

Press Release

Hang Lung Publishes Sustainability Reports 2021

Advancing Our Sustainability Agenda to Achieve Sustainability Leadership

(Hong Kong, May 17, 2022) Hang Lung Group Limited (SEHK Stock Code: 00010) and Hang Lung Properties Limited (SEHK Stock Code: 00101) (collectively known as “the Companies” or “Hang Lung”) today published their online Sustainability Reports 2021, the 10th year that the Companies have published sustainability reports. The Reports provide highlights of our sustainability initiatives, achievements and progress made during the year along with an overview of plans across our four priorities of Climate Resilience, Resource Management, Wellbeing, and Sustainable Transactions, all in support of our overarching ambition of becoming one of the most sustainable real estate companies in the world.

Notable highlights from the Reports include:

- The development of 25 sustainability targets to be achieved by the end of 2025 (“25 x 25 Sustainability Targets” or “25 x 25”);
- Disclosing 28 Strategic Environmental, Social, and Governance Key Performance Indicators (“Strategic ESG KPIs”) to be achieved in 2022 towards our 25 x 25 Sustainability Targets;
- Becoming one of the first real estate companies in Asia to commit to setting both near- and long-term targets to reach net-zero value chain greenhouse gas (GHG) emissions in alignment with Science-Based Target initiative’s Net Zero Standard;
- The completion of a 100% renewable energy transaction at Spring City 66, Kunming, now our first development, and the first commercial complex in Yunnan Province, to achieve net-zero carbon emissions in annual electricity consumption for both landlord and tenant operations;
- The launching of initiatives worth HK\$27 million in support of Hong Kong’s COVID-19 vaccination drive.

Other highlights under our four priorities in 2021 include:

Climate Resilience

- For our Scope 1 and 2 emissions: Achieved a cumulative 28.9% GHG emission intensity reduction compared to our 2018 baseline;
- For our Scope 3 emissions: The first calculation of Scope 3 emissions, and the formulation of reduction initiatives and targets (for embodied carbon and tenants’ emissions);
- Detailed mapping of our approach to addressing climate-related issues in support of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).



Resource Management

- Electricity intensity in 2021 was 10.7% below our 2018 baseline;
- Reviewed our water consumption practices across our portfolio, and set a 10% water intensity reduction target for 2025;
- Upcycled or reused about 24 tons of frontline staff uniforms.

Wellbeing

- Conducted our first comprehensive, third-party employee engagement survey with a 97.4% participation rate;
- Applied for the WELL Health and Safety Rating for 19 buildings covering all Mainland properties and the Standard Chartered Bank Building in Hong Kong;
- Over 1,800 volunteers completed 138 volunteering activities and contributed more than 14,500 service hours despite the pandemic.

Sustainable Transactions

- Hang Lung Group and Hang Lung Properties respectively secured 28% and 30% of debt and available facilities from green bonds, green loan facilities, and sustainability-linked loan facilities;
- Developed a sustainable procurement strategy for our existing operations, and defined 16 ideas to improve sustainability in our projects under development;
- Collaborated with tenants on multiple community sustainability initiatives, and introduced amendments to tenant and fitout guides to incorporate more sustainability provisions.

Recognition Earned

In 2021, recognition for Hang Lung's strong commitment to sustainability as an industry leader has included:

- An upgrade to 4-Star performance rating and retention of A-grade disclosure rating under GRESB;
- An upgrade to an 'A' rating under the MSCI ESG Ratings;
- Listing as a constituent of the FTSE4Good Index Series; and
- An update to 'AA' rating under Hang Seng Corporate Sustainability Index.

For four years, since 2017, Hang Lung has also been listed as an Index Component of the Dow Jones Sustainability Indices in the Asia Pacific Index. We have also received a low ESG risk rating by Sustainalytics since July 2020.



Hang Lung Sustainability Reports 2021 are now available for download at the links below:

Hang Lung Group

<https://www.hanglung.com/en-us/group/media-center/publications/sustainability>

Hang Lung Properties

<https://www.hanglung.com/en-us/media-center/publications/sustainability>



Hang Lung Group and Hang Lung Properties Sustainability Reports 2021

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About Hang Lung Properties

Hang Lung Properties Limited (SEHK Stock Code: 00101) creates compelling spaces that enrich lives. Headquartered in Hong Kong, Hang Lung Properties develops and manages a diversified portfolio of world-class properties in Hong Kong and the nine Mainland cities of Shanghai, Shenyang, Jinan, Wuxi, Tianjin, Dalian, Kunming, Wuhan and Hangzhou. With its luxury positioning under the “66” brand, the company’s Mainland portfolio has established its leading position as the “Pulse of the City.” Hang Lung Properties is recognized for leading the way through enhanced sustainability initiatives in real estate as it pursues sustainable growth by connecting customers and communities.

At Hang Lung Properties – **We Do It Well.**

For more information, please visit www.hanglung.com.



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