparation of the Consolidated ESG data in accordance with the criteria applied as explained in the Total Scope 1 & 2 Greenhouse Gas Emissions section under the Planet section of the Group's Sustainability Disclosure 2025;
- designing, implementing and maintaining such internal control as management determines is necessary to enable the preparation of the Consolidated ESG data, in accordance with the criteria applied as explained in the Total Scope 1 & 2 Greenhouse Gas Emissions section under the Planet section of the Group's Sustainability Disclosure 2025, that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

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

Inherent limitations in preparing the Consolidated ESG data

Greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Practitioner's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Consolidated ESG data is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. We report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Consolidated ESG data.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) and ISAE 3410, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- determine the suitability in the circumstances of the Group's use of reporting criteria as the basis for the preparation of the Consolidated ESG data;
- perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control; and
- design and perform procedures responsive to where material misstatements are likely to arise in the Consolidated ESG data. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated ESG data. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of where material misstatements are likely to arise in the Consolidated ESG data, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Consolidated ESG data by inquiring of the persons responsible for the Consolidated ESG data;
- Evaluated whether all information identified by the process to identify the information reported in the Consolidated ESG data is included in the Consolidated ESG data;
- Performed inquires of relevant personnel and analytical procedures on selected information in the Consolidated ESG data;
- Performed substantive assurance procedures on selected information in the Consolidated ESG data; and
- Evaluated the methods, assumptions and data for developing estimates.

Other matter

Our conclusion on the current period addresses the Consolidated ESG data described in the 'Limited assurance conclusion' section of our report. The comparative ESG data presented within the Planet section of the Group Sustainability Disclosure 2025 for the year ended 31 December 2023 relating to Consolidated ESG data set out below was not subject to assurance.

Data Point	Units	2023
Total Scope 1 & Scope 2 (location-based)	kt CO ₂ e	577

Our conclusion is not modified in respect of this matter.

PricewaterhouseCoopers

Certified Public Accountants
Hong Kong
3 March 2026

Content Index – TCFD

We have disclosed a TCFD section within our annual report since 2022. This year, we have integrated the TCFD content across our Sustainability Disclosure, with additional disclosure aligning to the requirements of IFRS S1 and S2 where appropriate. The content index provides a quick navigation to relevant disclosures against the TCFD requirements.

TCFD recommendation	Recommend disclosures	Location
Governance Disclose the organisation’s governance around climate-related risks and opportunities.	a. Describe the Board’s oversight of climate-related risks and opportunities.	Sustainability Governance Page 40-41
	b. Describe management’s role in assessing and managing climate-related risks and opportunities.	
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organisation has identified over the short-, medium-, and long-term.	Climate-related risk and opportunity disclosure – Sustainability Strategy Pages 49-52
	b. Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning.	
	c. Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management Disclose how the organisation identifies, assesses, and manages climate-related risks.	a. Describe the organisation’s processes for identifying and assessing climate-related risks.	Climate-related risk and opportunity disclosure – Sustainability Strategy Pages 49-52
	b. Describe the organisation’s processes for managing climate-related risks.	
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation’s overall risk management.	Sustainability Risk and Opportunity Management Pages 53
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Metrics and Targets – Planet Page 83
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.	
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Planet Pages 76-80 Metrics and Targets – Planet Page 83