

**HANG LUNG GROUP LIMITED / HANG LUNG PROPERTIES  
LIMITED (“Company”)  
TAX POLICY**

The purpose of this Tax Policy is to set out our approach to managing tax compliance and tax risk in all the jurisdictions where we operate.

**1. Compliance**

We are committed to fulfilling the Company and its subsidiaries’ tax obligations by applying the following principles in all the jurisdictions in which we operate:

- ◆ Comply with tax laws, regulations and practices and meet all tax reporting and tax payment requirements;
- ◆ Adequately provide for taxes in financial statements with proper disclosures, where necessary, according to prevailing tax laws and accounting standards;
- ◆ Apply the arm’s length principle to ensure that parties to the intra-group transactions are appropriately remunerated and to ensure appropriate transfer pricing methods are consistently applied; and
- ◆ Maintain transparent and collaborative relationships, through timely and open dialogues, with the relevant tax authorities.

**2. Governance and Risk Management**

We have put in place a governance framework with robust procedures and controls (including internal escalation and consultation processes) proactively managing tax matters and tax risks arising from our operations. Our finance department, supported by experienced and qualified staff and external tax professionals when necessary, is responsible for managing our tax affairs and is accountable to the Board of Directors. We adopt the following tax practices:

- ◆ Business activities and operations must be in compliance with the prevailing tax laws and practice in a tax-efficient manner and aligned with business strategy and appropriate commercial substance;

- ◆ We may take advantage of tax incentives, reliefs and exemptions from relevant tax authorities or legislation with no intention to practice or facilitate tax evasion or avoidance; and
- ◆ Undertake in-house analysis and seek assistance and advice from external professionals where appropriate.

### **3. Approval and Application of the Tax Policy**

This Tax Policy has been approved by the Board of Directors and applies to all group companies.

If there is any inconsistency or ambiguity between the English version and the Chinese version, the English version shall prevail.