

Hang Lung Properties

Compliance with Competition Law

Hang Lung Properties Limited (hereafter referred to as the “Company”) regards honesty, integrity and fair play as our core values that must be upheld by all directors and staff of the Company at all times.

This Code sets out the basic standard of conduct expected of all directors and staff, and the Company’s policy when dealing with the Company’s business. The Company is committed to maintain a high standard of excellence in every aspect of our business and in all areas we will serve, a high ethical standard and responsible conduct in all of our operations; to respect the rights of all individuals; and to do whatever we can to protect the environment.

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The Company has a policy of absolute compliance with competition law, including the Competition Ordinance (Cap 619) in Hong Kong and the Anti-Monopoly Law and Anti-Unfair Competition Law in the People’s Republic of China. All Company employees are required to strictly adhere to this policy and breaches of competition law will not be tolerated. Breaches of competition law can have severe consequences for the financial condition, reputation and continued viability of our Company. Failure to comply with competition law can result in disciplinary measures, loss of employment and ruined careers.

The principles in this Policy will help you to comply with competition law. These may be amended from time to time.

Dealings with competitors

DO'S

- ✓ Make clear your objection to any anticompetitive meeting, discussion or information exchange (whether orally or in writing).
- ✓ Immediately inform the Legal Department if you are approached by a competitor for an anti-competitive purpose or to exchange commercially sensitive information.
- ✓ Observe the specific conduct rules described below when attending trade associations meetings.
- ✓ If you think you need to contact or meet with a competitor for a legitimate purpose, consult first with the Legal Department.
- ✓ Keep full and accurate notes of all meetings with competitors.
- ✓ In case of doubt or if you have any questions, consult with the Legal Department.

Dealings with competitors

DON'TS

- ✗ DON'T fix, agree or discuss prices (including rebates, concessions, profit margins as well as any other indirect price-related elements).
- ✗ DON'T discuss or agree who will respond to a tender and under what terms.
- ✗ DON'T share or allocate customers, suppliers, distributors or geographic areas or territories.
- ✗ DON'T fix buying or selling quotas.
- ✗ DON'T agree to boycott certain customers, suppliers or distributors.
- ✗ DON'T discuss or exchange any commercially sensitive information (such as prices, sales volumes or conditions, contract terms, customer information, sales targets, revenues, future products or services, costs, marketing initiatives, business opportunities, etc....).

Trade associations

Participation in trade association activities is most of the time legitimate but sometimes it can give rise to sensitive situations due to contact with competitors.

You should not use the opportunity of these activities to agree to restrict competition or exchange competitively sensitive information with competitors. Therefore you should follow the following conduct rules, before, during and after such meetings:

Before the meeting

- ✓ DON'T join a trade association which has an anti-competitive purpose.
- ✓ Inform the Legal Department before joining any new trade association.
- ✓ Obtain a written agenda before attending all meetings.
- ✓ Ensure that there are no commercially sensitive items on the agenda.
- ✓ In case of doubt or if you have any questions, consult the Legal Department.

Trade associations

During the meeting

- ✗ Do not discuss or exchange any commercially sensitive information (such as prices, volumes, sales conditions, contract terms, customer information, sales targets, revenues, future products or services, marketing initiatives, costs, business opportunities etc...) including during coffee and lunch breaks.
- ✓ You are allowed to discuss purely non-commercial issues such as technical standards, lobbying, safety and industry-wide issues.
- ✓ Take notes of the items discussed during the meeting.
- ✗ Reject any attempts to discuss commercially sensitive information, leave the meeting if the discussion continues and make a note of your departure.

After the meeting

- ✓ Ensure that you make or receive accurate minutes of the meeting and keep your own notes.
- ✓ Immediately inform the Legal Department of any incidents which have occurred during or after the meeting.

Language tips

Communicating clearly and carefully to avoid misinterpretation is an important part of competition law compliance efforts. Any documents or communications, whether internal or with external parties, with careless, ambiguous, exaggerate or inappropriate language may make perfectly legal conduct look suspicious and affect our Company's position in an investigation by the competition authorities.

You should follow the following conduct rules when communicating in writing:

- ✘ DON'T use language which could imply wrongdoing (e.g., "delete after reading" or "no copies").
- ✘ DON'T use expressions which would suggest that the general attitude of our Company is to reduce or eliminate competition alone or in concert with competitors.
- ✓ State clearly the source of any price information.
- ✓ In case of doubt or if you have any questions, consult the Legal Department.

Further questions?

If you have further questions or need to report an incident, contact the Legal Department without delay.

Please contact the following person:

Ms. Winnie Ma,

Director – General Counsel & Company
Secretary