

## Shimao Group Policy on Climate Change

Shimao Group (the “Company”) lays emphasis on global climate change. The Company will respond to the country's focus on economic development, energy conservation, optimization of energy structure, strengthening ecological protection and construction. Strive to control and slow down greenhouse gas emissions and continuously improve its ability to adapt to climate change, supported by scientific and technological progress. We will also integrate the response to climate change into our corporate management.

Shimao Group is committed to and has taken the following measures to address climate change:

1. Integrating climate change risks into the company's risk management system.
2. Actively responding to the national carbon neutrality target and implementing relevant procedures in the long term.
3. Reducing greenhouse gas emissions through green buildings, green declarations, green leases, green commercial agreements to incentivize tenants and property managers to improve property performance, smart operations and maintenance, ecological arrangements, renewable energy, and waste treatment, etc.
4. Paying attention to environmental issues at the land development stage. Incorporating them into climate change factors. Committing to develop only green-certified properties in greenfield. to maximize land resources and ecological values.
5. Making good use of resources and energy. Developing and implementing systems such as the Energy Conservation and Consumption Reduction Management Code. Strengthening energy management and water management in multiple dimensions. Attempting to adopt renewable energy as an alternative to reduce unnecessary energy consumption.
6. Encouraging related parties such as employees, suppliers and customers to reduce carbon emissions in business and daily life.
7. Regularly monitor and disclose the carbon emissions generated by the Company's operations.

This policy is updated every three years. It can be reviewed and updated as appropriate when necessary.