

SUSTAINABILITY STEERING COMMITTEE

TERMS OF REFERENCE

1. Purpose

The Boards of Directors (the "**Boards**") of Hang Lung Group Limited and Hang Lung Properties Limited (collectively, the "**Group**") acknowledge the need for a dedicated structure to advance its goal of achieving sustainability leadership.

The terms of reference set out herein (collectively, the "**Terms of Reference**") provide a framework for the general mandate and effective functioning of the Sustainability Steering Committee (the "**Committee**") of the Group.

2. Membership

The Chairman of the Committee shall be an executive member of the Board and shall be appointed by mutual consent of the top management of the Group.

The Chairman shall determine the composition of the Committee, and the tenure of individual Committee members, in a way that the sustainability aspects relevant to the business operation of the Group are adequately represented.

In particular, the Committee shall be of reasonable size that consists of members, being:

- (a) senior executives and heads of major business units or support functions; and
- (b) the executive leading the sustainability team (the "**Sustainability Team**").

The composition of the Committee as of 11 November 2021 is set out in the Appendix annexed hereto. The Chairman of the Committee shall review the overall composition of the Committee and the tenure of individual Committee members from time to time.

3. Secretariat

The Sustainability Team shall also provide secretarial support to the Committee, including but not limited to, the preparation and circulation of the notices (containing date, time, venue and agenda) and thereafter minutes for meetings of the Committee, together with any relevant documents and information to all members of the Committee.

4. Attendance at meetings

The Committee may invite any person(s) within and/or outside the Group to attend meeting(s) of the Committee as it may consider appropriate.

5. Frequency of meetings

Meetings shall be held as frequently as reasonably required but not less than twice a year.

6. Quorum

The quorum for a meeting of the Committee shall be at least 75% of its members or the nominee(s) thereof, one of whom must be the Chairman of the Committee.

7. Duties

The Committee shall have the following duties and responsibilities:

- (a) assess the effectiveness of the sustainability management framework and structure of the Group and advise any necessary changes;
- (b) review, endorse and suggest any changes to the Group's sustainability vision and strategy;
- (c) review the Group's performance against its goals and targets, its annual sustainability-related key performance indicators ("**KPIs**") for strategic environmental, social and governance ("**ESG**") factors, and any other appropriate benchmarks;
- (d) keep track of stakeholders' feedback, latest market trends and peer performances on sustainable development;
- (e) determine significant risks and opportunities in relation to the sustainable development of the Group, including ESG risks and opportunities;
- (f) advise the Enterprise Risk Management Working Group of significant sustainable development risks identified, including ESG risks;
- (g) propose appropriate action plans and targets to address the sustainability opportunities identified;
- (h) establish and supervise sub-committees and/or cross-functional working groups as appropriate to advance the Group's sustainability agenda;
- (i) monitor and ensure the Group's progress in implementing action plans and achieving targets;

- (j) review and approve the annual Sustainability Report of the Group; and
- (k) support and carry out any other duties as proposed by the Chairman of the Committee.

8. Reporting

The Chairman of the Committee shall report to top management and the Boards on a regular basis, and the Sustainability Team shall also report to the Boards no less than two times a year on any significant matters relevant to the sustainable development of the Group, including but not limited to:

- (a) major changes of the Group's sustainability vision, strategy and targets;
- (b) major sustainability issues and opportunities in relation to the Group's operations; and
- (c) plans, targets, and KPIs in addressing sustainability opportunities, and results achieved in respect thereof.

9. Approval of the Terms of Reference

The Terms of Reference of the Committee shall, upon their being approved by the Boards, come into force and effect and shall continue to be valid in full force and effect until they (or any of them) are replaced by changes made pursuant to paragraph 10 below.

10. Changes to the Terms of Reference

The Terms of Reference of the Committee shall be reviewed by the Committee from time to time. In a situation where the Committee forms the view that changes to the Terms of Reference are necessary:

- (a) prior approval by the Boards shall be required for any proposed changes that are material to the Boards' overall responsibility for and oversight of the Group's ESG strategy; and
- (b) prior approval by the Chairman of the Committee would suffice for any proposed changes of a less significant nature, for instance, changes to the administrative functions/process of the Committee and so forth.