

2025

Environmental, Social and Governance (ESG) Report



Forest Logistics Properties

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2025 ESG REPORT

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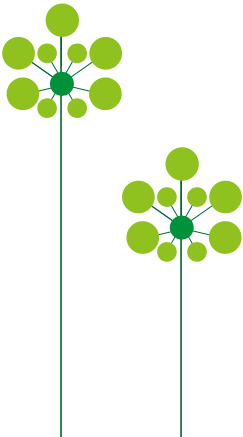
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About this Report

Forest Logistics Properties Holdings CO., Limited (hereafter referred to as “Forest Logistics”, the “Company”, “We”) is delighted to present our fourth Environmental, Social and Governance (“ESG”) report (the “Report”). This Report provides an overview of the Company’s ESG strategic framework, management approaches, initiatives and activities for the calendar year of 2025 (the “Reporting Period”), unless otherwise stated.

The Report has been prepared with reference to the Global Reporting Initiative (“GRI”) Sustainability Reporting Standards. The Report covers the Company’s entire portfolio of 25 assets in Mainland China. The disclosure of environmental key performance indicators (“KPIs”) covers 22 operating assets of the Company.

To continuously improve our ESG management and practices, we highly value your insights and viewpoints. For more information, feedback, and suggestions, please contact us by:

Address

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Our Properties

Forest Logistics is a modern logistics property development and operating platform established in 2018. With the core business strategy of “Invest + Develop + Operate”, the Company aims to provide end-users with fully integrated services, which include investing in and holding international-grade properties, developing core target areas to meet customer needs, and efficiently operating our assets, so as to create and enhance long-term values for our customers and investors.

Currently, the platform has developed and acquired over 2 million square meters of premium logistics facilities in core gateway cities in China.

Forest Logistics recognizes the critical undersupply of modern logistics facilities and aims to build a portfolio of 25-30 modern logistics warehouses over several years by capitalizing on strong underlying demand. The Company is committed to providing high-end logistics

facilities and optimal solutions for end-users across various sectors, including e-commerce, manufacturing, third-party logistics, cold chain and automobile production industries.

City	Asset
Xi'an, Shannxi	• Forest Xian ETDZ Logistics Park
Chengdu, Sichuan	• Forest Chengdu Qingbaijiang Logistics Park
Kunming, Yunnan	• Forest Kunming Airport Logistics Park
Shanghai	• Forest Shanghai Fengxian Logistics Park
Wuhan, Hubei	• Forest Wuhan Airport Logistics Park • Forest Wuhan Dongxihu Logistics Park
Changsha, Hunan	• Forest Changsha Jinxia Logistics Park • Forest Changsha EDZ Logistics Park
Nanjing, Jiangsu	• Forest Nanjing Airport Logistics Park
Nanning, Guangxi	• Forest Nanning Airport Logistics Park
Langfang, Hebei	• Forest Langfang HT Logistics Park
Tianjin	• Forest Tianjin Baodi Logistics Park
Jinan, Shandong	• Forest Jinan EDZ Logistics Park
Zhengzhou, Henan	• Forest Zhengzhou EDZ Logistics Park
Taicang, Jiangsu	• Forest Taicang Port Logistics Park
Beijing	• Forest Beijing Airport Logistics Park • Forest Beijing Daxing Airport Logistics Park
Xiamen, Fujian	• Forest Xiamen Haicang Logistics Park
Shaoxing, Zhejiang	• Forest Shaoxing Binhai Logistics Park
Fuzhou, Fujian	• Forest Fuzhou Lianjiang Logistics Park
Guangzhou, Guangdong	• Forest Guangzhou Conghua Logistics Park
Foshan, Guangdong	• Forest Foshan Danzao Logistics Park

Our Service Strategy

Forest Logistics adopts a fully integrated service approach that includes the following aspects:



Invest in highly strategic plots in key cities supported by population growth and strong consumer spending trends.

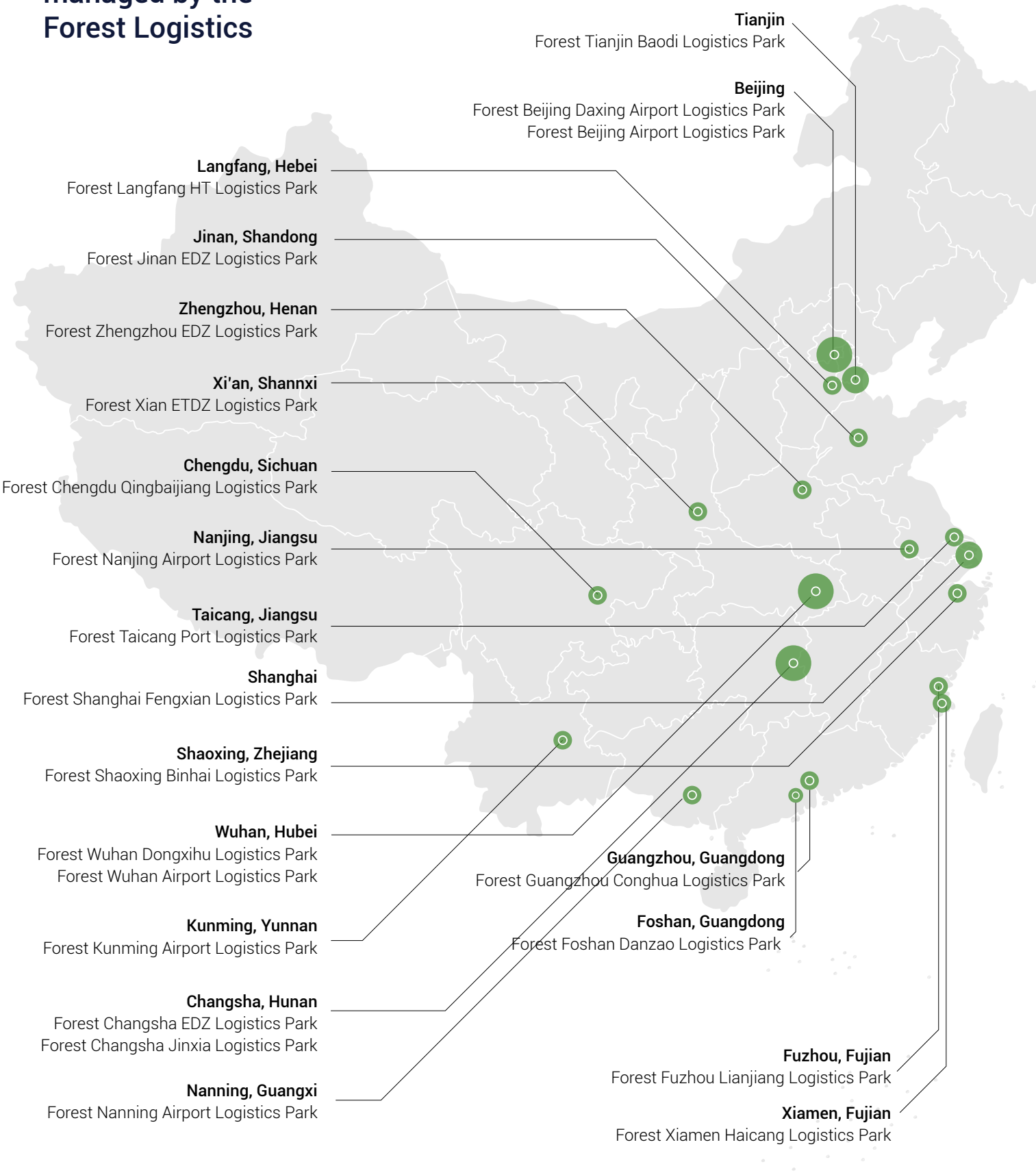


Develop international-grade logistics facilities that meet end-user needs.



Operate and manage the completed facilities, oversee lease administration, capital improvements, as well as cost and risk management.

Map of the portfolio managed by the Forest Logistics



2025 Highlights



SHPEA CPERE Awards 2025 - Best Logistics Real Estate Investment Manager

Shanghai Private Equity Association



4-Star Rating in the GRESB Real Estate Assessment

Global Real Estate Sustainability Benchmark

23.94%

Gross Floor Area(GFA) compared to 2024

5,964.16
MWH

Renewable energy generation

-8.77%

Vacancy Rate compared to 2024

100%

Asset coverage of sponge city concept for water conservation

Stakeholder Engagement and Materiality Assessment

Forest Logistics acknowledges the critical role stakeholders play in its sustainable development places significant emphasis on incorporating stakeholders' feedback and opinions to guide its management approach on pertinent sustainability matters. The Company engages with a diverse group of stakeholders on a regular and on-going basis to better understand and respond to their views, better-informed business decisions and identify risks and opportunities. This exercise enables us to enhance our efforts in developing a sustainability strategy and improving performance.

Stakeholders	Communication Channels	Needs and Expectations
Investors	Email and calls Company announcements and reports Regular meetings Roadshows	Business development Investment returns Transparent and timely information disclosure
Employees	Regular meetings Employee satisfactory survey Employee training Team building and other employee activities	Labor rights Remuneration and benefits Occupational health and safety Professional development
Government & Regulatory Authorities	Inspections and supervision Regular report disclosure Forums, seminars and conferences	Regulatory compliance Tax obligations Job creation and local economic development
Tenants	Tenant satisfaction survey Tenant health and safety activities Emails and social media Regular meetings and visits	Quality services Tenant engagement Data privacy protection Health and safety
Business Partners	Direct engagement and regular meetings Procurement and tendering Site inspections and evaluation Supplier selection, monitoring and assessment	Business integrity and fair competition Win-win collaboration Long-term collaborative relationship
Community	Charitable activities and community services	Promote local social and economic development Improve people's welfare, well-being and livelihood Support social charity

We regularly review ESG issues that are material to our business stakeholders. We conducted a materiality assessment on a regular basis by distributing online questionnaires to internal and external stakeholders to identify and prioritize the material ESG issues of the Company. During the Reporting Period, we reviewed the material issues identified through the latest materiality assessment, taking into account current market trends and peers benchmark research. Through the materiality assessment, we have identified 9 material ESG issues, including data privacy and cyber security, health and safety, business integrity, corporate governance, strategic locations, employee wellbeing, sustainable building and design, energy management and supply chain management. The steps of the materiality assessment will be outlined below.

01 / Identification

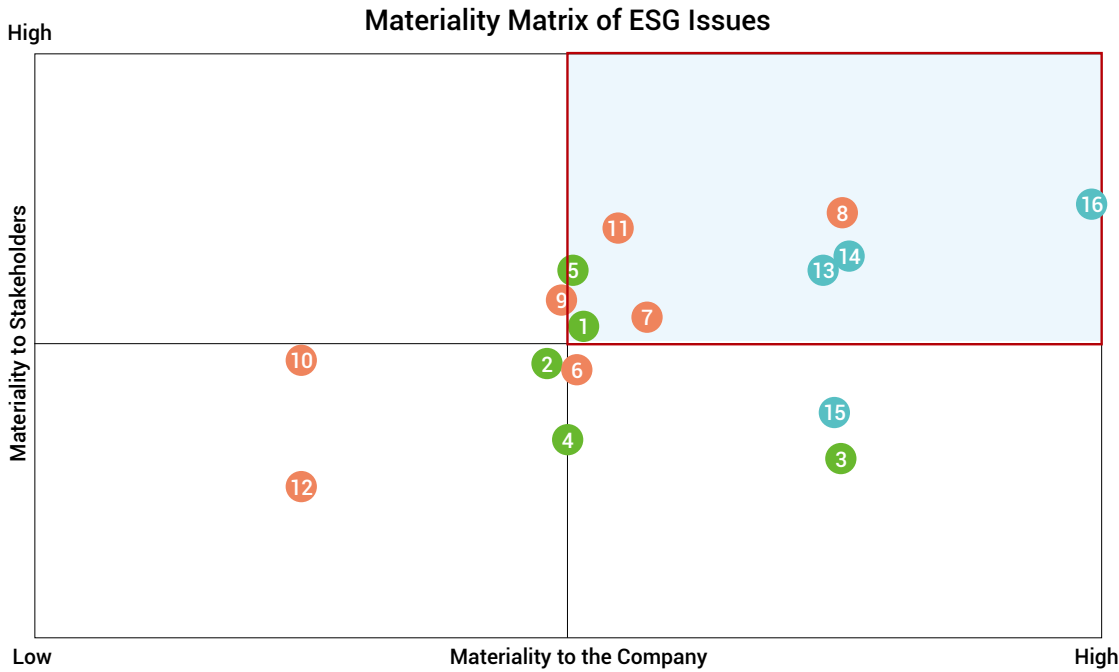
- Identified a list of ESG issues associated with the Company's business operation and its stakeholders, in reference to market trends and global reporting standards.

02 / Review

- The Sustainability Working Group reviewed the last year's materiality matrix with reference to business updates, peer performance and daily feedback from various stakeholders.

03 / Validation

- The Senior Management validated and approved 16 ESG issues, among which 9 issues are highly relevant to the Company's business after reviewing the materiality matrix.



List of ESG Issues

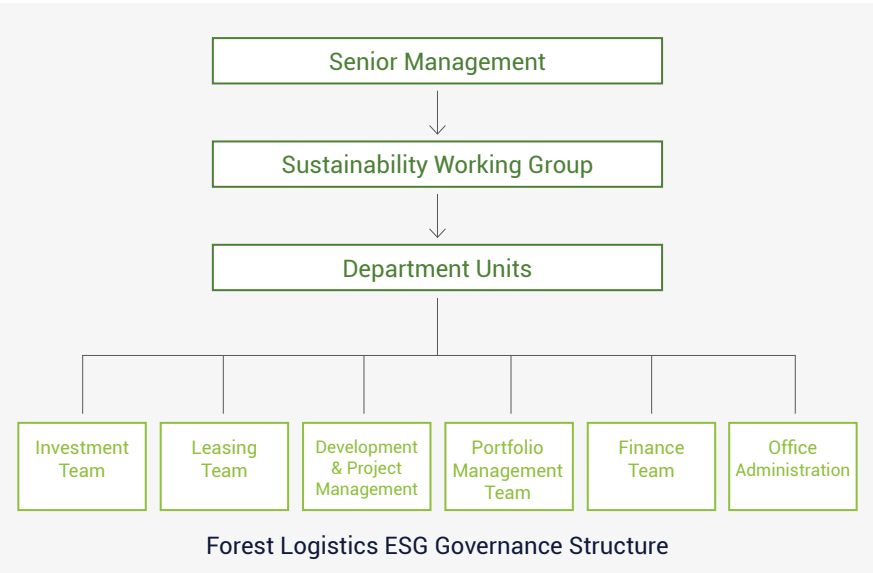
Environmental	Social	Governance
1. Energy Management 2. Water Management 3. Waste Management 4. Climate Change 5. Sustainable Building and Design	6. Employment Practices 7. Employee Wellbeing 8. Health and Safety 9. Supply Chain Management 10. Tenant Engagement 11. Strategic Locations 12. Community Engagement	13. Corporate Governance 14. Business Integrity 15. Stakeholder Engagement 16. Data Privacy and Cyber Security

ESG Leadership



ESG Governance Structure

Forest Logistics believes that a robust ESG governance is crucial to sustainable growth, financial stability and long-term value for our stakeholders. To effectively address sustainability issues, the Company has established a three-tier sustainability governance structure. This structure ensures that sustainability considerations, including climate-related issues, are integrated into the corporate agenda, business strategies and daily operations.



Level	Roles and Responsibilities
Senior Management	- Monitors the Sustainability Working Group - Determines and manages the ESG strategies and management approaches - Reviews the identified material issues and ESG achievements
Sustainability Working Group	- Coordinates the implementation of ESG strategies - Develops ESG objectives, targets and initiatives - Monitors and reports practices and performance of sustainability to senior management regularly
Department Units	- Implement the ESG initiatives and action plans and adopt them into daily operations - Report progresses and achievements of ESG targets to the Sustainability Working Group

ESG Framework

As Forest Logistics continues to pursue long-term development, we prioritize the integration of ESG factors into our entire business strategies. We have established an ESG framework and relevant policies that align with our mission, core principles and objectives. Our ESG management is built upon four core pillars: Planet, People, Partnership and Governance, which lay the foundation of our sustainability efforts. We have identified 12 focused areas that support the achievement of United Nations Sustainable Development Goals ("UN SDGs").

Mission

- To become an exemplary logistics property development and operating platform by integrating sustainability into our real estate lifecycle and creating long-term values for our stakeholders.

Core Principles

- Improve our performance by maintaining effective management of our investment and business operations and achieving sustainable development in order to provide benefits to stakeholders
- Minimize our environmental footprint with innovative and efficient design and operation
- Consistently empower our employees and create a diverse and inclusive work environment that provides challenging opportunities and work-life balance culture for all employees
- Collaborate with our partners to create long-term value
- Enhance governance and provide high-quality services



We have formulated the Sustainability Policy to guide the management of various ESG issues in our daily operations and project development. This policy outlines our approach to resources management, employment, business integrity, and other relevant areas. in our daily operations and project development. To effectively track our ESG performance and adapt to evolving regulatory and disclosure requirements, we have established specific ESG objectives and targets,

supported by corresponding action plans. These plans are aligned with the four pillars and UN SDGs, ensuring that our efforts contribute to the achievement of sustainable development goals. The Sustainability Working Group is responsible for regularly reviewing and monitoring the progress and effectiveness of our action plans to ensure that we remain on the right path towards our ultimate objectives and pursue continuous improvements.



Pillar	Focused Areas	Key ESG Targets (2023-2025)	Current Progress	Aligning with UN SDGs
Planet	- Resources Management - Climate Change - Sustainable Building and Design	- Adopt the smart energy management system in all new projects by 2025 - Reduce the intensity of energy consumption, water consumption and greenhouse gas (GHG) emissions by 2% by 2025 - Conduct ESG due diligence on all projects before site selection by 2025	Achieved. Smart energy management systems (AMR, IoT monitoring, smart park platforms) have been deployed across operating assets. Achieved. As of 2025, Forest Logistics has significantly exceeded its targets set against the 2022 baseline year: - Energy intensity reduced by 16.15% - GHG emissions intensity reduced by 23.71% - Water intensity reduced by 32.13% Achieved. ESG due diligence covering all environmental data.	6CLEAN WATER AND SANITATION 7AFFORDABLE AND CLEAN ENERGY 12RESPONSIBLE CONSUMPTION AND PRODUCTION 13CLIMATE ACTION
People	- Employment Practices - Health and Safety - Employee Development	- Employee gender ratio of 50/50 women/men by 2025 - Provide ESG training for employees and ensure full participation rate (e.g. health and safety, environment, etc.) from 2023 - Maintain zero workforce fatalities and injuries every year starting from 2023	Achieved. The gender ratio stands at approximately 58/42 women/men as of end-2025. Achieved. ESG training was delivered to 100% of employees. Achieved. Zero fatalities and zero recordable injuries were maintained across all operating assets throughout the Reporting Period.	3GOOD HEALTH AND WELL-BEING 5GENDER EQUALITY 8DECENT WORK AND ECONOMIC GROWTH 10REDUCED INEQUALITIES
Partnership	- Tenant Engagement - Supply Chain Management - Community Engagement	- Carry out an external tenant satisfaction survey for all projects with 100% coverage rate by 2025 - Provide ESG training to major suppliers/contractors with 100% participation rate by 2024 - Participate in charitable activities (i.e. donation, volunteering)	Achieved. An external tenant satisfaction survey covering 100% of operating assets was completed, with findings integrated into service improvement plans. Achieved. ESG training on environmental, safety, and anti-corruption requirements was provided to all major suppliers and contractors. Achieved. The Company participated in monetary donations and employee volunteering programmes at both the corporate and asset levels.	3GOOD HEALTH AND WELL-BEING 11SUSTAINABLE CITIES AND COMMUNITIES 12RESPONSIBLE CONSUMPTION AND PRODUCTION
Governance	- Corporate Governance - Business Integrity - Data Privacy & Cybersecurity	- Perform annual internal risk assessment from 2023 and invite an independent third party to conduct risk assessment every two years - Zero bribery and corruption litigation cases from 2023 - Provide training on cybersecurity and data privacy from 2023	Achieved. Annual internal risk assessments were completed. An independent third-party assessment is scheduled for 2026. Achieved. Zero bribery or corruption cases were recorded in 2025, with all employees completing anti-corruption compliance training. Achieved. Cybersecurity and data privacy training was delivered to all employees as part of the annual compliance curriculum.	16PEACE, JUSTICE AND STRONG INSTITUTIONS 17PARTNERSHIPS FOR THE GOALS

Our Planet



Guided by our sustainability principles, we remain committed to reducing our carbon footprint, optimizing resource efficiency, and developing climate-resilient assets across our portfolio. Our environmental efforts address key priorities—including energy management, GHG emissions reduction, water conservation, waste management and sustainable building design—as integral components of our long-term value creation strategy.

Since establishing its environmental intensity reduction targets in 2022, Forest Logistics has significantly exceeded its commitments to reduce energy consumption, GHG emissions, and water consumption intensity by a minimum of 2% relative to the 2022 baseline. By the end of 2025, energy consumption intensity had been reduced by 16.15%, GHG emissions intensity by 23.71%, and water consumption intensity by 32.13%, all substantially surpassing the original targets.

These achievements reflect the Company’s systematic and sustained implementation of resource efficiency initiatives across its expanding portfolio. Key measures include the deployment of smart energy management systems, on-site renewable energy generation, automatic meter reading infrastructure, rainwater recycling systems, and drought-tolerant landscaping.

The results demonstrate that portfolio expansion and improved environmental performance can be mutually reinforcing, rather than conflicting, and underscore Forest Logistics’ commitment to embedding sustainability across the entire real estate lifecycle.

Intensity Indicator	Target (2022-2025)	2025 Progress	Status
Total Energy Consumption Intensity (MWh/m ²)	Reduce by ≥2% vs. 2022 baseline	↓ 16.15%	✓ Achieved
Total GHG Emissions Intensity (tCO ₂ e/m ²)	Reduce by ≥2% vs. 2022 baseline	↓ 23.71%	✓ Achieved
Total Water Consumption Intensity (m ³ /m ²)	Reduce by ≥2% vs. 2022 baseline	↓ 32.13%	✓ Achieved

In addition, we have also set a target to reduce our scope 1 and 2 emissions by 79.3% from 2022 levels by 2035, reaching net zero by 2050. A Net Zero Policy was adopted to reinforce our commitment to sustainable business objectives and practices, enhance energy efficiency, reduce GHG emissions, and strengthen our initiatives for building climate resilience.

Resources Management

Our Sustainability Policy outlines the commitment and principles to environmental management. In close collaboration with property managers, we have rolled out targeted initiatives and operational best practices that drive resource efficiency and significantly reduce environmental impact—across both construction and operational phases.

The Company has implemented a smart energy management system to effectively and accurately monitor environmental performance, detect anomalies, and visualize environmental data in our operating assets. Additionally, we have adopted an automatic meter reading (AMR) system to monitor energy and water consumption. This management system ensures that the Company, local property managers and tenants gain a better understanding of their energy and water consumption during operations, as we continue to seek opportunities to optimize the efficient use of valuable natural resources.



Energy Consumption and GHG Emissions

Forest Logistics strives to optimize energy efficiency throughout our asset operations. We have implemented internal energy management procedures to promote green operations and reduce energy consumption, thereby minimizing the carbon footprint across all aspects of operations.

Apart from the applications of engineering and administrative controls, the Company prioritizes capital investments in asset enhancement, through focusing on equipment replacement and/or upgrade to further bolster efforts in energy saving and efficiency improvements. The following key actions are taken to reduce energy consumption in the managed operating assets:



Smart energy management system dashboard



Maximize the use of natural light in our logistic industrial distribution warehouses



Electric vehicle charging stations



LED lighting system in the logistic industrial distribution warehouses

AMR system and smart meters

- Introduce the smart energy management system to collect and monitor energy data automatically
- Install AMR system and smart meters to record and monitor electricity use
- Select and purchase electrical appliances and equipment with energy-saving labels
- Conduct regular inspection and maintenance of the equipment to ensure optimal functioning
- Maximize the use of natural light in the warehouses
- Adopt audio sensors for lighting control where applicable
- Ensure optimal air quality by reducing the number of exhaust blowers in the warehouses while also reducing energy consumption
- Adopt electric vehicle charging stations where applicable
- Install rooftop insulation to reduce heat transfer
- Encourage employees and tenants to turn off equipment and lights when not in use

Forest Logistics has installed electric vehicle charging stations in operating assets where applicable to provide downstream users with convenient access to new energy sources, in order to advocate green transportation.

Renewable Energy

In response to the global transition to a low-carbon economy, Forest Logistics aims to move towards carbon neutrality by reducing reliance on coal-fuel electricity and increasing the use of renewable energy in our new development and operating assets. Advancing our transition to a low-carbon future, Forest Logistics continues to scale up on-site renewable energy generation across the portfolio. We have deployed solar photovoltaic (PV) systems on rooftops at 5 assets. During the Reporting Period, on-site renewable energy generation reached 5,964.16 MWh, a 13% increase year-on-year. Renewable energy now accounts for approximately 12% of total energy consumption, reflecting our accelerating clean energy transition and commitment to carbon neutrality by 2050.



Rooftop solar photovoltaic system under inspection



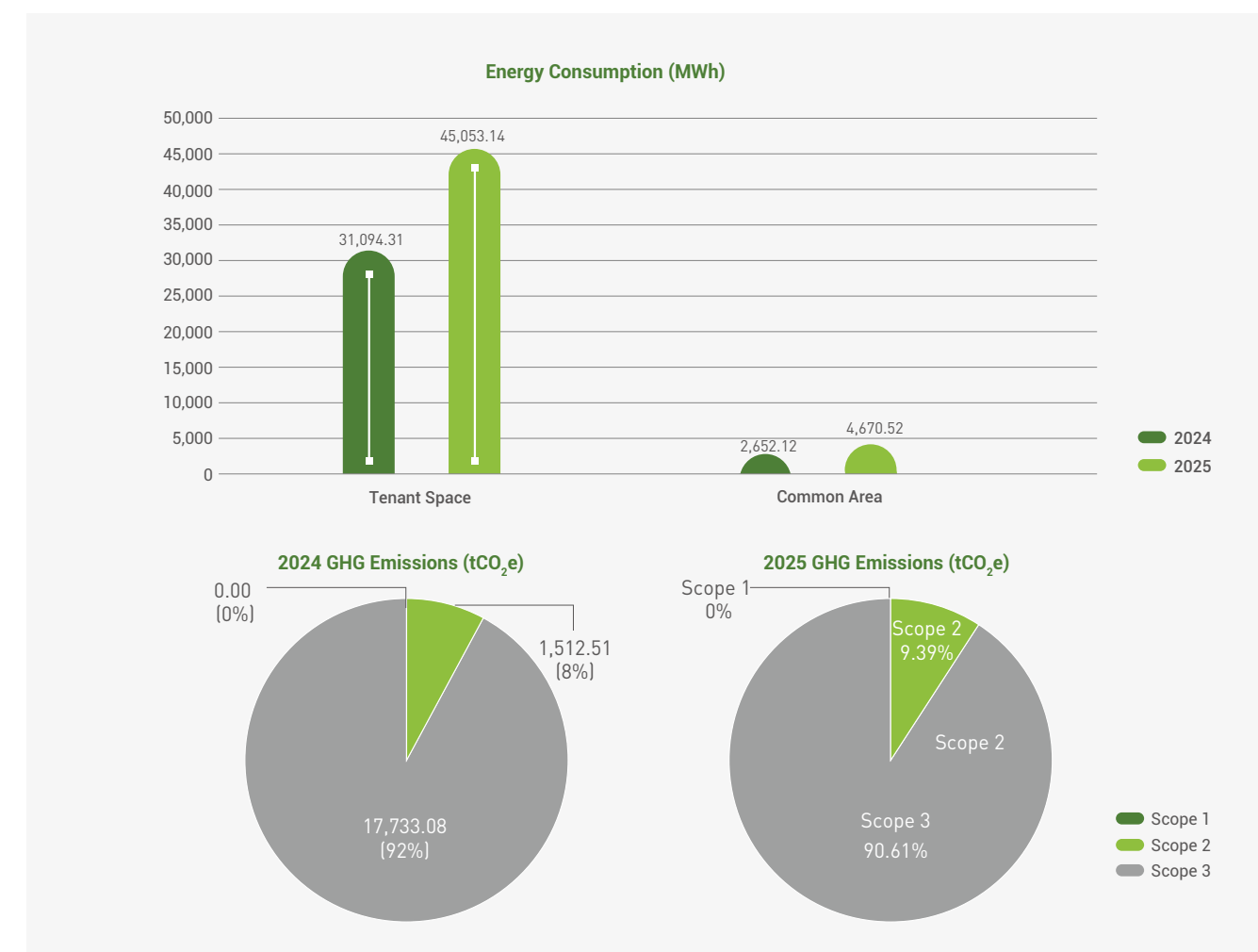
Solar photovoltaic system in Forest Shanghai Fengxian Logistics Park



Solar photovoltaic system in Forest Wuhan Dongxihu Logistics Park (will be in operation in 2024)

During the Reporting Period, the total energy consumption of the operating assets across the portfolio was 49,723.66 MWh, with 45,053.14 MWh (90.61%) consumed within tenant spaces and the remaining 4,670.52 MWh (9.39%) attributable to common areas. With a decrease in vacancy rate and portfolio expansion, total energy consumption increased 47.34% and energy intensity increased by 18.88% compared with 2024.

In addition, the total GHG emissions were 26,383.37 tons of carbon equivalent ("tCO₂e"). This comprised 2,478.18 tCO₂e in Scope 2 emissions and 23,905.19 tCO₂e in Scope 3 emissions. With portfolio expansion and improved occupancy, total GHG emissions increased year-on-year. The breakdown of energy consumption and GHG emissions is shown as below:



Notes:

1. The GHG emissions are calculated with reference to GHG protocol: A Corporate Accounting and Reporting Standard.
2. During the Reporting Period, we did not have any Scope 1 emissions from the consumption of diesel fuel for power generation by emergency generators.
3. Scope 2 emissions covered the purchased electricity for the provision of services in common areas of our twenty-two operating assets during the Reporting

4. Scope 3 emissions covered the Category 13 (Downstream leased assets) – the purchased electricity consumed in tenant spaces across our 22 operating assets.

Water Usage

The global impact of climate change continues to exacerbate water stress and water scarcity, due to disrupting weather patterns and extreme weather events. As a result, in order to reduce water usage at the asset level, we have implemented various water-saving measures where feasible, including:

- Adopt AMR system and smart meters
- Regularly record the reading of water meters and monitor the water use patterns in each asset to analyze water consumption trends
- Maintain regular inspections and assessments of the utility facilities and drainage to prevent water dripping, running, or leakage
- Install water-saving fixtures such as faucets and dual-flush cisterns toilets
- Place water-saving signage and posters in public areas and washrooms to encourage water conservation
- Adopt a rainwater collection system for plant irrigation

At our Forest Shanghai Fengxian Logistics Park, we have installed a rainwater collection system with a capacity of approximately 200 m³. The collected rainwater is used for the irrigation of landscape in the asset to increase water recycling and thereby reduce the consumption of fresh water.

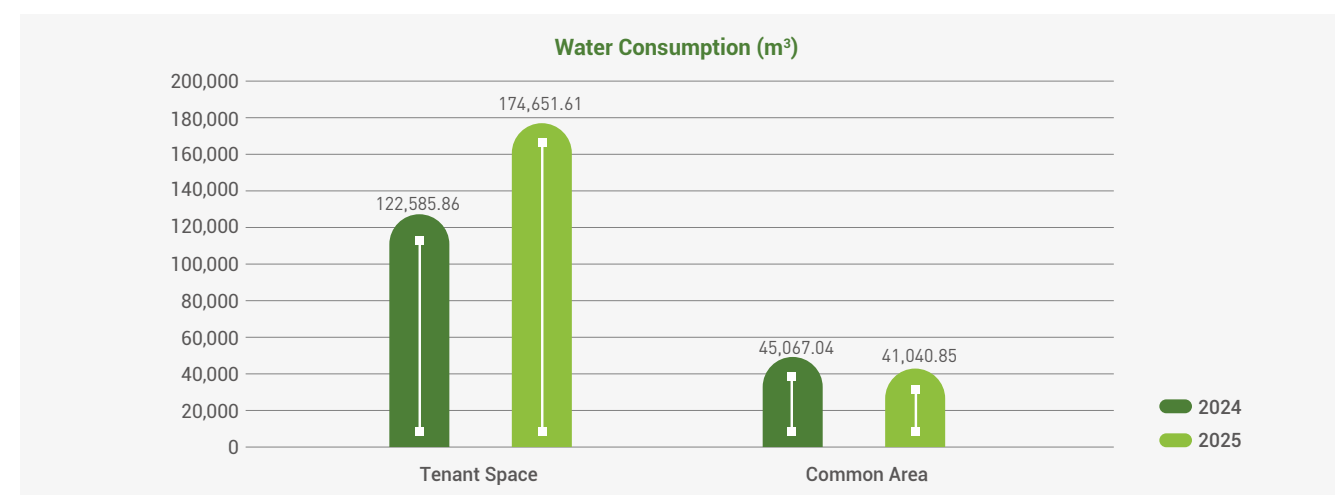


AMR system and smart meters in our logistics industrial distribution warehouses



Water-saving signage in washroom

During the Reporting Period, the total water consumption of the assets across the portfolio is 215,692.46 m³, with 174,651.61 m³ consumed within tenant spaces and 41,040.85 m³ consumed within common areas. Due to a decrease in vacancy rate, the water consumption intensity increased 3.19% compared to 2024. In contrast, water consumption in common areas decreased by 8.93%, and its consumption intensity dropped by 26.71%, underscoring significant efficiency gains in common areas. The breakdown of water consumption is shown below:



Waste Management

The Company implemented a comprehensive waste management system across our operating assets. The local property managers are responsible for following relevant waste management procedures and operational guidelines at each asset, as required by local laws and regulations. This includes monitoring of waste sorting, storage, transportation and treatments.

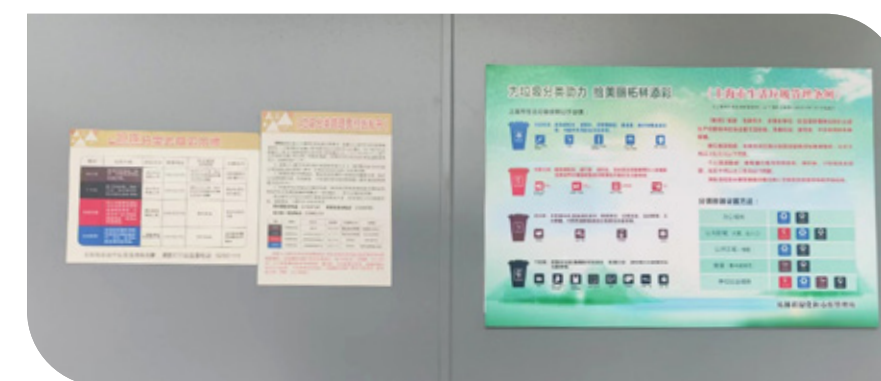
We have implemented a waste classification system to separate garbage into dry waste, wet waste and recyclable trash. To promote sustainable waste management practices and foster environmental consciousness among tenants, waste recycling facilities have been implemented across our operating assets. These facilities are complemented by clear waste classification signs, which serve as a guide for tenants to properly sort and separate different types of waste. Meanwhile, all the domestic waste will be transported to the sanitation department for disposal. In some cases, the leftover wood from our assets is collected and sent to the local communities for recycling purposes.

During the process of construction and tenant renovation, we advocate the adoption of prefabricated buildings and maximize the reuse of construction materials whenever possible. In terms of processing construction waste across all project sites, we require our contractors to thoroughly separate recyclable waste from the construction waste for reuse or recycling to the fullest extent, before transferring other non-recycled waste to designated areas for temporary storage and disposal. We ensure that construction waste and hazardous substances are strictly handled by licensed waste collectors in compliance with local laws and regulations. Furthermore, all the wastewater generated from the construction sites is collected and treated with oil separation and sedimentation before discharge to ensure that the effluent has no adverse impact on the surrounding environment.

During the Reporting Period, the total non-hazardous waste generated by the operating assets across the portfolio is around 3,008.32 tons.



Waste recycling facilities in the logistic industrial distribution warehouses



Waste sorting posters

Climate Resilience

As climate-related physical and transition risks intensify globally, Forest Logistics proactively strengthens its climate resilience across the portfolio. In 2025, we conducted a formal climate risk assessment, evaluating physical risks—including heat, precipitation, flood, and wind—under both moderate (SSP1-2.6) and high-emission (SSP5-8.5) scenarios through 2100, alongside transition risks arising from China's evolving decarbonization policy landscape. This systematic approach allows us to anticipate, quantify, and respond to the financial implications of climate change on our assets.

We have incorporated climate-related risks into our risk management framework and business strategy. We refer to the IFRS S2 (International Financial Reporting Standards S2 — Climate-related Disclosures) as part of our risk management processes to effectively address potential risks. In accordance with the IFRS S2, we recognized the impacts of climate-related risks on the Company's stakeholders and assets, including both the physical risks and transitional risks. The key climate-related risks relevant to Forest Logistics are summarized below:

In terms of our risk management system, the Company strategically integrates climate-related risks into ESG due diligence and risk management processes to identify the potential impacts of these physical and transition risks across the geographic locations where we operate.

In response to significant climate-related physical risks, the Company ensures that the local property managers have well-developed emergency plans in place which enables prompt responses to emergencies, thereby safeguarding the health and safety of employees and tenants while minimizing the potential damage to the assets.

Furthermore, we continue to closely monitor the latest status of policy development and market trends to address climate-related transition risks associated with our business. The Company ensures that all business activities throughout the value chain strictly comply with relevant laws and regulations in the communities where we operate. Meanwhile, in order to meet the expectations of customers and the public towards our company, we continue to evaluate and monitor changes in market trends and demand. We focus on building engagement with our key external stakeholders, such as investors, tenants, and suppliers.

Sustainable Building and Design

Principles of Green Building Design

Forest Logistics integrates ESG considerations and green building principles into every stage of the real estate lifecycle—from site selection and project design through construction and ongoing asset management. Our approach aligns with international best practices and China's national green building standards, ensuring our facilities deliver superior environmental performance, tenant comfort, and long-term asset resilience.

Design

- Factor ESG issues, including biodiversity and habitat, during site selection and design planning to avoid land parcels with environmentally sensitive attributes, such as the conservation of farmland, redevelopment of brownfield sites and land degradation.
- Comply with all the planning parameters prescribed by the Planning Authority when planning of proposed development.
- Apply the energy, water and waste management requirements of internationally recognized green building certifications and rating schemes such as Leadership in Energy & Environmental Design (LEED), with efficiency measures.

Construction

- Integrate the sustainable design approach and employ Building Information Modelling (BIM) technology in all developments where applicable.
- Advocate green construction to promote waste management, energy and water conservation, GHG emissions reduction, and air quality control under development projects.
- Promote onsite monitoring of energy and water consumption, and pollution to prevent it, and manage the construction waste by reusing and recycling materials, to minimize nuisance to the surroundings and environmental footprints.

Procurement and Operation

- Give preference to the environmental-friendly and healthy products, such as low-emitting Volatile Organic Compound (VOC) materials, low-embodied carbon materials, LED lightbulbs and appliances with energy-saving labels.



The greenery wall in the office

 Physical Risk	Acute The increased severity of extreme weather events (e.g., typhoons, rainstorms, floods) may cause damage to our office locations and operating assets.
	Chronic The long-term shifting effects in climate patterns (e.g., rising temperature, heatwaves) may lead to increased energy consumption, operating and maintenance costs.
 Transition Risks	Policy and Legal Latest policy and regulation developments within the sector (e.g., emissions and energy standards, or building and land-use practice standards) may result in higher operating and compliance costs.
	Market Changing customer preferences may indicate increased customer demand or expectations regarding the company's climate actions and sustainability performances.

Green Building Certification

Forest Logistics endeavors to adopt best practices in building design and construction by following the recognized building certification standards and encouraging all new projects and existing operating assets to obtain a higher level of green building certifications.

As of 31 December 2025, 17 of our assets have achieved the Grade 1 China Green Warehouses certification, including 15 operating assets and 2 ongoing construction assets. In addition, Forest Shanghai Fengxian Logistics Park and Forest Beijing Airport Logistics Park have attained the Gold rating of US LEED certification for building design and construction, in the recognition of our commitment to promoting sustainable building design and enhancing climate resilience under our managed assets. Moving forward, we will continue to pursue opportunities to obtain green building certifications for new projects where feasible.



LEED certifications (B+D) (Gold)
Forest Beijing Airport Logistics Park



LEED certifications (B+D) (Gold)
Forest Shanghai Fengxian Logistics Park



China Green Warehouses certificate (Grade 1) - Forest Tianjin Baodi Logistics Park and Forest Nanning Airport Logistics Park (partial display)



Our People

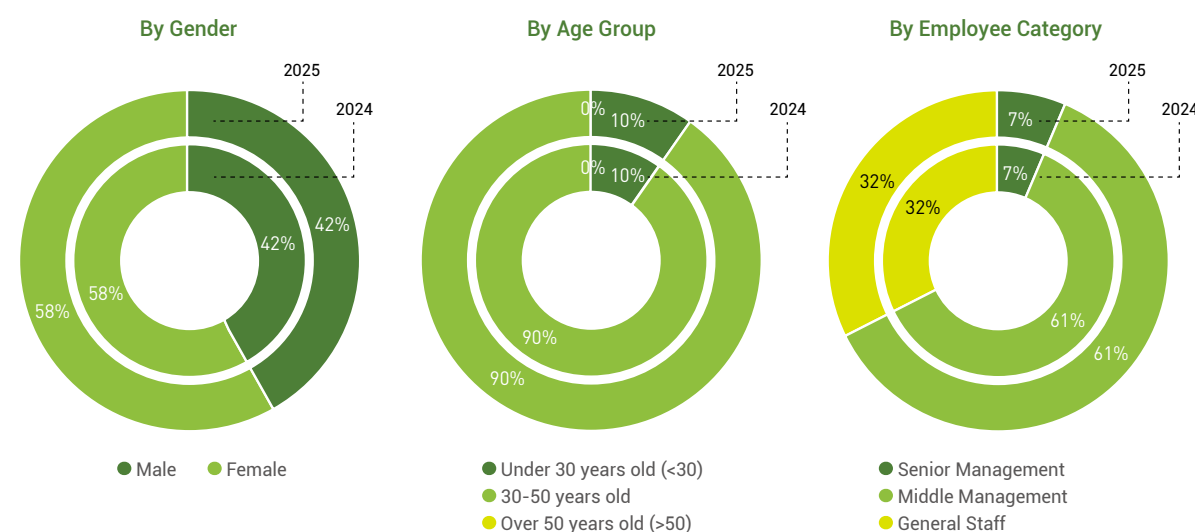


Forest Logistics believes that our people are the foundation of sustainable progress. The Group is dedicated to fostering a safe, healthy, diverse, and inclusive working environment that enables every employee to thrive and contribute meaningfully to our long-term mission.

Equity, Diversity and Inclusion

Forest Logistics recognizes the importance of a diverse and inclusive team, which brings together people with different backgrounds and expertise to enrich our corporate culture and drive workforce creativity. The Company has formulated standardized management procedures for employee recruitment, performance review, transfer and promotion, performance appraisal, remuneration and dismissal. All employees are treated equally, irrespective of their age, race, gender, religion, nationality, family status, disability or any other protected characteristics under relevant laws. Any form of bullying and/or harassment is not tolerated within our business operations. The Company actively encourages employees to provide feedback and suggestions and welcomes all new ideas. All employees are required to comply with the Company's policies on equal employment opportunity, diversity and anti-discrimination to foster an equitable, inclusive and respectful work environment that is free from discrimination.

As of 31 December 2025, Forest Logistics had 31 full-time employees, all based in Mainland China. The workforce profile, categorized by gender, age group and employee category, is illustrated below:



Employee Wellbeing

Labor Standards

Forest Logistics upholds a strong commitment to human rights and employee interests. We strictly comply with relevant laws and regulations, including but not limited to the Labor Law of the PRC, the Labor Contract Law of PRC, Provisions on Prohibition of Using Child Labor and the Law of the PRC on the Protection of Minors. We are dedicated to eliminating any instances of child labor and forced labor in our workplace. We guarantee that all employees receive their entitlements in compliance with statutory requirements, including basic working hours, holidays, remuneration and compensation and benefits.



CASE

TCM diagnosis service

Free Traditional Chinese Medicine (TCM) Consultation & Charity Supplies Distribution Campaign

In November 2025, Forest Shanghai Fengxian Logistics Park launched a free TCM consultation campaign for frontline employees, providing pulse diagnosis, in-person health consultations and professional TCM physiotherapy services. In the meantime, the park also established a Logistics Support Desk, which continuously supplied the employees with charitable supplies.

We have engaged an independent third party to conduct an employee satisfaction survey, aiming to gain a deeper understanding of our employees' feedback and needs to continuously enhance the overall satisfaction, well-being and engagement with the Company.

To demonstrate a holistic approach to employee well-being, the Company has established health and wellbeing goals covering key areas of mental, physical, and social health.



100%

Employee coverage rate



9.79

(out of 10)
Overall satisfaction score

Logistics Support Desk



Quarterly Employee Birthday Celebration

Occupational Health and Safety

Forest Logistics places the health and safety of our employees at the very top of our operational priorities. We strictly adhere to all applicable laws and regulations and uphold industry-leading safety standards across all our workplaces.

To maintain a safe and healthy workplace, the Company has established a dedicated health and safety working group responsible for monitoring hazards, implementing initiatives, setting performance targets, and conducting regular inspections. We proactively encourage all employees to identify and report potential risks, and organize safety drills and training sessions to reinforce emergency preparedness.

The Company places significant emphasis on both the physical and mental health of the employees. To support their physical well-being, in addition to basic health insurance, we offer a voluntary annual health checkup program as well as a commercial medical plan. Additionally, we organized workshops focused on emotional health, equipping employees with stress-relief techniques and promoting mental wellness.

Emergency Firefighting Skills

Competition

We actively participated in the Emergency Firefighting Skills Competition held in the Daxing Section of the Airport Economic Zone, and won the Third Prize in the Group Competition.



Third Prize Trophy of the Emergency Firefighting Skills Competition

Employee Development and Training

Forest Logistics recognizes that investing in our people is central to sustaining our competitive advantage. The Company provides comprehensive development programmes spanning professional skills, leadership, and industry knowledge, delivered through diverse internal and external channels including training sessions, seminars, forums, and industry conferences.

For new joiners, the Company delivers a structured onboarding programme covering corporate culture, code of conduct, safety protocols, and ESG principles, ensuring a seamless integration into our team and values.

The Company offers a broad range of internal and external training covering personal development, leadership, health and safety, and sustainability. During the Reporting Period, ESG training was delivered to all employees and local property managers in collaboration with an external consultant, deepening awareness of climate action, green operations, and responsible business conduct.

During the Reporting Period, the Company provided 163 hours of training to our employees, with 100% attendance rate.



100%

Employee attendance rate



163

Hours of training

Our Operation



Forest Logistics is committed to cultivating positive, long-term relationships with our business partners, tenants, and the communities where we operate. Guided by our service philosophy and core principles, we maintain robust management systems to deliver quality services, foster strategic supplier collaboration, and engage meaningfully with local communities to drive sustained value creation.

Service Quality and Tenant Engagement

Forest Logistics is dedicated to creating a safe, healthy, and comfortable environment for our tenants through customer-oriented and high-quality services.

Service of Excellence

To achieve service excellence and ensure high tenant satisfaction, the local property managers have developed a comprehensive set of service standards, management guidelines, and standard operating procedures (SOPs). These cover various aspects such as garage and parking management, facility management, property administration, fitting-out, and cleaning. To monitor the quality of property services, the local property managers conduct regular inspections and checks to identify any operational deficiency in the daily operation and take timely corrective actions.

Our commitment to exceptional customer service is reinforced by rigorous adherence to customer-service protocols and complaint-resolution procedures maintained by local property managers. All tenant feedback is systematically recorded and followed up within defined timeframes, ensuring timely resolution and continuous service improvement.

To promote sustainable practices among our tenants, we have implemented a comprehensive tenant fit-out guide that sets clear environmental, health, and safety requirements for refurbishment works. Local property managers actively support tenants in identifying qualified contractors and ensuring responsible construction waste management throughout the fit-out process.

CASE

COMMENDATION BANNERS RECEIVED FOR SELECTED PROJECTS IN 2025

In 2025, we have been highly recognized for our exceptional services across all projects, garnering sincere gratitude and acknowledgments from clients, who presented us with commendation banners in recognition of our dedicated support.



Commendation Banners Received for Selected Projects in 2025

CASE



Forest Logistics Park Bolsters the 618 Shopping Festival

618 Logistics Assurance

To address various emergencies and service needs during the 618 shopping festival, we launched a "Rapid Response" mechanism. We accepted requests within 5 minutes and dispatched personnel to resolve operational and service issues on-site within 30 minutes, helping to minimize the impact of unexpected events on logistics order fulfillment. We also offered exclusive property services for the peak period, operating 24/7 and adding temporary parking areas to ease transportation turnover pressures and ensure efficient logistics operations in the park.

Tenant Engagement

Forest Logistics places great importance on tenant feedback and maintains ongoing, open channels of engagement. We organize quarterly individual tenant meetings, leverage digital platforms such as WeChat for real-time communication, and host knowledge-sharing workshops on local policy and industry best practices. Welcome ceremonies and orientation sessions are also provided for new tenants to ensure a smooth onboarding experience.

We have appointed an independent third party to conduct a tenant satisfaction survey, which is essential to gather and assess tenants' perspectives on the quality of property management services, including cleaning services, security services, building maintenance, customer services, and health and safety. Analyzing the survey result enables us to understand our strengths and weakness, thereby facilitating improvements in overall operational and service performance.



100%

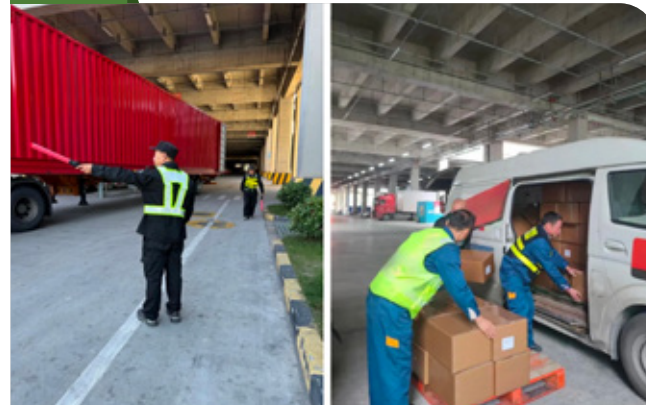
Tenant coverage rate



4.7

(out of 5)
Overall satisfaction score

CASE



Delivering Professional Services during Double 11

Double 11: Delivering Professional Services

Faced with the sharp surge of vehicle inflow and outflow during this year's Double 11 Shopping Festival, we planned traffic routes in advance, opened express lanes, and arranged dedicated staff for on-site guidance to ensure smooth and orderly traffic across the park. In addition, our professional property management team provided 24-hour standby service to promptly address client requests, covering security patrols, facility maintenance and daily operational support.

Tenant Health and Safety

Forest Logistics is committed to safeguarding the holistic health and safety of all tenants. The Company requires all local property managers to maintain standardized health and safety procedures, conduct regular hazard assessments, and establish effective mitigation measures. Dedicated safety personnel carry out ongoing inspections to verify control effectiveness and safeguard all occupants.

All our assets are equipped with comprehensive safety and security infrastructure, including 24-hour CCTV surveillance, accessible passageways, smoke detection systems, fire alarms, and firefighting equipment. These measures create a secure operational environment and give tenants confidence in the safety standards maintained across our portfolio.

Moreover, we have established an emergency response team and developed comprehensive response plans to address various types of incidents, such as fires, floods, violent incidents, theft, and power failures. In addition to preparedness measures, we actively engage with tenants by organizing regular safety drills and awareness campaigns during the Reporting Period, aiming to raise their safety awareness and equip them with the necessary skills for emergency response and evacuation.



CASE

Regular Safety Training

Throughout 2025, we conducted regular safety training, emphasized standardized operational norms, instilled the "Zero Accident" mindset in every employee, and strengthened the overall safety awareness of the entire team.

Pre-holiday comprehensive safety check (Excerpt)



Drainage system inspection



Refrigeration unit inspection



Sewage pump inspection



Solar energy system inspection



CASE

Annual Fire Drill

Annual fire drills are held at all Forest Logistics logistics parks to ensure fire safety facilities are intact and operational. The drills also help tenants familiarize themselves with evacuation routes, and strengthen overall safety awareness and emergency response capabilities.

By integrating tenant health and well-being goals into our safety initiatives and emergency preparedness efforts, we strive to create a living environment that not only prioritizes their safety but also promotes their overall health and well-being.

Sustainable Supply Chain

Forest Logistics believes that a resilient and responsible supply chain is the cornerstone of service excellence. We maintain close partnerships with our suppliers and contractors, embedding ESG requirements into every stage of selection, onboarding, and performance evaluation to continuously raise standards across our value chain.

Supplier/Contractor Selection and Management

Forest Logistics has implemented a supplier management procedure to streamline the selection and evaluation process for new and existing suppliers and service contractors. During the supplier selection process, a comprehensive assessment is carried out on their experience, qualifications, product and service quality, financial stability and track record of legal compliance to ensure alignment with our standards. Environmental and social risks are mitigated by considering the sustainability performance of potential suppliers and contractors, with preference given to those demonstrating strong sustainability management. We conduct regular assessments and performance reviews from various perspectives including staffing, management and commercial perspectives. The Company also offers ESG-related training to suppliers and contractors to enhance their sustainability capabilities and raise awareness of ESG issues.

We prioritize the health and safety of our suppliers and contractors. Hence, we mandate that all contractors create a detailed project safety management plan along with a manual before the commencement of construction to guarantee the presence of required health and safety equipment and mitigation measures throughout the construction process. We conduct onsite safety inspections and awareness training on a regular basis to boost the safety responsibility and awareness of the workers and consistently assess the effectiveness of safety measures, thereby averting safety hazards and occupational health accidents.

Sustainable Procurement

Forest Logistics is committed to promoting green procurement in asset management. Our Sustainable Procurement Policy clearly outlines the fundamental principles governing the use of sustainable materials and services in procurement processes. For instance, we encourage contractors to select green and environmental-friendly building materials such as low VOC emitting materials, FSC-certified wood-based materials and low embodied carbon materials during project planning and development stages to mitigate potential environmental risks and tenant health. Moreover, we give preference to goods and services from local suppliers to reduce our carbon footprint by shortening the transportation distance.

CASE

FOREST SHAOXING BINHAI LOGISTICS PARK MAY EMERGE AS A NEW FOCAL POINT

In 2018, we launched the 270-mu Forest Shaoxing Binhai Logistics Park at a key transport hub by adhering to the industry-city integration policy. We also cooperated with upstream and downstream enterprises to develop a comprehensive supply chain ecosystem, offering solid support for retail e-commerce and catering supply chain businesses in Shaoxing and surrounding regions, while boosting the transformation and upgrading of the local economy.



Industry Exchange

As a leading integrated logistics property platform, Forest Logistics is committed to advancing the high-quality development of the logistics industry. We actively participate in industry exchanges and collaborative initiatives, sharing best practices and contributing to policy dialogue that supports the sustainable evolution of the sector.

Community Investment

Forest Logistics upholds our commitment as a responsible corporate citizen, actively striving to generate positive societal and economic impacts within the communities where we operate. To support the relief efforts following the major fire in Hong Kong, Forest Logistics actively fulfilled its corporate social responsibility by donating RMB 12,000 (¥12,000) to the Shanghai Children's Foundation. The funds will be specifically used for emergency assistance and psychological care programs for children in the affected areas, helping families impacted by the fire overcome their difficulties. This action reflects the company's deep concern for children in disaster zones and its rapid response to public emergencies.

Our Governance



Business Integrity

Anti-bribery and Corruption

Forest Logistics is committed to upholding the highest standards of integrity and ethics in all of our business activities. Our Anti-Bribery and Corruption Policy, which outlines the key principles and guidelines on the management of anti-bribery and corruption cases, is in place to effectively govern and safeguard our business practices. To ensure full compliance with applicable national and local laws and regulations, the Company strictly prohibits all forms of bribery, corruption, fraud and other malpractices.

Besides, our employees must adhere to the business conducts and standards stipulated in the Employee Handbook. This ensures their professional and responsible conduct in all business activities, including the avoidance of conflicts of interest, the implementation of fair business practices, and the prevention of bribery and corruption. We have established a continuous monitoring process to enforce a zero-tolerance approach towards any form of malpractice. Regular inspections are conducted to ensure compliance. Any actions that violate our policy will result in disciplinary actions, which may include immediate termination of employment.

Whistleblowing

The Company is committed to fostering a culture of transparency and accountability, providing employees, shareholders and business partners with a platform to raise concerns and any instances of unethical behavior. We have established a reporting and grievance mechanism that allows all employees and other stakeholders to report actual or suspected illegal activities and improprieties in any situation relating to the Company.

All information of whistle-blowers will be kept confidential to prevent any retaliation or unfair treatment. The Company will promptly conduct a comprehensive investigation upon receiving any reported cases. The consequences for violations will depend on the specific circumstances and applicable laws and regulations, and may include disciplinary action, criminal prosecution and monetary penalties.

All suspected cases can be reported through the following channels:

- By writing to No. 150 Hubin Road, 5 Corporate Avenue, Units 809-810, Huangpu District, Shanghai 200021, China in a sealed envelope marked "Strictly Private and Confidential – To be Opened by Addressee Only"
- By email to compliance@forest-logistics.com

GRI Content Index

Data Privacy and Cybersecurity

Protecting data privacy and ensuring cybersecurity is crucial for business accountability, especially as businesses become increasingly reliant on information technology. The rise in cybercrimes and unauthorized access to sensitive data, such as customer information and trade secrets, may deteriorate the corporate reputation, customer loyalty, as well as lead to significant financial losses. To comply with relevant laws and regulations where we operate¹ and defend against cyber threats, the Company has implemented data management procedures and conducted regular internal cybersecurity inspections to safeguard the digital data from unwanted access, corruption or theft, which could threaten the interests of the Company, employees and tenants. Furthermore, all employees and business partners are required to strictly follow the confidentiality obligations outlined in the Employee Handbook and business contracts to prevent any unauthorized and/or unnecessary information leakage and misuse. Access to sensitive and confidential information is restricted for employees based on “need to know” principles. They are prohibited from disclosing or sharing such information with any third party during and after their employment, except when authorized or legally mandated.

¹ Including but not limited to Data Security Law of the PRC



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² The GRI Standards is one of the most widely adopted global standards for sustainability reporting. It represents global best practices for reporting publicly on a range of economic, environmental, social and governance impacts. For more details about GRI Standards, please refer to: <https://www.globalreporting.org/>.

