

Sustainability Report / 2025



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Hang Lung Group Limited

Stock code: 00101

📍 Registered office:
28th Floor, 4 Des Voeux Road Central,
Hong Kong

☎ +852 2879 0111

✉ Sustainability@HangLung.com

www.hanglung.com

www.hanglung.com/sustainability

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



Introduction



About Hang Lung Group

Hang Lung Group Limited (SEHK stock code: 00010) is one of Hong Kong's most established listed companies with more than 60 years of experience in the property development market.

Through our subsidiary Hang Lung Properties Limited (SEHK stock code: 00101), we have cultivated a leading reputation as a top-tier property developer in Hong Kong and Chinese Mainland with a recognized commitment to customer-centricity and quality. Our substantial Hong Kong portfolio comprises commercial, office, and residential developments for sale and lease in prominent locations.

In the early 1990's, we took a significant step in our expansion by making our first investment on the Mainland. Adhering to an ensuing strategy of developing prime sites in major cities, our diversified portfolio currently comprises properties in nine Mainland cities of Shanghai, Shenyang, Jinan, Wuxi, Tianjin, Dalian, Kunming, Wuhan and Hangzhou (listed by opening year). Through its premium positioning under the "66" brand, our Mainland portfolio has established a leading position as the "Pulse of the City." For details of our business performance and outlook, please refer to our [2025 Annual Report](#).

Together with our subsidiary Hang Lung Properties, **We Do It Well**.

Our Vision

We create compelling spaces that enrich lives

Our Mission

We pursue sustainable growth by connecting our customers and communities

Our Values

We live up to our brand motto of We Do It Well, by focusing on:

Integrity / We maintain the highest standards of integrity by operating according to principles of fairness, mutual respect and adherence to business ethics.

Sustainability / Together with our pursuit of sustainable business growth, we promote the long-term development and wellbeing of our communities.

Excellence / We are committed to delivering the finest services and experiences that surpass the expectations of our customers, tenants and communities.

Openness / We maintain an open and inclusive culture that respects diverse opinions. We strive to embrace new ideas and cultivate innovative thinking.

Message from the Chair



Adriel Chan

Chair of the Board and Chair of the Sustainability Steering Committee (SSC)

2025 was a pivotal year for Hang Lung's sustainability efforts, marking the transition to a more mature, ambitious phase in our journey.

This past year, we achieved our "25 x 25" targets - the 25 targets that we set out to achieve by the end of 2025, detailed later in this report. We also resolved to refresh our 2030 Sustainability Goals and Targets, which were originally formulated back in 2020. As we know, both Hang Lung and the world have changed considerably since then. After extensive external benchmarking, internal consultation and Board review, we announced our revised 2030 Sustainability Goals and Targets in January 2026. The new targets are sharply defined, reflect our latest priorities, and capture our heightened ambition as a company. I would say that the refreshed 2030 targets are at least as ambitious, if not more, than our previous targets.

We also saw significant progress in several major initiatives in 2025. In construction, our two low carbon emissions steel procurements at Plaza 66 Pavilion Extension and Westlake 66 projects amounted to 2,500 tonnes of steel, representing a 42% reduction in carbon emissions. Through our Changemakers Program, we are now partnering with 76 tenants on sustainability, comprising 20% of our leased floor area. In addition, our renewable energy procurement now covers nine out of ten Mainland properties (Heartland 66 is the

latest, from January 2026), supporting China's dual-carbon goals while delivering value to us and our tenants.

During the year, we also made two significant contributions to thought leadership in sustainability. In March, we published a discussion paper titled "Our Journey to Net Zero: Our Scenarios and Actions to Reduce Greenhouse Gas Emissions to 2050." Based on a detailed decarbonization model, the paper highlights challenges, opportunities, and blind spots in real estate decarbonization. It has generated much discussion, as we had hoped it would, including in the South China Morning Post and in various sustainability events and forums.

The cooling (i.e., air conditioning) of commercial real estate is a bigger source of emissions than most people realize, and global cooling demand is growing. With these issues in mind, in January 2026, the Carbon Containment Lab published a report titled "Bending the Curve: Cost-effective cooling emission reduction pathways for commercial real estate in China and the U.S." The project was sponsored by Hang Lung and LVMH Group under our pioneering sustainability partnership, and one of the paper's authors is from Hang Lung's Sustainability Team. The paper captures attractive opportunities to reduce emissions from cooling, and we are exploring practical applications with other stakeholders.

Lastly, 2025 also marked an important evolution in Hang Lung's business strategy, with positive implications for our sustainability direction. Under our V.3 strategy, we will focus on expanding our business in existing cities through smaller investments, such as asset enhancements and strategic partnerships (e.g., 20-year operating leases). While we are pursuing this strategy primarily for business reasons, it will also substantially reduce our environmental impact compared to our earlier strategy, which was rooted in large-scale new developments. I am encouraged by the way business and sustainability reinforce each other in this new approach.

In 2026, Hang Lung celebrates our 66th anniversary. It is an exciting moment to imagine new possibilities for action, ideas and collaboration as we look to advance our sustainable growth.

Adriel Chan

*Chair of the Board and Chair of the
Sustainability Steering Committee (SSC)*

March 2026

Message from the Chief Executive Officer



Weber Lo
Chief Executive Officer

I am pleased to present our Sustainability Report 2025, the 14th edition of our annual update on sustainability performance.

Five years ago, we announced our 25x25 Sustainability Targets with the ambition to embed sustainability considerations into every aspect of our business. I am pleased to share that we have achieved—and in several areas exceeded—these targets. Building on this momentum, in January 2026 we announced our refreshed 2030 Sustainability Goals and Targets: a set of more measurable, focused objectives to guide our actions over the next five years.

Our commitment to transparency and performance continues to deliver strong results across major ESG benchmarks and indices. We saw notable improvements, for instance, in our S&P Global CSA score and in attaining the CDP A List for both Climate and Water Security.

We remain committed to advancing our sustainability efforts to align with evolving stakeholder expectations. The following five achievements highlight how we collaborate with like-minded partners to amplify our sustainability impact.

Renewable energy

In 2025, we made progress in our renewable energy procurement, expanding from five to eight Power Purchase Agreements (PPAs) across our ten operating properties in our Chinese Mainland. From May 1, 2025, Forum 66 and Palace 66 in Shenyang, and Olympia 66 in Dalian became the first commercial properties in Liaoning Province to procure 100% renewable electricity. In late 2025, RE100, a global initiative led by Climate Group, recognized Hang Lung with the “Best Newcomer” title at its 2025 RE100 Leadership Awards.

Low carbon emissions materials

Following our pioneering low carbon emissions steel procurement for our Plaza 66 Pavilion Extension in Shanghai in 2024, we secured an additional 1,000 tonnes of low carbon emissions steel for Westlake 66 in Hangzhou in 2025. The Westlake transaction covered more than 80% of the reinforcing bars used in a key Westlake 66 connecting tunnel, and reduced emissions by about 50% compared with conventional materials. Overall, across the two projects, we have procured almost 2,500 tonnes of lower emission steel, representing a combined 42% reduction in steel emissions.

In 2025, Hang Lung also continued to support various broader initiatives with associations, universities, and others to help accelerate the deployment of low carbon emissions steel across the economy.

Tenant partnerships

We continued to partner with our tenants to accelerate shared sustainability goals. Following the launch of our Changemakers: Tenant Partnerships on Sustainability Program in 2024, we celebrated tenants' achievements at Recognition Ceremony events in Hong Kong and Shanghai in April 2025. Participation in our Changemakers Program expanded significantly in its second year. By December 2025, we were proud to have 76 tenants across 18 properties—covering 20% of the applicable leased floor area—partnering with us on sustainability initiatives. We look forward to welcoming more tenants in 2026 so we can amplify sustainability outcomes together.

Community investments

We are committed to connecting communities across our portfolio and empowering young entrepreneurs by offering spaces that spark opportunity and growth. In 2025, we launched Community · Connect, offering rent-free spaces to young entrepreneurs and community groups in Hong Kong and the Chinese Mainland. Most participants reported expanded networks, greater confidence, and increased income as a result of the program.

Following the tragic Wang Fuk Court fire in Tai Po, we pledged HK\$11 million to launch the Tai Po Wang Fuk Court Fire Relief Fund, including HK\$10 million for relief and recovery, while providing 20 rent-free serviced apartments at Kornhill Apartments for two months. We are committed to ensuring the fund delivers meaningful support to the affected households.

Economic performance

In 2025, market conditions improved compared to the previous year, despite economic uncertainty and evolving customer preferences. While our total revenue declined by 11% due to lower property sales, our core leasing revenue decreased by only 2%, backed by strong retail occupancy and tenant mix improvements. The Hang Lung V.3 strategy launched in 2025 emphasizes core city expansion, experience enhancement, and selective, capital-efficient investments to reinforce scale and visibility.

As I prepare to retire from my role as Chief Executive Officer in August 2026, I wish to express my deep gratitude to our colleagues, Board, investors, partners, and the communities we serve. I am proud of the significant progress we have made in sustainability over the last eight years, and I am confident that Hang Lung is well-positioned to pursue our refreshed 2030 Sustainability Goals and Targets, and our longer-term sustainability ambitions.

Weber Lo

Chief Executive Officer

March 2026

2025 Highlights

Key Achievements and Initiatives

Among the first real estate companies in Asia to have near- and long-term targets fully aligned with the **Science Based Targets initiative's** Buildings Criteria



Over 80% of existing properties and projects under development with **green building certifications**



Launched community · Connect initiative, designed to empower young entrepreneurs and cultural startups to thrive

Publication of “**Our Journey to Net Zero**” – an industry-leading discussion paper and analysis of detailed decarbonization scenarios through to 2050



Hosted the inaugural **Changemakers Tenant Sustainability Award Ceremony 2025**. In 2025, we partnered with 76 tenants on sustainability initiatives, representing 20% of our total leased area

The Hang Lung As One volunteer team contributed over **73,000 volunteering hours**, benefiting more than **24,000** people in Hong Kong and the Chinese Mainland



80% Mainland operating properties are now powered by **renewable energy**

Achieved 45% reduction in steel emissions at Westlake 66 key tunnel project



Celebrated the 15th anniversary of the **Hang Lung Center for Real Estate** at Tsinghua University with a forum on Sustainable Development of Cities and Real Estate

Conducted our first **supplier engagement workshop**, bringing together more than 100 suppliers and value chain partners



Our employee engagement performance in the **Gallup Overall Database** increased from the 79th percentile to the **81st percentile**



60% of total debts and available facilities now incorporate ESG-related elements



Sustainability Awards and Accolades

Awards and Recognition

2024 ESG Model Enterprise Award and 2024 Green Development Model Award

14th China Philanthropy Festival



Social Enterprise Supporter Excellence Award

Fullness Social Enterprises Society



2025 Best Corporate Governance and ESG Awards – ESG Special Mention, Medium and Small Market Capitalization Category – Elite Past Winners Section

Hong Kong Institute of Certified Public Accountants



3rd China Corporate Carbon Neutrality Performance Ranking – Energy Saving and Carbon Reduction Award

Yicai



RE100 Leadership Awards 2025 – Best newcomer

Climate Group - RE100



Green Building Award 2025 – Grand Award for Existing Buildings (Interiors)

Hong Kong Green Building Council



Diverse Abilities • Inclusive Workplace Recognition Scheme – “Caring Employer” Medal (Level 2) – Disability-Inclusive Employer

Labour and Welfare Bureau



2025 Gallup Exceptional Workplace Award

Gallup



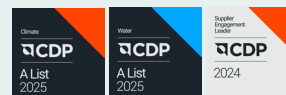
Hang Lung Properties' Participation and Performance in Key Benchmarks and Indices



MSCI ESG Rating
"AA" rating



Sustainalytics
"Low" ESG risk rating



CDP
Climate Change: A
Water Security: A



Hang Seng Corporate
Sustainability Index
Series Member 2025-2026

**Hang Seng Corporate
Sustainability Index Series**
"AA+" rating



GRESB
5-star performance rating for
Standing Investment

S&P Global

Top 10%
Corporate Sustainability
Assessment 2025 Score
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For terms of use, visit www.spglobal.com/yearbook

**S&P Global Sustainability
Yearbook 2026**
Top 10% S&P Global
CSA Score
S&P Global CSA Score: 83

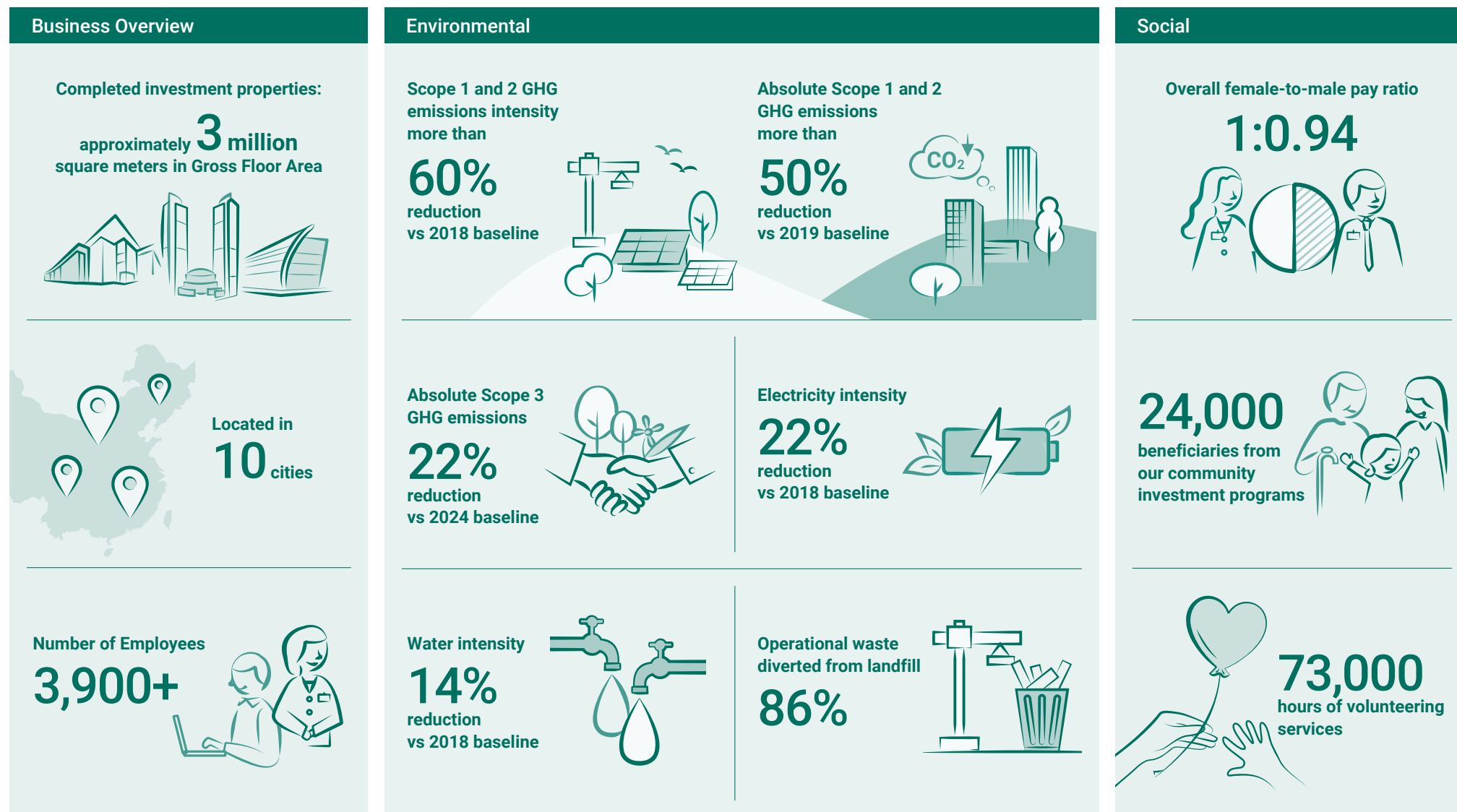


FTSE4Good
Constituent of FTSE4Good Index Series
ESG score: 3.8



**Institute of Public &
Environmental Affairs (IPE)**
Green Supply Chain Corporate Information
Transparency Index (CITI) score: 29.75
Corporate Climate Action Transparency
Index (CATI) score: 56.4

Key Figures



Six Years of Progress: Key Sustainability Milestones from 2020-2025

Hang Lung has made significant progress on sustainability over the last six years. Below provides a summary of key milestones:

- **December 2020.** Announced our (original) 2030 Goals and Targets.
- **December 2020.** Signed inaugural sustainability-linked loan (SLL) facility agreements with Crédit Agricole Corporate and Investment Bank and DBS Hong Kong to the value of HK\$1.5 billion.
- **March 2021.** Introduced a new expression of our Vision, Mission and Values.
- **December 2021.** Announced 25 targets to be achieved by the end of 2025 ("25 x 25 Sustainability Targets" or "25 x 25").
- **December 2021.** Completed our first power purchase agreement (PPA) for renewable energy for our property - Spring City 66 in Kunming.
- **March 2022.** Among the first real estate companies in Hong Kong and Chinese Mainland to report our Scope 3 emissions.
- **October 2022.** Adriel Chan for Hang Lung and Antoine Arnault for LVMH launch a groundbreaking landlord-tenant sustainability partnership in Paris.
- **December 2022.** First commercial real estate company in Shandong Province to

complete a PPA for renewable energy for our property - Parc 66 in Jinan.

- **January 2023.** The first real estate company in Hong Kong and Chinese Mainland to obtain validated net zero targets under SBTi's Net Zero Standard.
- **January 2023.** Plaza 66 became the first operating property and the largest commercial complex in Chinese Mainland to receive platinum ratings for LEED V4.0 Existing Building: Operations and Maintenance and WELL V2 Core certifications.
- **February 2023.** Achieved the WELL Health-Safety Rating (WELL HSR) from the International WELL Building Institute (IWBI) for 19 properties in Hong Kong and Chinese Mainland.
- **April 2023.** Initiated a "Sustainable Real Estate Scheme" for Tsinghua University teachers and postgraduates, funding their creative academic research on topics including green buildings, healthy buildings, low-carbon development and digitalization.
- **May 2023.** The first real estate company in Hong Kong and the Chinese Mainland to procure low carbon concrete bricks at our Westlake 66 project.
- **August 2023.** Announced a partnership with Hong Kong-based green startup Sustainable Office Solutions (SOS) and Crossroads Foundation to implement a holistic resource

utilization scheme for Hang Lung's Hong Kong Office Rejuvenation Project.

- **December 2023.** The first (and to date only) real estate company in Hong Kong and Chinese Mainland to join SteelZero, a Climate Group initiative.
- **April 2024.** With the addition of Plaza 66, Grand Gateway 66 and Center 66, 50% of our operating properties in Mainland have PPAs for renewable energy.
- **September 2024.** Convened a Real Estate & Decarbonization Summit in Beijing that brought together over one hundred experts, practitioners and thought leaders across the real estate value chain.
- **November 2024.** Plaza 66 Pavilion Extension became the first commercial real estate project in Chinese Mainland to incorporate nearly 100% low carbon emissions steel for all above-ground structural plates and reinforcing bars.
- **March 2025.** Published a first-of-its kind discussion paper, "[Our Journey to Net Zero](#)," drawing on a detailed decarbonization model.
- **April 2025.** Held the Forum on Sustainable Development of Cities and Real Estate Cum 15th Anniversary of The Hang Lung Center for Real Estate at Tsinghua University.
- **April 2025.** Hosted Changemakers Tenant Sustainability Awards 2025 in Hong Kong and Shanghai.

- **May 2025.** With the addition of Forum 66, Olympia 66 and Palace 66, 80% of our operating properties in Mainland have PPAs for renewable energy.
- **July 2025.** The first (and to date only) real estate company in Hong Kong and Chinese Mainland to join RE100, a Climate Group initiative.
- **August 2025.** Launched a new community investment philosophy, Community · Connect.
- **November 2025.** Our Office Rejuvenation Project in Hong Kong won the prestigious Green Building Award – Grand Award in the "Existing Buildings Category: Interiors," presented by the Hong Kong Green Building Council (HKGBC).
- **December 2025.** One of the first real estate companies in Asia to obtain validated net zero targets under SBTi's Building Criteria.
- **December 2025.** Co-sponsored, with LVMH Group, a Carbon Containment Lab paper "[Bending the Curve](#)," which includes a detailed model for cooling and refrigerant emission reduction opportunities in commercial real estate in China and the United States.

We look forward to more exciting milestones between 2026 and 2030.

The background of the image features a modern architectural scene. On the left, a tall, white, curved building with a grid-like facade rises. In the center, a large, white, curved structure with a series of horizontal slats or louvers is visible. On the right, a glass-fronted building with a series of white, angular, V-shaped supports is shown. The sky is a clear, light blue. Two white birds are flying in the upper center. In the bottom left corner, there are white line-art drawings of leaves and a small circular element. In the bottom right corner, there are white line-art drawings of a plant with long, thin leaves and a circular element. A large, solid teal rectangle is positioned on the right side of the image, containing the text.

Our Approach to Sustainability

Our Sustainability Strategy

At Hang Lung, sustainability is not an adjunct to our business; it is a core value and an integral part of our strategy for long-term value creation.

From the Group's inception through three generations of family leadership, integrity has been the foundation of our business. Over the last decade, we have deepened and broadened our approach to sustainability. As we conclude our 25 x 25 Sustainability Targets, we have also introduced refreshed 2030 Sustainability Goals and Targets that reflect our learning and enhanced ambition. We continue to pursue the goal of becoming one of the world's most sustainable real estate companies.



The Four Priorities

Our Sustainability Framework is anchored by four pillars, or overarching priorities, that define our most material ESG risks and opportunities. These priorities inform our investments, management, and stakeholder engagement:

Climate Resilience: We are committed to reducing our carbon footprint in line with science and adapting to a changing climate.

Resource Management: We aim to drive efficient and circular use of natural resources and help regenerate nature. This commitment involves minimizing waste, optimizing water and energy consumption, and supporting the regeneration of nature through biodiversity practices.

Wellbeing: We foster safe, inclusive, and healthy spaces that enhance the quality of life for all stakeholders. This priority encompasses occupational health and safety (OHS), indoor environmental quality (IEQ), and community and customer wellbeing.

Sustainable Transactions: We collaborate with key stakeholders across our value chain—suppliers, tenants, and investors—to advance our sustainability priorities. This effort includes sustainable procurement, green finance, and tenant engagement programs.

Execution

Our sustainability strategy is implemented through a governance model that engages the organization through both top-down and bottom-up initiatives.

Governance and Accountability:

- **Top-level commitment:** The Board's Executive Committee endorses all sustainability policies and frameworks, ensuring alignment with the Group's long-term strategy.
- **Sustainability Steering Committee (SSC):** The SSC, chaired by the Board Chair, coordinates strategy development and execution across departments. Dedicated subcommittees (e.g., health and safety) oversee specialized topics.
- **Board approval of Sustainability Report.** Starting with this Sustainability Report 2025, the Board reviews and approves the annual sustainability report.

Performance Integration:

- **Operational integration:** Sustainability KPIs are embedded into the annual performance reviews of the CEO, senior management, and relevant departments, thereby linking ESG performance to remuneration.
- **Employee empowerment:** We build internal capacity through comprehensive ESG training and engagement programs, enabling employees to identify and implement sustainability solutions.
- **Expenditure reviews:** Sustainability considerations are integrated into annual expenditure reviews and budgeting processes, ensuring adequate resources are allocated for ESG initiatives and that these initiatives deliver value.
- **Champions:** We have invited representatives from all departments to form a group known as the Sustainability Champions, who serve as key liaisons for driving and coordinating sustainability initiatives across the organization. This initiative aims to deepen ownership, enhance cross-functional collaboration, and cultivate a more sustainability-driven culture throughout the business.

Value Chain and Stakeholder Engagement:

- **Advancing sustainability:** We extend our efforts beyond direct operations by collaborating with suppliers, tenants, investors and other stakeholders.
- **Transparency and continual improvement:** We uphold robust transparency standards via annual sustainability reports aligned with local and international standards. We strive to improve by participating in ESG benchmarks, indices, and awards.
- **Thought leadership:** We provide thought leadership and help support industry progress by sharing insights and experiences, producing innovative white papers, participating in speaking engagements with industry peers, and collaborating with associations to foster change. Please see [Appendix 2](#) for a list of the Group's significant external speaking engagements related to sustainability in 2025.

Material Issues

We employ a structured materiality assessment process to identify the ESG topics that are critical to our long-term value creation and stakeholder trust. Our methodology, aligned with GRI 3: Material Topics 2021 and the double materiality principles of the European Sustainability Reporting Standards (ESRS), evaluates issues through two distinct but interconnected lenses:

- **Impact materiality:** The significance of our impacts on the economy, environment, and people.
- **Financial materiality:** The potential financial effects of sustainability risks and opportunities on our business model, cash flows, and enterprise value.

This dual perspective ensures our sustainability strategy and reporting remain responsive to evolving risks, opportunities, and stakeholder expectations.

2025 Materiality Review Process

In 2024, we conducted a comprehensive double materiality assessment, engaging internal and external stakeholders through surveys, in-depth interviews, and focus groups. For the 2025 reporting cycle, we engaged an independent third-party consultant to validate and refresh these findings to maintain their continued relevance.

The methodology of our materiality assessment is as follows:

Trend analysis: We conducted a scan of global and regional sustainability trends to identify emerging risks and opportunities.

Expert engagement: We held five additional targeted interviews with external stakeholders and subject-matter experts. These discussions provided granular insights into key material topics, specifically: energy management and decarbonization; technology and innovation; nature and biodiversity; placemaking; and responsible supply chain management.

Expert feedback: Experts reviewed our updated sustainability strategies and 2030 targets and confirmed that they correspond with material risks.

Based on this review, the Chair of the Sustainability Steering Committee and the Board acknowledged that the outcomes of the 2024 materiality assessment remain current and valid for 2025. The 20 material ESG issues identified continue to form the basis of our priorities and reporting boundaries.

Prioritization and Materiality Matrix

We prioritize issues by weighing multiple inputs, including stakeholder surveys, enterprise risk assessments, and alignment with sustainability reporting standards (Global Reporting Initiative, GRI; Sustainability Accounting Standards Board, SASB; International Financial Reporting Standards, IFRS).

Governance and Validation

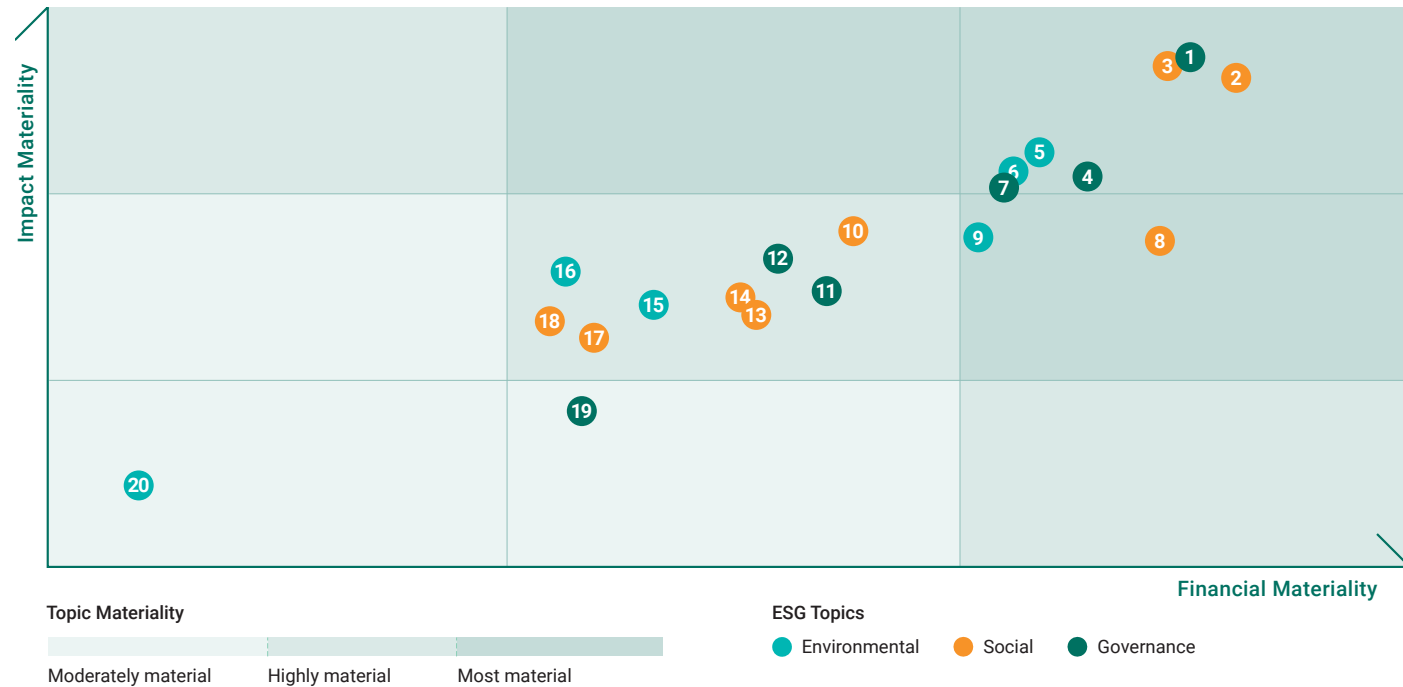
The materiality assessment process is overseen by the Sustainability Steering Committee. The preliminary results and the 2025 validation findings were reviewed by the Sustainability Team, led by the Deputy Director – Sustainability. The final determination of material topics was endorsed by the Group's Board, ensuring that our sustainability disclosures are fully integrated with our corporate governance and strategic oversight.

In this Report, we provide detailed disclosures on our management approach, performance metrics, and stakeholder engagement outcomes for these “Most Material” issues, while also covering the remaining material topics for greater transparency and completeness.

The Materiality Matrix

Our matrix visualizes the relative importance of issues across two axes:

- **X-Axis (Importance to business):** Reflects financial materiality, including regulatory risks, operational costs, and capital access.
- **Y-Axis (Significance of our impact on people, the economy and the environment):** Reflects impact materiality, including carbon footprint, community wellbeing, and resource depletion.



Material Topics

- | | | |
|---|--|--|
| 1 Ethics and Integrity | 8 Talent Development and Attraction | 15 Climate Adaptation and Resilience |
| 2 Employee Wellbeing, Health and Safety | 9 Resources and Circularity | 16 Water Management |
| 3 Customer Wellbeing, Health and Safety | 10 Human Rights and Labour Practices | 17 Placemaking |
| 4 Risk and Crisis Management | 11 Responsible Supply Chain Management | 18 Community Engagement and Investment |
| 5 Energy Management and Decarbonization | 12 Technology and Innovation | 19 Sustainable Finance |
| 6 Green Building Design, Construction, and Operations | 13 Customer Engagement and Collaboration | 20 Nature and Biodiversity |
| 7 Cybersecurity and Information Privacy | 14 Diversity and Equal Opportunities | |

Material ESG Issues

Material ESG Issues		Stakeholders Impacted								GRI Standards	Aligned SDGs	Addressed in this Report
		Employees	Tenants and Customers	Suppliers & Contractors	Investors & Shareholders	Communities	NGO Partners, Academia, & Industry Associations	Governments & Regulators	Media			
1	Ethics and Integrity	•	•	•	•	•	•	•	•	GRI 205		Our Approach to Sustainability
2	Employee Wellbeing, Health and Safety	•		•						GRI 403		Wellbeing
3	Customer Wellbeing, Health and Safety		•							GRI 416	-	Sustainable Transactions
4	Risk and Crisis Management	•	•	•	•			•		GRI 201	-	Our Approach to Sustainability
5	Energy Management and Decarbonization	•	•	•	•	•	•	•	•	GRI 302, GRI 305		Climate Resilience Resource Management
6	Green Building Design, Construction, and Operations	•	•	•	•		•	•	•	-		Sustainable Transactions
7	Cybersecurity and Information Privacy	•	•	•	•	•	•	•	•	GRI 418	-	Our Approach to Sustainability
8	Talent Development and Attraction	•								GRI 401, GRI 404, GRI 405, GRI 406		Wellbeing
9	Resources and Circularity	•	•	•	•	•	•	•	•	GRI 306		Resource Management

Stakeholder Engagement

Engaging with our stakeholders is fundamental to maintaining our social license to operate and identifying the material ESG risks and opportunities that shape our business strategy. Our approach is governed by a comprehensive, group-wide [Stakeholder Engagement Policy](#), that mandates a consistent methodology for identifying, prioritizing, and engaging stakeholders across all local operations. This policy ensures that we systematically capture diverse perspectives, from investors and tenants to local communities and regulators, integrating their feedback into our decision-making processes across the short-, medium-, and long-term.

Our Approach

We employ a multi-pronged engagement strategy designed to build trust, facilitate transparency, and enable dialogue. Our framework categorizes stakeholders into two primary groups:

- **Core business partners:** Stakeholders directly connected to our value chain, including employees, investors, tenants, suppliers, and contractors.
- **Broader community:** External parties whose interests intersect with our sustainability focus areas, including local communities, NGOs, government agencies, academic institutions, and industry associations.

Engagement Channels

To ensure inclusive and effective communication, we have established clear, accessible channels, including the Group's contact information, as disclosed on our website, social media, corporate newsletter, and in this Report, through which stakeholders including local stakeholders can submit inquiries or raise concerns. Key sustainability publications are available to all stakeholder groups on our corporate website, providing timely and transparent access to information. For serious grievances, we operate a confidential whistleblowing mechanism that allows stakeholders to submit complaints via email or post, allowing for independent review and resolution.

We are committed to continual improvement in our engagement practices. In 2025, we conducted a review of potential barriers to engagement, which led to improved access to information on our corporate website and refined feedback loops that support our responsiveness to stakeholder comments and insights.

2025 Outcomes

In 2025, we maintained a full schedule of engagement activities. The feedback obtained has been instrumental in shaping both our 2030 Sustainability Targets and the content of this Report.

Key Stakeholder Groups and Form of Engagement



Employees

- Biannual two-way performance check-in and review
- Regular meetings with management
- Annual dinner
- Quarterly corporate newsletter
- Annual sustainability-focused interviews, surveys and focus groups
- Sustainability Champions initiative with designated sustainability representatives from each department
- Annual employee engagement survey and follow-up engagement plans for each department
- Emerald Award, CEO Award, Long Service Award, Volunteer Award
- Annual conference (management conference, functional conference)
- Ongoing digital platform communication through intranet and social media
- Regular staff activities
- Exit interviews
- Regular eDMs to share sustainability updates with employees



Suppliers

- Regular project meetings
- Screening and performance evaluation
- Focus group discussions



Tenants and Customers

- Regular customer engagement surveys
- Annual tenant satisfaction surveys and interviews
- Tenant and customer surveys with sustainability focus
- Ongoing social media communication through various media
- Quarterly corporate newsletter
- Quarterly sustainability newsletter for tenants (and other interested readers)



Communities

- Regular two-way communication with international and local communities at the Board level
- Ongoing community activities including volunteering programs
- Quarterly corporate newsletter
- Occasional one-on-one interviews by independent consultants



NGO Partners, Academia and Industry Associations

- Regular collaborations on sustainability and community investment initiatives
- Regular participation in conferences, seminars, and networking events
- Occasional one-on-one interviews by independent consultants



Investors and Shareholders

- Annual sustainability reporting, benchmarks and indices
- Regular investor interviews, meetings, roadshows, and investor conferences
- Annual General Meeting



Media

- Biannual results announcements and press conferences
- Media briefings, luncheons and interviews
- Media releases and statements
- Social media



Governments and Regulators

- Regular meetings
- Occasional site visits by government officials
- Government consultations

Our Sustainability Goals, Targets and KPIs

Sustainability Goals and Targets

How we formulate our near-term, mid-term and long-term goals

2050 Net Zero Commitment

2030 Sustainability Goals and Targets

2025 Sustainability Targets

Annual ESG KPIs

Effective sustainability governance requires a disciplined framework that translates a long-term vision into measurable, time-bound performance. At Hang Lung, our integrated framework of short-, medium-, and long-term goals is underpinned by monitoring mechanisms that support accountability at every level of the organization. Progress against these goals is reviewed annually by the SSC and the Board and in our annual Sustainability Report.

Sustainability Goals and Targets

In December 2021, we established our 25×25 Sustainability Targets to drive tangible action across our four overarching priorities by the end of 2025. We are pleased to report that the Group has successfully achieved our 25×25 targets. Moreover, we exceeded our targets in three areas: greenhouse gas emissions reduction, renewable energy, and energy efficiency. A full summary of our 25×25 achievements is provided in [Appendix 3](#).

Building on the success of our 25×25 initiative, and with greater data and organizational maturity, we have unveiled a refreshed set of 2030 Sustainability Goals and Targets. These targets are calibrated to meet the urgency of global challenges and position Hang Lung as a regional leader in sustainable real estate.

Key highlights across the four priorities include:

Climate Resilience

Among the first real estate companies in Asia to have near- and long-term targets fully aligned with the Science Based Targets initiative's Buildings Criteria and its emission reduction pathway (1.5°C). Also, Hang Lung is the first real estate company in Asia to establish a Climate Value-at-Risk target.

Resource Management

The first real estate company in Asia to formulate a target for biodiversity net gain (10%) on all new development projects and major renovations, supporting urban ecosystems and enhancing green spaces.

Wellbeing

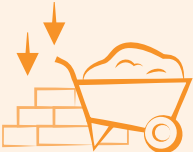
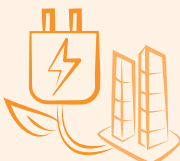
Generate at least HK\$40 million in social value through community investments.

Sustainable Transactions

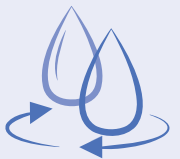
Collaborate with tenants representing 25% of our leased floor area through our sustainability partnerships program.

The full list of our refreshed 2030 Sustainability Goals and Targets is provided below.

Climate Resilience

Goal	Reduce carbon footprint in line with science and adapt to a changing climate	
Targets	 In-use operational emissions 56.1% per m² reduction in scope 1, 2 and 3 in-use operational GHG emissions of owned and leased buildings from a 2023 base year.	Upfront embodied emissions 42% reduction in upfront embodied emissions from a 2023 base year. 
	 Adaptation 10% reduction in our Climate Value-at-Risk compared to the absence of implemented adaptation measures.	
	Renewable electricity 70% of our landlord's electricity consumption across the portfolio provided by renewable electricity. 	

Resource Management

Goal	Drive efficient and circular use of natural resources and help regenerate nature	
Targets	Energy Use Intensity 10% reduction in the landlord's energy use intensity from a 2023 base year. 	Operational Waste 35% recycling of municipal solid waste generated from operating properties. 
	Construction Waste 90% recycling of construction waste generated from construction sites. 	Water 8% reduction in freshwater intensity from a 2023 base year. 
	 Biodiversity 10% biodiversity net gain on all new development projects and major renovations with landscape renovation.	

Wellbeing

Goal	Foster safe, inclusive and healthy spaces that enhance quality of life for all stakeholders
Targets	Health and safety Maintain zero work-related fatalities, serious injuries, and occupational diseases for employees and contractors. Maintain a Lost Time Injury Rate of 1.5 or below for employees and contractors. 
	Indoor air quality Maintain, more than 90% of the time, PM2.5, TVOC and CO ₂ levels below levels defined in the RESET Air standard. 
	Employee engagement Maintain an employee engagement survey rating greater than or equal to the 75th percentile . 
	Diversity At least 5% of our workforce across the portfolio is comprised of people from diverse backgrounds.* 
	Diversity Maintain Female-to-Male pay ratio of 1:1 ; maintain gender balance in management positions. 
	Social impact Create at least HK\$40 million in social value through our community investments. 

* Our definition of diverse background includes people with disabilities and ethnic minorities.

Sustainable Transactions

Goal	Collaborate with key stakeholders across our value chain to advance our sustainability priorities
Targets	Tenant electricity intensity Benchmarking provided to 100% of tenants across the Chinese Mainland portfolio and work with tenants towards a 10% reduction in their electricity intensity from a 2023 base year. 
	Tenants Tenants representing 25% of our leased floor area in applicable Chinese Mainland and Hong Kong properties participate in our tenant sustainability partnerships program. 
	Suppliers Regularly conduct ESG risk screening for 100% of active suppliers and provide ESG assessments for suppliers covering 50% of spending. 
	Procurement 15% of spending on operational procurement qualifies as sustainable procurement. 
	Standards development Undertake at least three innovative initiatives in standards development to help accelerate learning and sustainability impact. 

Annual ESG KPIs

To ensure we remain on track for our sustainability goals and targets, we have divided our medium-term targets into actionable Annual Strategic ESG KPIs. These KPIs serve as critical checkpoints, integrating sustainability into the daily operations of the Group.

Governance and Remuneration:

- **Integration:** Since 2021, we have formulated a set of Strategic ESG KPIs annually. These were assigned to relevant departments and linked directly to biannual performance reviews for employees and senior management, including C-level executives.
- **2025 performance:** We successfully completed all 16 of our Strategic ESG KPIs, demonstrating strong execution.
- **2026 outlook:** The SSC has endorsed 28 new Strategic ESG KPIs for 2026. Many of these KPIs are designed to implement the first phase of our new 2030 strategy.

We publicly disclose these KPIs to maintain transparency and foster accountability. For a complete list of our 2025 performance and 2026 KPIs, please refer to [Appendix 3](#).

Governance Structure

The Group acknowledges the need for effective sustainability governance, including clear accountabilities, roles, and responsibilities across all levels, to ensure delivery and oversight. In 2025, we continued to strengthen and refine sustainability governance at all levels.

Board Engagement

The Board of Directors (the "Board") holds primary responsibility for the Group's ESG strategy, risk management, and reporting. Our governance framework ensures that sustainability is not a peripheral concern but a core driver of long-term development and strategic positioning. The Board's composition reflects this priority, integrating diverse expertise across finance, law, engineering, and environmental sciences to provide rigorous oversight of material sustainability risks and opportunities. Detailed director profiles are available on our [corporate website](#).

The Joint Statement

Our governance approach to sustainability is encapsulated in the [Joint Statement on the Oversight and Management of Environmental, Social, and Governance Issues](#) (the "Joint Statement"), first released in 2020 in collaboration with the Board of Hang Lung Properties. This document articulates the Board's mandate to:

- Approve the Group's Sustainability Framework and long-term goals.
- Oversee the management of material ESG risks, including climate resilience.
- Monitor progress against sustainability targets and KPIs.

2025 update: In 2025, the Joint Statement was formally updated to reflect our evolving approaches to our four sustainability priorities (Climate Resilience, Resource Management, Wellbeing, Sustainable Transactions) and notable external developments, and to expand the scope of ESG matters under direct Board oversight.

Engagement and Monitoring

The Board maintains an ongoing, dynamic dialogue on sustainability matters.

Executive leadership: The Chair of the Board leads sustainability across the Group and is directly responsible for overseeing the Sustainability Steering Committee (SSC) and the Sustainability Team.

2025 Board Activities:

Monthly reviews: The Sustainability Team meets monthly with the Chair in a dedicated meeting to review progress on our priorities, assess emerging trends, and obtain strategic direction on key issues. The Deputy Director – Sustainability also reports monthly to the

CEO on sustainability-related matters during a regular cross-departmental executive meeting.

Board updates: In 2025, the Sustainability Team provided two formal updates to the full Board. These sessions covered critical performance metrics, including progress against targets and KPIs, and included discussions of notable external developments. Other departments also provide regular updates to the Board on ESG-related matters, including safety, integrity, cybersecurity, and other relevant issues that fall under the responsibility of other departments.

Resource adequacy review: The Board conducted its annual review of the adequacy of resources for the Group's ESG performance and reporting. This review assessed the sufficiency of staff qualifications and the robustness of internal controls for managing material ESG risks.

Board Executive Committee

The Group's Board Executive Committee provides strategic direction and oversight of sustainability performance and progress toward achieving sustainability goals, targets and annual KPIs. As noted, the Sustainability Team reports monthly to the Chair and CEO, while the Chair and CEO's direct reports each have sustainability-related KPIs for themselves and their departments. In turn, the CEO reports to the Board biannually on the progress of the KPIs of the entire top management team.

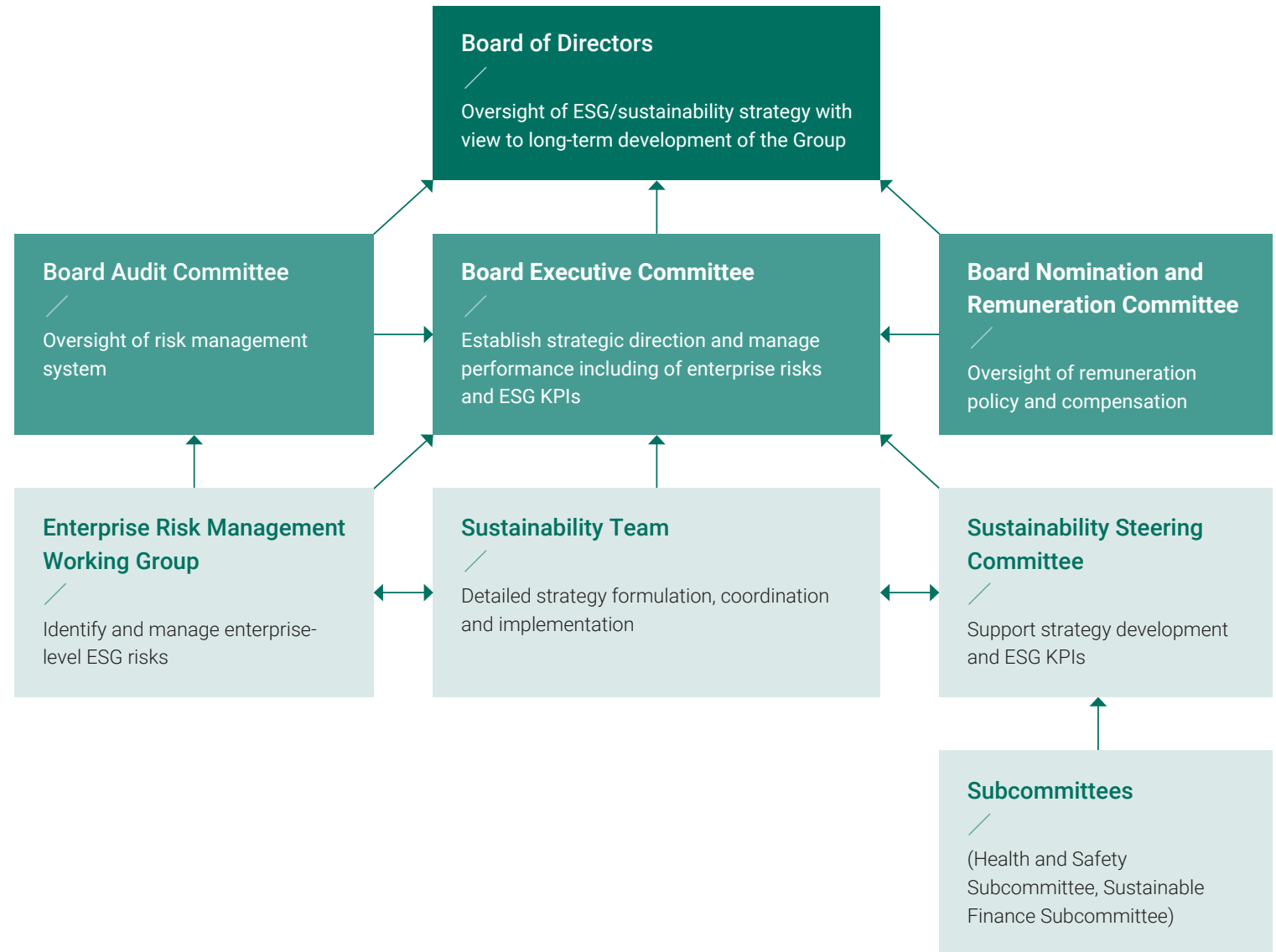
Sustainability Steering Committee

Chaired by the Group Chair and comprising 16 executives from key departments, the Sustainability Steering Committee (SSC) supports the development of long-term strategies, the implementation of plans, and the tracking of progress. The committee meets as a whole at least twice a year, with senior executives from different departments providing updates and exchanging ideas on current and future sustainability initiatives. Any modifications or updates to sustainability-related policies are reviewed and recommended by the SSC prior to approval by the Board's Executive Committee.

Sustainability Team

Led by the Deputy Director – Sustainability and reporting directly to the Chair, the Sustainability Team acts as an internal advocate and advisor in coordinating organization-wide efforts to achieve goals, targets, and KPIs.

In addition to regularly updating the Board and top management, the team collaborates with colleagues across all departments to ensure we pursue our ambitious goals, targets, and KPIs in a coordinated manner. Furthermore, as the risk owner for both physical and transition risks of climate change within our Enterprise Risk Management (ERM) framework, the Sustainability Team provides the ERM Working Group with updates at least once per year.



Sustainable Finance Subcommittee

The Sustainable Finance Subcommittee (SFS) reports to the SSC and is chaired by the Chief Financial Officer. The committee comprises executives from finance, sustainability, project planning and construction, operations, and treasury. The SFS convenes as needed to review current market trends and the Group's sustainable finance strategies. It also monitors the application of sustainable finance and approves eligible projects in accordance with the Hang Lung Group Sustainable Finance Framework.

Health and Safety Subcommittee

The Group's Health and Safety Subcommittee (HSS) is dedicated to advancing the Group's health and safety agenda and sharing best practices and lessons learned throughout the business. A core focus of the HSS is to identify opportunities for improvement, including benchmarking our safety performance against peers.

Composed of representatives from human resources, operations, project planning and construction, legal, internal audit, and sustainability, the HSS reports its progress to the SSC. It convenes at least twice a year to assess the Group's health and safety processes, review recent internal and external safety incidents, ensure legal compliance, and monitor trends and industry developments. In 2024, the HSS also launched a common

incident reporting platform to document all safety-related incidents, improve monitoring and enhance the sharing of lessons learned across departments.

Employees are encouraged to communicate their ideas, safety concerns, observations, and any other issues to the HSS. The HSS then reports recommendations to the SSC, top management, and/or relevant departments, as appropriate.

Enterprise Risk Management Working Group

To ensure effective oversight of the Group's risk management, the ERM Working Group reports directly to the Audit Committee.

Recognizing that ESG-related risks have gained significance in recent years, we have ramped up our internal oversight efforts accordingly. We conduct an annual review of our most recent materiality assessment of ESG-related risks to determine whether any adjustments to our principal risks are necessary.

ESG Risk Management

Risk and Crisis Management

The Group's Risk Management Framework outlines the responsibilities of the Board, Audit Committee, and management regarding the design, execution, and maintenance of a robust risk management framework, along with the principles that support our risk governance structure.

Enterprise Risk Management

Risk management is essential to the Group's value creation and preservation, business continuity, and resilience. It involves identifying risks at every stage of our operations, from asset selection and acquisition to ownership, management, and divestment. We are committed to continually improving our ERM framework and embedding it in our corporate strategies and daily operations.

Each principal risk is assigned a risk owner who is responsible for ongoing monitoring and periodic reporting to the ERM Working Group. The risk owner is accountable for ongoing monitoring and the effective implementation of mitigation measures.

Risk management responsibilities are also embedded into management performance measurement and evaluation, reinforcing accountability, promoting a strong risk-aware culture across the Group, and providing appropriate incentives.

The Group also regularly reviews and maintains its business continuity plan to ensure that critical business functions remain uninterrupted, particularly during crises, emergencies, or disasters.

Climate risk remains a key principal risk in 2025, and we have completed our annual review of risk exposure and mitigation strategies. A mechanism is in place to ensure proper consideration of findings from our technical physical risk assessments and the effective execution and implementation of our climate adaptation measures. Please refer to the [Climate Adaptation](#) section for more information.

Crisis Management

The Group implements a comprehensive crisis management system to prepare for and recover from emergencies. Our Crisis Management Manual outlines the principles, roles and responsibilities, and procedures across three key areas: prevention, response, and recovery. This framework provides clear direction to relevant personnel on how to respond to crises. We conduct crisis drills every 18 to 24 months at each major property to strengthen the crisis management team's awareness and skills, safeguard our corporate reputation, and foster effective interdepartmental communication during crises. We also provide mandatory crisis management training for new hires, and all current employees are required to complete an annual refresher course.

ESG Risk Management

ESG risk management is fully embedded within our enterprise risk management and internal control framework, demonstrating our commitment to addressing sustainability risks as an integral component of our business strategy. Our principal risks, including environmental, social, and governance considerations, are identified through our established corporate risk management process, referencing the annual materiality assessment. The following represent some of our key ESG-related risks and opportunities, and their associated business implications.

Risk Description	Risk Trend	Associated Opportunities	Our Responses
Ethics and Integrity Fraud and corruption activities could result in significant financial losses and/or impact the reputation of the business. <u>Potential financial implications:</u> - Reduced revenue due to loss of business opportunities. - Fines and legal penalties. - Increased operating costs from investigations and lawsuits. - Reputational damage and loss of trust from investors, customers and business partners, resulting in financial losses and reduced market capitalization.	Neutral 	By proactively strengthening ethical standards, we can enhance stakeholder trust, attract socially responsible investors, and differentiate ourselves as a leader in corporate governance. <u>Potential financial implications:</u> - Increased revenue through new business opportunities. - Increased market capitalization from enhanced investor confidence.	- Strengthen and reinforce the Group's commitment to the highest standards of integrity and accountability. - Provide ongoing mandatory training and reinforce communication with staff on integrity, impartiality, and honesty. - Operate an effective whistleblowing mechanism with a well-established whistleblowing policy and formalize an investigation mechanism. - An investigation panel consists of representatives from Legal, Human Resources, and Internal Audit to ensure all complaints are handled in a consistent, objective, and impartial manner. - Formalize an anti-corruption policy that benchmarks industry best practices. - Periodically review and update the Staff Handbook and Code of Conduct to refine practices in upholding zero tolerance for unethical behavior.
Employee Wellbeing, Health and Safety Workplace accidents or health issues related to employee physical and mental wellbeing can result in reduced employee trust, increased absenteeism, decreased productivity, and lower employee retention. <u>Potential financial implications:</u> - Higher insurance premiums and claims. - Higher operating costs and reduced revenue due to operational disruptions and reduced efficiency. - Increased costs for temporary replacements and hiring due to absenteeism and lower employee retention. - Fines and penalties due to failure to comply with health and safety regulations.	Neutral 	- Investing in employee safety and wellbeing enhances workforce productivity, reduces turnover, and fosters a positive workplace culture, which can improve employee retention and attract top talent. <u>Potential financial implications:</u> - Lower operating costs from reduced absenteeism and turnover. - Higher revenue from increased productivity and retention of top talent.	- Maintain good governance, Key Performance Indicators (KPIs) and targets in support of fostering continual improvement in employee wellbeing, health and safety. - Maintain a proactive approach to workplace safety through regular required health and safety training for all employees, and implement periodic updates to a safety management system across our entire portfolio. - Maintain a group-level Health and Safety Subcommittee and a departmental-level safety committee for the property management function for regular review of the Group's safety performance. - Host a Safe Production Month annually to promote a culture of work safety in operations and construction. - Enhance the working environment and its wellbeing features by rejuvenating our corporate offices in Hong Kong and Shanghai; leverage lessons learned from our other offices such as frontline work locations. - Launch our Wellness@HL initiative to support employee wellness within five key pillars, namely physical, mental, environmental, financial and social.

Risk Description	Risk Trend	Associated Opportunities	Our Responses
Climate Resilience (Physical and Transition Risks) The increase in physical climate change risks and/or risks in the transition to a low-carbon economy might pose a threat to our operations or assets, the safety of stakeholders, and the reputation of the Group. <u>Potential financial implications:</u> - Increased operating costs to comply with new environmental regulations, e.g., investing in more resilient building design, implementing sustainable practices, and obtaining green certifications. - Increased insurance premiums for properties. - Depreciation in the value of property assets located in areas susceptible to climate-related risks. - Increased repair and maintenance costs, business interruption costs, and damage costs for properties.	Increasing 	- Climate adaptation and climate change mitigation efforts present opportunities to increase the value of our green-certified properties, establish market leadership in sustainable real estate, and access sustainability-linked financing. <u>Potential financial implications:</u> - Reduced operating costs and higher net income from more efficient buildings. - Reduced insurance costs and avoided business interruption and damages due to lower vulnerability to climate risks. - Increased property value of green-certified properties. - Attract high quality tenants. - Lower cost of capital tied to sustainable finance.	- Establish and regularly report our progress against KPIs and targets for key business functions related to climate mitigation and adaptation. - Closely monitor and proactively respond to climate resilience-related regulatory developments and stakeholder risks. - Evaluate long-term scenarios and sensitivities for both emissions reduction (e.g., detailed modelling in "Our Journey to Net Zero: Our Scenarios and Actions to Reduce Greenhouse Gas Emissions to 2050") and physical risks (e.g., analysis of Representative Concentration Pathways). - Conduct climate hazard and vulnerability assessment as well as develop and implement adaptation measures and mitigation action plans for climate risks across our properties. - Partner with external stakeholders and strengthen internal sustainability engagement on climate change initiatives. - Procured 100% renewable energy at eight Mainland properties, surpassing our 2025 renewable energy target. - Procured low carbon emissions steel for our Plaza 66 Pavilion Extension and Westlake 66 projects. - Started an internal carbon pricing pilot for selected expenditures. - Obtain green building certifications (e.g., BEAM Plus, LEED) for new developments and integrate low carbon emissions technologies where possible.

Emerging Risks in 2025

We acknowledge that emerging risks can significantly impact our business. Therefore, we actively monitor, evaluate, and address emerging risks, considering their potential long-term impacts to ensure resilience and adaptability. Our approach focuses on identifying potential challenges early and developing proactive mitigation strategies to minimize adverse impacts.

Emerging Risk and Description	Potential Impact	Mitigation
Renewable electricity market and policy transition risk As the Group scales up renewable energy procurement across our Mainland portfolio, most of our properties have already entered into market-based electricity transactions. Eight out of 10 properties had already entered the market in 2025, and Heartland 66 signed a contract in December 2025 to become the ninth property under such arrangements from January 2026. Whereas they previously purchased electricity from a regulated ‘grid agent’ – the incumbent provider in each city – they now procure electricity through competitive selection of a retailer under a market-based power procurement framework. The Group’s renewable energy procurement is aligned with government policy and direction in Chinese Mainland, and presents opportunities for the Group and our tenants (as elaborated elsewhere in this report). At the same time, renewable energy procurement also presents risks arising from changing policies (e.g., Document No.136 [2025] issued by National Development and Reform Commission, Document No. 396 [2025] issued by Energy Administration of Shandong Province and Document No.5 [2025] issued by Jiangsu Development and Reform Commission), market rule changes, and grid characteristics that vary by location. Since the Group is a leader in embracing market-based renewable energy procurement among major commercial real estate companies in Chinese Mainland, we also need to be a leader in managing risks from such markets. Market frameworks, contract terms, settlement arrangements and deviation mechanisms are evolving quickly, and in some jurisdictions the final electricity price and the cost of bundled environmental attributes can only be confirmed after each transaction is completed. At the same time, policy adjustments can materially reshape supply and demand dynamics, and further impact price.	Without mitigation measures in place, the volatility and uncertainty of market-based pricing and fast-evolving policies could lead to unexpected changes in supply and demand, increases in electricity costs, expenses variations from budgets, and a reduction in the Group’s ability to offer competitively priced renewable electricity solutions to tenants. In addition, unexpected rule changes or retailer underperformance could require the Group to revert to grid supply under punitive tariffs where applicable, and to face operational and administrative challenges through complex and shifting settlement items such as deviation and imbalance charges. Lastly, while the long-term outlook for renewable energy development is very positive, there will be fluctuations in the supply of renewable energy from one year to the next in specific markets as the supply-demand relationship evolves dynamically.	To manage risks associated with fast-evolving renewable energy markets, the Group applies a procurement and contracting approach tailored to each city that prioritizes risk control, including controls related to pricing. The tailored strategy takes into account major policies and their implications for supply and demand dynamics, and assessment of the maturity and trading rules of each market. To begin with, prospective retailers must meet robust pre-qualification requirements and, where applicable, a technical weighted evaluation to assess their green power transaction capability, generation access, and compliance and risk controls. Contracts further protect downside by allocating key deviation liabilities to retailers and defining clear settlement terms and remedies for breach. Where feasible, we use longer contract terms as a strategic hedge to support pricing stability against market volatility, secure long-term supply continuity, and reduce risks associated with compressed procurement renewal timelines. To limit price risk, the Group increasingly adopts benchmark-linked pricing with a floating component rather than fixed “cost + margin” structures. Where there is a non-bundled portion of the cost priced against the conventional power (thermal) price mechanism, the Group favors market-linked structures aligned with prevailing rules and, where practicable, requires retailers to provide price caps to control tail risk. To limit the risk that we may face a shortfall in delivered renewable energy (and associated attributes), we require retailers to commit that a minimum percentage of the total delivered electricity will be green electricity, and they will face penalties if they cannot meet the agreed minimum. Lastly, the Group has a Green Power Panel – comprised of senior executives from multiple departments – that meets regularly to monitor electricity market and policy developments, resolve any contingencies as required, and formulate key recommendations for approval by senior management.

Emerging Risk and Description	Potential Impact	Mitigation
Demographic changes Demographic change, particularly rapid population aging in Hong Kong and the Chinese Mainland, is fundamentally restructuring consumer markets. In Hong Kong, the Census and Statistics Department projects that the share of the population aged 65 or older will rise from 20% in 2021 to 31% in 2039, while the segment of those aged 80 or older is expected to more than double, from 5% to 11.5%. In the Chinese Mainland, a persistently low birth rate and aging population drove a national population decline beginning in 2022. According to the World Health Organization (WHO), people aged 60 and above are projected to account for around 28% of the population by 2040. This shift highlights a growing societal need for age-friendly urban environments, integrated health services, and accessible commercial spaces. The emerging element that we will need to manage is the growing gap between traditional asset design on the one hand and evolving standards and stakeholder expectations for barrier-free access, inclusive services, and senior-friendly features on the other hand.	Demographic shifts may have a material impact on our operating and development costs, retail revenues, and leasing performance. Emerging standards for accessibility and age-friendly building design may require additional capital investments, including upgrades to existing properties and the incorporation of specialized features into new developments. Furthermore, an older customer base will increasingly demand barrier-free access, inclusive design elements, and assisted-living or lifestyle-support services. Failure to adapt our tenant mix and physical infrastructure to these evolving expectations could reduce the attractiveness of our properties, directly affecting footfall, tenant sales and overall market competitiveness.	To address the risks associated with an aging demographic, the Group is actively strengthening the inclusiveness of our properties. In 2025, we completed reviews of the accessibility features across all properties in Hong Kong and the Chinese Mainland, utilizing the checklists based on the latest barrier-free access regulations and universal design guidelines in Hong Kong and the Chinese Mainland. Operationally, we provided disability etiquette and basic sign language training to more than 500 customer service and property management colleagues across our portfolio to enhance service delivery for customers with special needs. In Hong Kong, we launched the "Love-No-Limit" Dementia Friendly Program in partnership with Hong Kong Christian Service, which included dementia-friendly training for our colleagues, and the establishment of "Carer Cafés" at Amoy Plaza in Hong Kong to provide respite for elderly individuals and their caregivers. Our proactive physical enhancements of our properties have been externally recognized – in Hong Kong, Peak Galleria and 228 Electric Road received Gold Awards at the 2024/25 Universal Design Award Scheme organized by the Equal Opportunities Commission. Lastly, we engage customers, including older people in the community, through established stakeholder engagement channels to identify needs and guide our marketing strategy.

Emerging Risk and Description	Potential Impact	Mitigation
Water supply security risks in Shanghai Water resources are fundamental for sustaining natural ecosystems and human activities. As an estuarine delta city, Shanghai will need to manage significant water supply challenges in the fact of escalating climate risks. Shanghai, as Yangtze River Delta region's leading city at the Yangtze River mouth, relies on the river for 80% of its freshwater. In addition, the groundwater is declining in Shanghai, and consequently the city is facing severe land subsidence. In summary, the combined impact of climate change and human activity has brought uncertainty regarding hydrology management in Shanghai, thereby threatening the security of regional water resources.	Our Shanghai portfolio (Plaza 66 and Grand Gateway 66) contributes significantly to our overall revenue as a business. Contingencies related to the security of regional water resources could lead to business interruption through business suspensions or restrictions on water flows. In 2022, the Yangtze River Basin experienced its most extreme drought since 1961, and significantly reduced Shanghai's water supply capacity, leading to a notable deficit. That drought also had impacts in other parts of China. For example, in the Sichuan-Chongqing area, many commercial business experienced unexpected suspensions of their businesses to support power rationing, since the drought significantly impacted on hydropower in that region.	We are taking a proactive approach to managing and mitigating water-related risks across our portfolio, especially in Shanghai. In 2021, we established a target to reduce operational water intensity by 10% by the end of 2025, compared to our 2018 levels. After formulating the target, we developed our Resource Management Plan in 2022. We analyzed our water consumption patterns and practices across our portfolio, and considered the status and future trends related to water stress in various locations. The plan emphasizes widespread adoption of water-saving devices and exploring opportunities for water circularity in selected properties. As of 2025, all properties in Chinese Mainland have adopted water faucets with flows lower than 3 L/min and six Chinese Mainland properties (out of ten) have adopted on-site water recycling systems. Based on these efforts we achieved/exceeded our 2025 target, with the 2025 intensity 14% below our 2018 level. To further manage the risks, we have researched government incentive programs offering monetary rewards for water-saving performance across our operational cities and identified three cities with such program in 2025, including Shanghai. After evaluating threshold requirements and our properties' performance, we have decided to pursue one such incentive program, to help encourage and incentivize internal action in further water savings initiatives. Lastly, we have started to explore mitigating indirect water use across our value chain, by conducting a water materiality mapping study in 2024. The study found that more than half (approximately 52%) of our total water withdrawal occurs in the upstream value chain through supplies and construction. In 2025, building on the broader findings of the 2024 study, we examined more closely the 'embodied water' of several key construction materials used at out Westlake 66 and the Plaza 66 Pavilion Extension projects. We plan to collaborate with construction material suppliers to improve water usage data accounting and water usage efficiency in the manufacturing process. Through such insights and initiatives we aim to be a responsible stakeholder in supporting broader urban hydrological management imperatives.

Sustainability Policies

The Group has established a comprehensive suite of sustainability policies that define principles and govern actions across a range of important issues. These documents help ensure consistent oversight, align operational execution with our commitments, and provide clear guidance to employees and business partners.

In 2025, to support the transition to our new 2030 Sustainability Goals and Targets and to align with stakeholder expectations, a rigorous review of the Group's policies was conducted. This process involved benchmarking against global practices and updating key documents to reflect enhanced ambitions and evolving insights in areas such as biodiversity, climate resilience, and supply chains. All policy updates were reviewed and recommended by the Sustainability Steering Committee (SSC) and formally endorsed by the Board.

Key Sustainability-Related Policies and Governing Documents

Board Policies and Documents

These documents define the highest level of accountability and strategic direction.

- **Joint Statement on Oversight and Management of Environmental, Social and Governance Issues** ([link](#)) – explains the Board's oversight of ESG issues and how the Group approaches the management of ESG issues.
- **Board Diversity Policy** ([link](#)) – sets out the Group's approach to achieving diversity on the Board.

Corporate Policies and Documents

A set of group-level policies has been developed to communicate the Group's approach to various sustainability issues.

Corporate Sustainability Policies

The Group's approach is summarized in the overarching **Sustainability Policy** ([link](#)), which outlines our Sustainability Framework and governance for implementation. Detailed commitments for each priority are elaborated in specific policy sections:

1. **Environmental Policy** (see **Sustainability Policy, section 3.1**) ([link](#)) – details our approach to environmental stewardship through ISO 14001-aligned management systems, green building certifications, and comprehensive lifecycle environmental risk assessments.
 2. **Climate Resilience Policy** (see **Sustainability Policy, section 3.2**) ([link](#)) – outlines our strategy for science-aligned GHG emission reductions, expanding renewable energy, integrating climate risk management, and achieving net zero by 2050.
 3. **Resource and Circularity Policy** (see **Sustainability Policy, section 3.3**) ([link](#)) – specifies waste reduction targets, resource efficiency principles related to energy, water, and waste management, and circularity aspirations.
 4. **Biodiversity Policy** (see **Sustainability Policy, section 3.4**) ([link](#)) – outlines commitments to avoid sensitive habitats, achieve biodiversity net gain, and pursue restoration initiatives.
 5. **Human Rights Policy** (see **Sustainability Policy, section 3.5**) ([link](#)) – details commitments related to forced or child labor, fair compensation, and supply chain human rights due diligence.
 6. **Diversity Policy** (see **Sustainability Policy, section 3.6**) ([link](#)) – promotes an inclusive culture through equal opportunity practices, education, and universal design.
 7. **Information Security Policy** (see **Sustainability Policy, section 3.7**) ([link](#)) – details risk-based data protection measures, cybersecurity governance, AI oversight protocols, and incident response procedures.
- **Hang Lung Group Sustainable Finance Framework** ([link](#)) – describes how the Group intends to pursue sustainable finance transactions.
 - **Sustainability Steering Committee Terms of Reference** ([link](#)) – provides a framework for the mandate and effective functioning of the SSC.
 - **Health and Safety Policy** ([link](#)) – outlines our approach to health and safety management in our workplaces, properties, and construction sites.

- **Stakeholder Engagement Policy** ([link](#)) – sets out our principles, commitments, and governance framework to achieve long-term positive impacts for all stakeholders while advancing sustainable development.
- **Sustainable Procurement Policy** ([link](#)) – promotes sustainable procurement decisions and practices, and strengthens sustainability collaboration with our suppliers.
- **Code of Conduct for Suppliers and Contractors** ([link](#)) – sets the standards that all business partners must uphold, covering business ethics, labor rights, and environmental protection.
- **AI Governance Management Measures Policy** – details the Group's AI governance objectives, guiding principles, and framework.
- **Project Management Manual** – outlines key safety principles and guidelines in construction.

Business Ethics and Conduct

Code of Conduct ([link](#)) – The Code of Conduct serves as a standard for all directors and staff members to uphold appropriate conduct and behavior. It also includes:

1. **Equal Employment Opportunities Policy (see Code of Conduct, part 13.1)** ([link](#)) – sets out guidelines to ensure we provide a work environment that is free from all forms of unlawful discrimination. It is applicable to all Human Resources policies and practices, including staff recruitment and selection, staff transfer, promotion, training and development, discipline, termination, and compensation and benefits.
2. **Personal Data (Privacy) Policy (see Code of Conduct, part 13.2)** ([link](#)) – provides guidance to protect data privacy and the confidentiality of employee personal data, and to comply with applicable legislation.

Staff Handbook – provides a summary of employment terms and benefits while addressing policies and procedures related to employees, including grievance procedures, whistleblowing, and the protection of intellectual property. The Staff Handbook outlines the following policies for our employees:

1. **Grievance Policy and Procedures** – establishes a proper channel for employees to raise and settle their grievances. The grievance mechanism is designed and managed by the Group's Human Resources Department, which regularly reviews and further improves its effectiveness.
2. **Employee Cybersecurity Policy** – provides guidance to employees on maintaining a secure digital work environment and protecting confidential information.
3. **Policy on Offering and Accepting Advantages and Entertainment** – establishes guidelines for all staff members regarding the offering and/or receipt of advantages and/or entertainment during the ordinary course of business, including relevant prohibitions. Clear approval and monitoring procedures are in place to ensure strict compliance with this policy.

- **Anti-Corruption Policy** ([link](#)) – outlines prohibited conduct and the practices expected of stakeholders. It also provides guidance to staff to prevent corruption and malpractice in the workplace.
- **Whistleblowing Policy** ([link](#)) – available to both internal and external stakeholders to seek advice and report suspected or actual misconduct or other irregularities.
- **Policy on Transactions with Connected Parties** – governs transactions involving connected parties, with all proposed transactions assessed by the Company Secretary on compliance issues.
- **Competition Law Compliance Policy** ([link](#)) – outlines the Group's commitment to complying with competition law.
- **Tax Policy** ([link](#)) – sets out our approach to managing tax compliance and tax risk in all the jurisdictions where we operate.

Responsible Practices

Ethics and Integrity

Integrity, as one of the Group's core values, serves as the foundation for our business and dealings with all stakeholders. We maintain zero tolerance for corruption, bribery, and unethical conduct, supported by comprehensive policies, mandatory training, and robust monitoring systems.

Governance

Our Code of Conduct establishes behavioral standards for all directors and staff members, promoting appropriate conduct across the organization. In 2025, no material breaches of the Code of Conduct were identified. The Staff Handbook, applicable to employees, summarizes employment terms and benefits while detailing key procedures, including the internal grievance mechanism for reporting complaints or concerns, whistleblowing channels, intellectual property protection, and guidelines for offering and accepting advantages and entertainment.

Fraud and corruption risks are monitored through our Enterprise Risk Management framework. We also consistently monitor regulatory changes related to integrity and communicate these updates to employees. The Board and top management uphold the highest standards of business ethics. Directors must declare their interests annually in a statement of interest, and executive staff are required to disclose potential conflicts every six months.

There were no confirmed incidents of non-compliance with laws and regulations relating to bribery, extortion, fraud, and money laundering that had a significant impact on the Group during the reporting period.

Anti-Bribery and Anti-Corruption

The Group is committed to upholding the highest ethical standards in all business dealings and operating our business fairly as well as with integrity, honesty, and impartiality. The Group has zero tolerance for bribery and corruption and the Group is committed to comply with, among other things, the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong). The Group's Anti-Corruption Policy is supported by the following measures, which help maintain a culture of integrity across the organization:

- **Conflict of interest management:** Employees are reminded twice annually to submit a written declaration and obtain approval from a senior Group executive whenever an actual or potential conflict of interest arises.

The Human Resources Department periodically sends email reminders to all staff during the holiday season, outlining guidelines for sending and/or receiving benefits.

- **Mandatory integrity training for employees:** All employees must complete annual online integrity training covering the Group's integrity standards, Anti-Corruption Policy, zero-tolerance approach to bribery and corruption, and ways to handle improprieties, including case studies. At the end of the program, participants must pass a test to demonstrate sufficient knowledge. New staff are required to complete online introductory training, and all existing staff must complete annual refresher training. We have set a target of 100% employee completion for integrity training, which is included in our performance appraisal for all executives and employees.
- **Supply chain requirements:** Relevant requirements for our vendors and suppliers are embedded in our Code of Conduct for Suppliers and Contractors and in tendering documents and/or service agreements.

Periodic reminders are issued to all vendors and suppliers to reinforce our integrity standards and to remind them of the whistleblowing channel for raising concerns about bribery, corruption, or other malpractice.

Anti-Competition

The Group's Competition Law Compliance Policy outlines our commitment to complying with competition law, including the Competition Ordinance (Cap. 619 of the Laws of Hong Kong) in Hong Kong and the Anti-Monopoly Law and Anti-Unfair Competition Law in the People's Republic of China.

Whistleblowing Mechanism

All directors, employees, and third parties working with the Group are expected to act with integrity, impartiality, and honesty, and to avoid engaging in unethical behavior. Our Whistleblowing Policy provides a confidential, retaliation-free channel for internal stakeholders (employees and directors) and external stakeholders (contractors, consultants, tenants, and customers) to report suspected misconduct, improprieties, or irregularities.

Whistleblowers are protected through strict confidentiality measures, with identities and information accessible only on a need-to-know basis. Those who report concerns in good faith are protected from unfair treatment, such as retaliation or dismissal.

An independent panel of senior executives from Legal, Human Resources, Internal Audit, and other relevant functions conducts objective investigations consistently and impartially. Remedial actions follow final investigation findings and are reported to the Audit Committee twice a year.

The Whistleblowing Policy is periodically reviewed and communicated to all stakeholders through circulars, training, and contract terms, with the full document available on our corporate website. Use of the reporting channel is also covered in our annual mandatory integrity training for all employees, which includes a test to confirm understanding. The annual training ensures that employees remain mindful of the Group's expectations for ethical conduct, the whistleblowing mechanism, and the reporting channel.

Supply Chain Integrity

The Code of Conduct for Suppliers and Contractors details the compliance standards that suppliers and contractors must meet when engaging in business with the Group, and is incorporated into tenders and service agreements. It requires adherence to laws and regulations, ethical business practices, employee care, fair labor standards, community responsibility, and the ethical use of information.

Human Rights

We strive to uphold the dignity, freedom, and rights of all individuals and take reference from internationally recognized human rights principles, including the United Nations Universal Declaration of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights, and relevant local laws and regulations. As a signatory of the United Nations Global Compact, we are committed to supporting and respecting the protection of internationally proclaimed human rights and to ensuring our operations are not complicit in abuses.

In the context of our business, we strive to uphold human rights by identifying, assessing and managing risks that could compromise the dignity, freedom, and rights of individuals across four thematic areas: anti-corruption, digital rights, labor rights, and occupational health and safety. Our risk mapping of potential issues is reviewed at least once a year through our Sustainability Steering Committee. Below, we describe some of the key risks, mitigation measures, and assessment methods for each of these four areas with respect to our operations, contractors, and Tier-1 suppliers.

Anti-Corruption

Risks include bribery, conflicts of interest, and unethical behavior.

Mitigation measures: We have policies and procedures in place that require all employees to complete annual integrity training and declarations of interest, conduct due diligence on third parties, and maintain transparent financial records. We also provide secure whistleblowing channels with protection against retaliation. In addition, we set expectations for suppliers and contractors through our Code of Conduct for Suppliers and Contractors.

Assessments: Our internal and external auditors regularly conduct assessments across our business to evaluate the effectiveness of our control environment and our internal control systems. Our senior management periodically reviews fraud and corruption risks under the Group's established Enterprise Risk Management framework, ensures adequate controls are in place, and reports material breaches (if any) to the Board or Audit Committee. In 2025, we assessed the compliance and conduct of 64% of our significant suppliers on business ethics matters through self-reporting on platforms provided by Sedex and EcoVadis.

Digital Rights

Risks include unauthorized access to, use of, and handling of personal data, excessive collection of information, and data breaches.

Mitigation measures: We manage digital risks by implementing stringent access controls, limiting data collection to what is necessary, training employees on data protection responsibilities, and maintaining incident response procedures, including escalation to regulators when required.

Assessment: Our Data Security Management Committee (DSMC) serves as the governing body responsible for comprehensive data security (including personal information), management, and governance, and reports to the CEO regularly. This committee promotes a proactive approach to personal privacy protection through risk assessments conducted across the Group. We also engage external security professionals with appropriate credentials to conduct third-party audits at least annually and to assess our readiness through regular vulnerability analysis and attack scenarios, including simulated hacker attacks.

Labor Rights

Risks include discrimination, harassment, child and forced labor, inadequate leave entitlements, excessive overtime, and more.

Mitigation measures: We have policies and procedures in place that uphold equal opportunity in hiring and compensation, and maintain safe grievance channels, supported by training and engagement. We also set expectations for suppliers and contractors regarding discrimination, the prohibition of child or forced labor, freedom of association, fair compensation, and adequate meal breaks and rest time, through our Code of Conduct for Suppliers and Contractors.

Assessment: For our employees, we have established a target to maintain a 1:1 female-to-male gender pay ratio and report our performance against this target on an annual basis. We promptly and thoroughly investigate complaints of unlawful discrimination or harassment, with defined protocols for determining potential actions. Lastly, in 2025, we reviewed the labor practices of 64% of our significant suppliers through self-reporting via Sedex and EcoVadis.

Occupational Health and Safety

Risks include workplace accidents, unsafe contractor practices at our sites, emergency and crisis events, and more.

Mitigation measures: We have KPIs, targets, and management systems to reduce risks and foster continual improvement in employee health, safety, and wellbeing. We conduct regular compulsory health and safety training for all employees and implement periodic audits to ensure the effectiveness of our management systems across our entire portfolio. We also undertake regular risk assessments, deliver role-specific training, provide protective equipment, and conduct regular emergency drills. Additionally, we set health and safety expectations for suppliers and contractors through our Code of Conduct for Suppliers and Contractors.

Assessments: We maintain a Group-level Health and Safety Subcommittee and a departmental-level safety committee for the property management function, which conduct regular reviews of the Group's safety performance. We have assembled a dedicated team of safe production management personnel who oversee safety management across our operations. Their work includes conducting safety inspections and audits, providing safety training, participating in safety incident investigations, and implementing safe production supervision and guidance. On construction sites, we appoint independent safety consultants to monitor contractor performance on all projects and report back to management through regular meetings. In the reporting year, we assessed the health and safety compliance and conduct of 64% of our significant suppliers through self-reporting on platforms provided by Sedex and EcoVadis.

Data Privacy and Cybersecurity

Cybersecurity and data privacy are enterprise risks that are overseen by our ERM framework. The risks are assessed and reviewed annually by the ERM Working Group, led by the CEO. The Technology and Digital Department also provides the Audit Committee and the Board with annual updates on information security risk, including the results of internal cybersecurity tests.

The Deputy Director – Technology and Digital, Tony Wong, a member of our executive management team, develops and leads the Group’s cybersecurity strategy. With 25 years of experience in information technology and 10 years in cybersecurity, he is also a Certified Information Systems Security Professional (CISSP). The cybersecurity team reporting to Mr. Wong has 10 employees with a range of cybersecurity credentials, including Certified Cloud Security Professional (CCSP), Certified Ethical Hacker (CEH), Certified AI Governance Professional (AIGP), Certified Data Privacy Solutions Engineer (CDPSE), Advanced in AI Security Management (AAISM), and many other qualifications based on specific job functions.

The Deputy Director – Technology and Digital reports to the CEO on cybersecurity strategy and risk management. Our CEO, Mr. Weber Lo, has 18 years of experience overseeing the information technology function in large

corporations, including seven years with the Group and 11 years in the banking sector.

The Group manages data protection and cybersecurity in accordance with our Data Security Management System and monitors regulatory changes, including the “Measures for Cross-border Data Transfer Security Assessment” and the “Cybersecurity Incident Reporting Rules” issued by the Cyberspace Administration of China. The Group’s key IT systems, infrastructure, and vendor platforms serving all our Chinese Mainland entities have been certified under the Mainland’s National Standard’s Multi-Level Protection Scheme (MLPS).

Various internal policies covering security control, risk management, and incident handling are implemented to reduce cyber threats and ensure compliance. In 2025, we introduced two new policies, including an “Information Security Policy” under our Sustainability Policy, as well as the “Hong Kong Personal Data Protection and Security Incident Management Policy,” underscoring our commitment to continuously improving information security measures, ensuring data integrity and protection, and proactively monitoring and responding to security threats. IT-related policies and procedures are reviewed and/or updated annually to align with current regulations and industry standards.

We have implemented a comprehensive cloud governance system and a corporate-wide document sensitivity labelling protocol to mitigate risks of data loss and leakage. We also leverage data analytics and robotic process automation to enhance the efficiency of security operations and management.

Regular assessments of compliance and the IT security environment are conducted on the Group’s IT system and internal procedures. Furthermore, we engage external security professionals with appropriate credentials to conduct third-party audits at least once per year and assess our readiness through regular vulnerability analysis and attack scenarios, including simulated hacker attacks.

New employees are required to complete compulsory online cybersecurity training to increase their vigilance regarding cybersecurity risks, and other employees must complete refresher training at least once a year. We have set a target of 100% employee completion for the cybersecurity training, which is incorporated in the performance appraisal and compensation review for all departments and employees. In addition to annual training, we broadcast security warnings to employees to alert them to targeted scams or phishing emails within the Group. We also test all employees’ readiness with sophisticated phishing simulations several times a year and regularly share practical security tips, drawing

on real-world personal and work-related experiences. To prevent business operations from being disrupted in the event of system failures, the Technology and Digital Department conducts annual drills and maintains continuity plans to support disaster recovery. In 2025, there were no cases of significant information security breaches.

That same year, we achieved the “Diamond” tier under the Cyber Security Staff Awareness Recognition Scheme 2025/26, co-organized by the Hong Kong Internet Registration Corporation and the Information Systems Audit & Control Association (ISACA) China Hong Kong Chapter, in recognition of our commitment to strengthening cybersecurity and enhancing staff awareness.

Data Security Management

The Group places the highest priority on safeguarding vital company information and personal data. The Data Security Management Committee (DSMC) serves as the governing body for comprehensive data security management and governance and reports regularly to the CEO. This committee not only monitors key data security issues, including data classification and categorization, data retention policies, and the management of data security incidents, but also drives a privacy-by-design culture through personal privacy protection risk assessment, clear privacy statement and consent collection, and personal data process minimization across the Group. The committee is composed of executives from various areas, including business operations, human resources, legal, customer engagement, and technology and digital.

Appointed as the Data Security Officer (also serving as the Data Privacy Officer) and Chair of the committee, the Deputy Director – Technology and Digital oversees how the committee's activities are applied through the daily operations of the Group.

Technology and Innovation Governance

To ensure the responsible adoption of new technologies, the Group has established the Technology and Innovation Committee (TIC). The TIC, which consists of the Deputy Director – Technology and Digital (Chair of the committee) and the Deputy Director – Financial Planning & Analysis, is responsible for reviewing and assessing proposed technologies from multiple perspectives, including functionality, financial viability, and alignment with the Group's strategic technology objectives (including sustainability). The TIC reports to the CEO on a regular basis.

Artificial Intelligence Governance

In response to the rapid development of generative artificial intelligence (AI), the Group recognizes the immense opportunities presented by AI technologies to enhance operational efficiency, while remaining vigilant about potential risks. As noted in recent industry analyses, AI-driven innovations are becoming pivotal for sustainability initiatives, ranging from optimizing renewable energy management to enhancing biodiversity assessments, while simultaneously reshaping labor markets and creating new demand for skills in intelligent systems. However, this progress brings heightened cybersecurity challenges and ethical concerns, with 87% of real estate investors increasing technology budgets to strengthen defenses against AI-enabled threats. Recognizing these

dynamics, the Group is committed to a governance-first approach that harnesses AI's potential to drive operational efficiency and innovation while safeguarding data privacy and ethical standards.

In September 2025, the Group established the Artificial Intelligence Governance Committee (AIGC) as the organization's decision-making and leadership body for generative AI. The committee is tasked with developing a comprehensive AI governance framework to support the ethical and responsible use of AI systems across the Group.

In addition, the Group introduced the AI Governance Management Measures Policy, applicable to both the Chinese Mainland and Hong Kong, which outlines the Group's AI governance objectives, guiding principles, and framework. To promote accountability and mitigate risks, all AI tools and software must undergo a review process by the AIGC before implementation. Also, uploading company confidential information and personal data to public AI tools is strictly prohibited.

In 2025, the AIGC conducted a review and analysis of commercially available AI tools to develop a list of permitted AI solutions for operational or personal use. This review ensures that the tools align with the Group's operational needs, comply with relevant regulations, and adhere to data security and ethical standards. To drive the adoption

of AI across the organization, the Group has established an AI Taskforce to oversee strategic implementation, organize capability-building workshops, and gather feedback to refine the Group's AI strategy. The Group has also established an "AI Elite Group," composed of representatives from all departments. These AI Elites leverage their expertise in their respective disciplines to explore AI use cases, facilitate AI adoption, and identify opportunities to use AI as a transformative tool to drive innovation and operational excellence across the Group.

Sustainable Business Excellence

Our approach to sustainable business excellence—with Excellence as one of our four corporate values—is grounded in the lifecycle management of our assets, from low-carbon design and safe construction to data-driven operations. By integrating international best practices with rigorous management systems, we ensure our portfolio remains strong, inclusive, and valuable.

Sustainable Building Design

We view sustainable design as a primary driver for decarbonization and wellbeing.

Green Building Certifications

The Group has maintained our commitment to achieving a Gold rating or higher under the LEED certification program (or equivalent) for all new developments in Hong Kong and the Chinese Mainland.

Portfolio standards: Our certification matrix includes LEED, BEAM Plus, China Green Building Design Label, EDGE, and BREEAM.

Portfolio coverage: As of December 2025, over 80% of our total gross floor area is green-certified, comprising 40 buildings, including 29 existing buildings and 11 new buildings under development. A comprehensive list of our green building certifications is outlined in [Appendix 4](#).

Westlake 66 (Hangzhou): Our flagship project exemplifies our ambition for outstanding environmental and wellness performance. The project is working toward a LEED Platinum/Gold rating, a BREEAM Excellent rating, the China Green Building Design Label (three stars), the China Healthy Building Label, and a WELL Platinum rating. Notably, Jingqing Lane No. 1 in the development was recognized as the “2022 Hangzhou Green Building and Building Energy Saving Demonstration Project.”



Jingqing Lane No. 1

Healthy Building Certifications

We prioritize the physical and social health of our occupants through the adoption of the WELL Building Standard and RESET assessment.

Design standard: The WELL Building Standard, developed by the International WELL Building Institute (IWBI), is based on scientific principles and aims to create environments—both physical and social—that enhance the health, wellbeing, and productivity of occupants. It features over 100 requirements across ten categories, including indoor environmental quality, water quality, thermal comfort, and workplace conditions. We also commenced applications for the China Healthy Building Label for Westlake 66 in 2024, and aim to achieve this certification in 2026.

Operational standard: WELL HSR features are a subset of those available through the WELL Building Standard and are adapted to focus specifically on facilities operations and management, such as indoor air quality and potable water testing. In December 2025, we successfully obtained the WELL Health-Safety Rating (HSR) for 15 properties in Hong Kong, and all shopping malls, office towers, residential towers, and service apartments (a total of 23 properties) in our Mainland portfolio.

Portfolio coverage: By the end of 2025, over 90% of our total gross floor area achieved WELL Gold or above, or WELL Health-Safety Rating (HSR) certification. The full list of our healthy building certifications and ratings is provided in [Appendix 4](#).

Building materials standard: To protect staff health, we completed a RESET assessment for our Hong Kong and Shanghai offices, avoiding “Red List” chemicals—an international list of harmful and polluting chemicals in the building industry—in more than 90% of the selected materials during our office renovation. We are now completing a RESET assessment for our new Hangzhou office and are working with RESET to develop a comprehensive Red List chemical guideline to be rolled out progressively across the Group, drawing on lessons learned from our work together in Hong Kong, Shanghai, and Hangzhou.

Inclusive and Universal Design

We aim to enhance the inclusivity of our spaces by integrating accessibility features in new buildings and updating existing facilities during renovations.

People-centric design: New projects like Westlake 66 integrate universal design, with features such as wheelchair-accessible entrances, wider parking spaces, and audio-equipped lifts.

In Hong Kong, we conducted comprehensive accessibility inspections at five properties in recent years, in accordance with the Hong Kong Building Department's Design Manual: Barrier Free Access 2008. For each property, we identified improvement initiatives to be carried out in phases.

In 2025, we implemented an internal inspection program to assess the universal design of our buildings across the portfolio. The checklists were created with reference to the latest universal design regulations and guidelines from Hong Kong and the Chinese Mainland. As support for one of our 25 × 25 Sustainability Targets, we completed accessibility reviews of all our properties.

Capacity building: In 2025, we continued training on disability etiquette and basic sign language for over 500 Customer Service and Property Management colleagues in Hong Kong and the Mainland to enhance service quality for disabled and hearing-impaired customers.



Disability etiquette training session for selected property management staff in Hong Kong

Recognition: In Hong Kong, Peak Galleria and 228 Electric Road received Gold Awards at the 2024/25 Universal Design Award Scheme (UDAS), launched by the Equal Opportunities Commission.

Project Excellence Project Development

Delivering high-quality assets requires close collaboration with consultants and contractors. Our internal Project Management Manual governs the entire lifecycle—from land acquisition to construction safety.

Project Environmental Management

Impact assessment: Construction-related environmental impacts—including air and water pollution, waste generation, and emissions—are material sources of project-phase environmental impact and are subject to increasingly rigorous regulatory oversight in Hong Kong and the Chinese Mainland. To systematically manage these impacts, we conduct mandatory environmental impact assessments (EIAs) in compliance with local laws before project commencement, including project-level plans addressing specific hazards and mitigation strategies.

Integrated data collection: In 2025, we adopted an enhanced integrated ESG data collection form across all development projects. This tool captures data on energy, water, and waste; quarterly procurement data on embodied carbon emissions; and key sustainability features.

The enhanced data collection process has improved data reporting accuracy and granularity and established a standard for evaluating each project's environmental performance with quantitative measurements.

Construction Safety Management

We implement a safety management system across all active construction sites in Hong Kong and the Chinese Mainland, overseen by the Design and Development, Project Management, and Cost and Controls departments, and governed by our Group's Health and Safety Policy and Project Management Manual.

The Group's Health and Safety Policy affirms our commitment to enhancing health and safety practices across our construction sites. Our Project Management Manual, which outlines key safety principles and guidelines, is reviewed annually and updated as needed. We consistently conduct safety training for workers on site, covering safety protocols, proper PPE usage, and equipment handling. We also perform regular inspections to maintain quality and improve safety measures. In 2025, we provided safety training to our employees and contractors on construction sites, totaling 348,637 training hours.



Safety management at construction sites involves compliance, reporting, training, fostering a safety culture, and the use of technology. These topics are addressed in the HSS and Project Excellence meetings and discussed during regular project meetings. Additionally, we surpass industry standards by engaging independent safety consultants to monitor contractor performance on all projects.

Safety performance: In 2025, we achieved zero fatalities at our construction sites for the eighth consecutive year, along with a 0.062 lost-time injury (LTIR) rate and a 0.03 accident rate per 100,000 man-hours.

Smart safety: Our Construction Innovation Taskforce has introduced Smart Site Monitoring Systems and Digital Quality Management Systems (DQMS) to enhance defect management and site monitoring.

Engagement: The 2025 company-wide Safe Production Month engaged over 3,340 staff and 1,100 contractors in activities including 20 emergency drills, training, and safety quizzes. An internal health and safety survey was conducted to identify opportunities to enhance safety culture.

Innovation competition: We launched a Safety Innovation Proposal Competition, receiving 22 proposals to crowdsource practical safety improvements. The winning proposal will receive sponsorship for further research and operational implementation in 2026, and the other proposals will remain under consideration.

Heat stress mitigation: To protect workers during hot weather, we apply comprehensive cooling measures, including water spray systems, ventilated rest areas, and the distribution of cooling snacks and accessories.

Operational Excellence

Operational excellence ensures that our design intent translates into actual performance. Our approach integrates occupational health and safety (ISO 45001), environmental management (ISO 14001), and healthy building certifications (WELL HSR, EPD IAQ Certification) into a cohesive operational framework.

Environmental, Health and Safety Management

ISO certification: Our Hong Kong operational portfolio has been ISO 45001 certified since 2023, meeting the international standard for systematic hazard identification, risk assessment, control implementation, and continuous improvement.

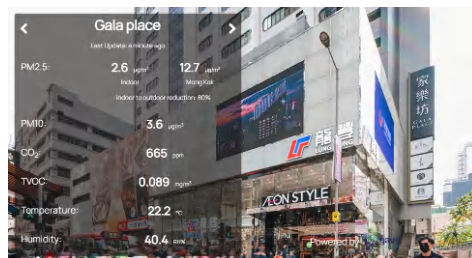
Our ISO 14001 environmental management system is in place to address environmental impacts, reduce our footprint, enable compliance, and promote sustainability. In 2025, we obtained ISO 14001 certification for our Property Management Services head office and 228 Electric Road.

Emergency readiness: We regularly conduct emergency and fire drills as part of our Crisis Management Protocol to ensure that staff, tenants, and construction teams are familiar with evacuation procedures. A new Fire Safety Conference was organized in Hong Kong, bringing together representatives from the Fire Services Department and academic experts to discuss advanced fire prevention strategies and smart fire protection technologies. In addition, rigorous fire prevention measures were introduced across the portfolio, including enhanced fire alarm testing protocols and quarterly system inspections. By placing equal emphasis on education and prevention, the Group continues to take concrete actions to minimize fire risks and safeguard our communities.

Indoor Environmental Quality

Indoor environmental quality (IEQ)—encompassing air and water quality, thermal comfort, daylight, acoustic conditions, and the absence of hazardous materials—is a critical determinant of occupant health, comfort, and productivity. We systematically manage IEQ through international standards (WELL HSR), material selection, operational procedures, and performance monitoring. Please refer to the [Healthy Building Certifications](#) section for our discussion of WELL HSR.

Real-time monitoring: We have implemented real-time Indoor Air Quality (IAQ) monitoring systems at our Hong Kong headquarters to track temperature, humidity, PM2.5, CO₂, and TVOC levels in accordance with RESET Air standards. This initiative aims to protect staff health by maintaining high indoor air quality while also boosting workforce productivity. In addition, we have a 2030 target to maintain, more than 90% of the time, PM2.5, TVOC and CO₂ levels below levels defined in the RESET Air standard.



IAQ certification: As of 2025, 14 properties in Hong Kong have received IAQ certification (Good Class) under the Environmental Protection Department's scheme.

Water quality: Nine properties in Hong Kong are validated under the Quality Water Supply Scheme for Buildings (Fresh Water), ensuring high standards of potable water. Three properties have been recognized under the Flushing Water Scheme. Details of the certificates awarded to Hang Lung's properties can be found in [Appendix 2](#). Additionally, we periodically monitor the wastewater quality at properties in compliance with local regulations.

Healthy lifestyle: To promote healthy living among our customers, we installed a vending machine at 228 Electric Road that offers nutritious food, providing tenants with convenient access to healthy options. When organizing tenant events, such as the Changemakers Award Ceremony in 2025, we prioritize healthy food choices when selecting caterers and designing menus.

Climate Resilience

Reduce carbon footprint in line with science and adapt to a changing climate

Relevant GRI Disclosure

201 (2016), 302 (2016), 305 (2016)



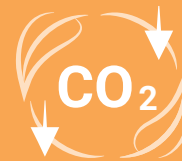
Climate Resilience



Climate change represents a systemic challenge to the planet and global economy and a material financial risk for the real estate sector. In the first three quarters of 2025, one of the warmest years on record, natural disasters resulted in approximately RMB 217 billion in direct economic losses across Chinese Mainland. Against this volatile backdrop, and with China's carbon emissions showing signs of stabilization ahead of new 2035 reduction targets, climate resilience remains a core element of our sustainability and business strategy.

Climate resilience includes both adaptation, managing physical risks from climate change, and mitigation, reducing emissions on the path to net zero.

2025 Performance Highlights



Scope 1 and 2: 64% reduction in GHG emissions intensity vs 2018 baseline

Scope 3: Adoption of low carbon emissions steel in development projects to reduce embodied carbon emissions



71% of electricity demand at our Chinese Mainland portfolio met by renewable energy



100% of Hong Kong and Mainland properties and projects completed climate adaptation technical analysis

Learning and Evolution

We have significantly advanced our understanding of climate mitigation and adaptation in recent years.

For climate mitigation, we have developed a solid understanding of the key sources of our direct and indirect emissions, and the factors and variables that will influence the pace at which we can reduce such emissions. We are among the first real estate companies in Asia to have near- and long-term targets fully aligned with the Science Based Targets initiative's (SBTi) Buildings Criteria. We have also gained clarity on the importance of addressing decarbonization from a systems perspective and have identified various channels for collaborating with other stakeholders to drive the decarbonization agenda.

For climate adaptation, we have completed operational and financial analyses of physical climate risks and have begun integrating these methodologies to develop a holistic understanding of our capacity to manage them.

2025 and 2030 Sustainability Targets

2025 Targets	2030 Targets
• GHG Intensity: 40% cumulative reduction in GHG Intensity (kgCO₂e/m²) relative to 2018.	• In-use Operational Emissions: 56.1% per m² reduction in scope 1, 2 and 3 in-use operational GHG emissions of owned and leased buildings from a 2023 base year.
• Embodied Carbon Intensity: Demonstrate best efforts to achieve at least 10% reduction in embodied carbon intensity (kgCO₂e/m²) for new development project that begin in 2022 or later, compared to typical practice in an equivalent building.	• Upfront Embodied Emissions: 42% reduction in upfront embodied emissions from a 2023 base year.
• Renewable Energy: 25% of our Chinese Mainland portfolio electricity demand met by renewable energy.	• Renewable Electricity: 70% of our landlord's electricity consumption across the portfolio provided by renewable electricity.
• Climate Adaptation: Complete technical analysis for climate adaptation measures for all properties.	• Adaptation: 10% reduction in our Climate Value-at-Risk compared to the absence of implemented adaptation measures.
• Electricity Intensity: 18% cumulative reduction in electricity intensity (kWh/m²) relative to 2018.	
• GHG Intensity (Tenants): 15% reduction in GHG intensity (kgCO₂e/m²) from tenants' electricity consumption for our properties in Chinese Mainland, relative to 2018.	
• Electric Vehicle (EV) Charging: Wherever feasible exceed local regulations for the provision of parking spaces installed with EV charging facilities across our portfolio.	

Climate Adaptation

Climate adaptation includes consideration and management of both acute and chronic risks from climate change.

Our Approach

Over the last several years, we have assessed risks from climate hazards on our properties through scenario analysis (recognizing that the future climate will differ from the past climate in fundamental ways); desktop and on-site assessments of the design and operational features of our properties and their adaptive capacities; and initial efforts to quantify the potential financial impacts of residual risks to our properties, and how strengthened adaptation measures may reduce residual risks and negative financial impacts.

For our Climate-related Financial Disclosures, please refer to [Appendix 5](#).

Technical Analysis Across Our Portfolio

In 2021, we set a target to complete a technical analysis of climate adaptation across all properties, which we achieved by 2025 (one of our 25x25 targets). To quantify our exposure, we conducted scenario-based modeling aligned with the Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report (AR6). Our assessments utilize Shared Socioeconomic Pathways (SSPs), specifically the "Middle of the Road" (SSP2-4.5) and "Fossil-

Fueled Development" (SSP5-8.5) scenarios, to stress-test our portfolio against plausible mid-century (2041–2070) and end-of-century (2071–2100) climate futures.

Hazard scope: The modelling evaluated sensitivity to seven primary hazards in the context of the SSP2-4.5 and SSP5-8.5 scenarios: flooding (fluvial/pluvial), heatwaves, cold spells, typhoons, extreme rainfall, earthquakes, and landslides.

We applied an asset-level methodology, including:

- **Exposure assessment:** Evaluating the inherent physical risks of a site based on geospatial data and climate projections.
- **Adaptive capacity analysis:** Assessing the specific architectural and engineering resilience of each building to withstand those identified risks.

As of December 2025, we have completed technical assessments across our portfolio, including, all properties in the Mainland, all core properties in Hong Kong, and all construction projects.

A summary of residual risks for each property within the SSP5-8.5 scenario, considering both exposure and adaptive capacity, is included in [Appendix 5](#).

Adaptation Measures

Defending Our Existing Properties

In addition to our portfolio-wide desktop analysis, we initiated deep-dive on-site audits for high-priority assets, including Riverside 66 (Tianjin), Standard Chartered Bank Building (Hong Kong), Grand Gateway 66 (Shanghai), and Heartland 66 (Wuhan). These desktop and deep-dive audits generated over 200 site-specific recommendations. The findings particularly focus on managing risks related to flooding and heat stress. Key actions include installing demountable flood barriers (e.g., flood gates and sandbags), upgrading drainage capacity, and reconditioning building envelopes.

Implementation status: As of December 2025, 60% of these recommendations have been implemented.

	Hong Kong	Chinese Mainland	Total (%)
Implemented	110	50	160 (60%)
Studying	2	31	33 (12%)
Rejected	55	21	76 (28%)

Super Typhoon Ragasa, the strongest tropical cyclone of 2025 with winds exceeding 200 km/h and triggering Hong Kong's highest T10 warning, caused regional flooding and damage. Thanks in part to our adaptation measures and protocols in place, our Hong Kong portfolio was prepared for the typhoon and remained undamaged, highlighting the resilience of our assets and our operational protocols to guard against extreme weather risks.

Additional measures are budgeted for implementation in 2026, including flood detection tools and solar reflective materials.

Adaptation in New Developments

Projects like Westlake 66 in Hangzhou and Center 66 Phase 2 in Wuxi have incorporated adaptation considerations into their design specifications. For instance, passive design strategies such as green roofs and shading devices are being used to reduce heat absorption. Flood resilience has been increased through overflow pipes, reserve floodgates, and elevated MEP equipment. Westlake 66 also features high-efficiency systems like chillers and boilers.

Heat resilience: HVAC systems at Westlake 66 feature enhanced temperature buffers designed to maintain cooling capacity under the extreme heat projections of the SSP5-8.5 scenario through to the year 2100.

Flood defense: Center 66 Phase 2 incorporates hydraulic design standards capable of handling 1-in-100-year rainfall intensity events, anticipating the 2100 precipitation levels under the SSP2-4.5 scenario.

Construction Phase Preparedness

The preparedness of our construction sites was tested during Typhoon Bebinca in September 2024. On September 16, the typhoon hit both Westlake 66 and Center 66 Phase 2. We had planned for the severe weather event by waterproofing critical E&M plant rooms and securing loose structural elements. Although the typhoon was the strongest storm to affect the region in 70 years, there were no injuries or critical failures on the sites and only minor cosmetic damage.

Oversight of the Implementation of Measures

To support the effective execution of recommended adaptation measures, we have developed a “Three Lines of Defense” monitoring system. This involves the operational team managing daily tasks, the Sustainability Team providing ongoing oversight, and the Internal Audit Department conducting independent reviews.

Climate Value at Risk Assessment

In contrast to a traditional business case based on a clearly defined Return on Investment (ROI) and payback period, the case for adaptation measures often rests on an understanding of how such actions may entail avoided or reduced future potential costs for the business. To connect our understanding of residual climate risks with the business case for action, we have undertaken a quantitative Climate Value-at-Risk (CVaR) assessment.

Methodology and financial materiality:

Focusing initially on six key properties across Hong Kong and the Chinese Mainland, this assessment quantifies potential financial losses from physical damage, business interruption, and productivity decline. We modeled CvaR as follows:

- **Inherent risk:** Potential losses without adaptation measures.
- **Mitigated risk:** Loss reduction achieved through existing defenses already implemented.
- **Potential further mitigation of risk:** Projected loss reduction in the event that additional measures are undertaken.

Early findings: In our initial study, we found that adaptation measures applied at five of the six selected sites have already significantly reduced our CVaR compared to the unmitigated baseline.

Foundation for our target: These findings underpin our new 2030 target to achieve a 10% reduction in CVaR relative to the unmitigated baseline across the portfolio.

Insurance engagement: In September 2025, we shared our adaptation program and CVaR findings in a roadshow with 17 major insurance underwriters in Hong Kong. By demonstrating our quantified reduction and potential further reductions in physical risk, we aim to optimize insurance premiums and coverage terms. Preliminary feedback from insurers has been positive, and we are preparing a short case study of our adaptation program and insurance engagement to be shared with our stakeholders in 2026.

Climate Mitigation

With the real estate sector contributing disproportionately to global carbon emissions, and given that decarbonization progress among leading companies can help set the stage for others to follow, Hang Lung is committed to making every effort to exercise leadership in climate mitigation.

We also recognize that progress on emissions reductions may present significant opportunities for our business, and conversely that delay and inaction may pose significant risks.

Our Approach

Our approach to climate mitigation includes several key aspects. First, we analyze issues, risks and opportunities across the short-, medium- and long-term. Analysis of issues and scenarios over various time horizons helps us optimize and prioritize the actions we pursue. Second, we aim to understand as thoroughly as possible our emissions and potential emissions across our entire value chain. While we focus on the emissions we are required to report, we also consider blind spots and underreported sources of emissions in real estate and call on the sector to develop a better understanding of these sources. Third, we look for opportunities to accelerate emissions reductions through target-setting and action, including pilot projects and procurement approaches. Fourth, we participate in and

report our progress against relevant corporate standards, including the Science Based Targets initiative, various ESG ratings, and HKEX's climate-related reporting requirements aligned with the ISSB's IFRS S2 (see [Appendix 5](#) and [Appendix 9](#)).

Finally, we go beyond the inherent limitations of our potential influence and impact as a single company, and make spirited efforts to advance progress in the sector more broadly through thought leadership, new modes of collaboration, and discussions with experts on the system-level changes necessary for the real estate sector to contribute to meaningful pathways to decarbonization.

GHG Emissions Overview

Scope 1 Direct GHG Emissions



- Natural gas purchased
- Diesel consumed by vessel and emergency generators
- Petrol consumed by company vehicles
- Refrigerants

1.4%

Scope 2 Indirect GHG Emissions



- Non-renewable electricity, hot water, and steam purchased for landlord use

19.8%

Scope 3 Other Indirect Emissions



78.8%

Upstream



Category 1
Purchased goods and services

42.2%



Category 3
Fuel and energy related activities

5.5%



Category 4
Upstream transportation and distribution

1.5%



Category 2
Capital goods

1.4%



Category 5
Waste generated in operation

0.7%



Others
Cat 6 Business travel
Cat 7 Employee commuting

<1%

Downstream



Category 13
Downstream leased assets

23.9%



Category 15
Investment

2.2%



Category 11
Use of sold products

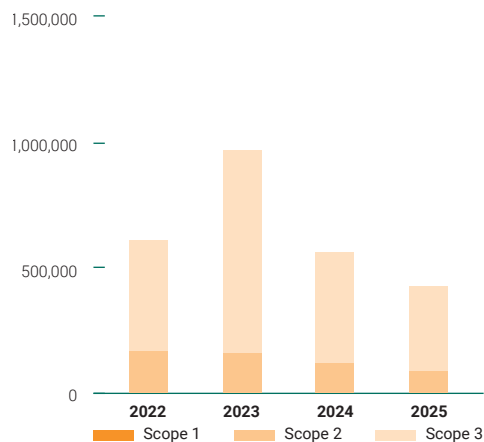
0.7%



Category 12
End-of-life treatment of sold product

<0.1%

Total Carbon Emissions (2022–2025; in tCO₂e)



In 2025, we made significant progress in key GHG reduction targets:

Performance highlights:

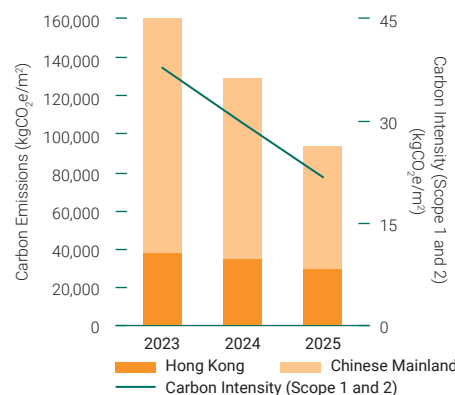
Scope 1 and 2 absolute emissions: Achieved a 52.9% reduction (market-based) compared to 2019 baseline.

Scope 1 and 2 intensity: Achieved a 64% reduction (market-based) compared to the 2018 baseline, exceeding our 2025 target by 161%. This reduction was driven by various initiatives across both Hong Kong and Chinese Mainland properties. Key contributors included improvements in energy efficiency (22.4%), lower heating demand (6.2%), along with grid decarbonization (3.7%) and power purchase

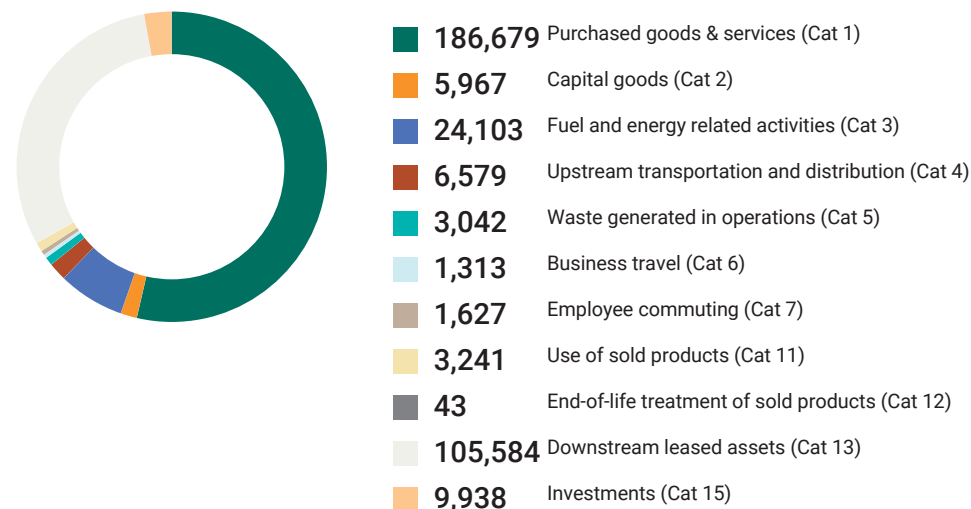
agreements (PPAs) at eight properties (32.6%), including Spring City 66, Parc 66, Center 66, Plaza 66, Grand Gateway 66, Palace 66, Olympia 66 and Forum 66. It is found that Scope 1 emission intensity was increased in 2025 by 0.52% compared with 2018, due to an increase in natural gas consumption for heating at Heartland 66 in 2025.

These results highlight our continued efforts to lower emissions and advance toward our sustainability targets.

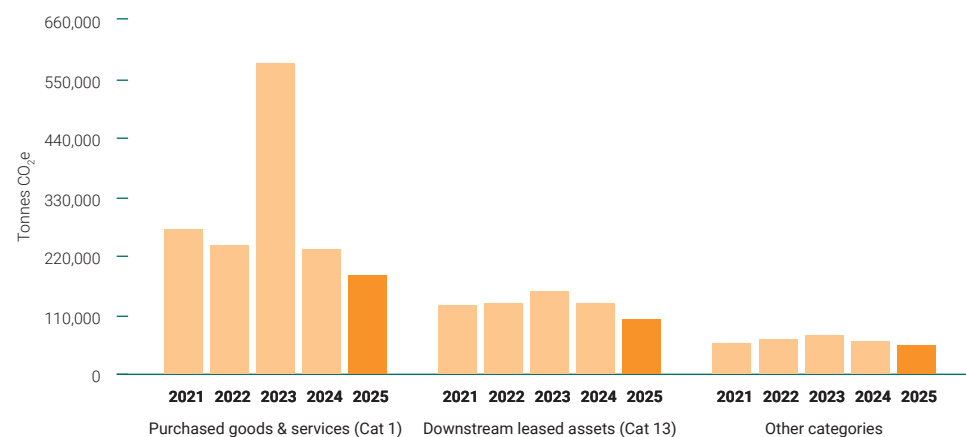
Scope 1 and 2 Carbon Emissions – by Region



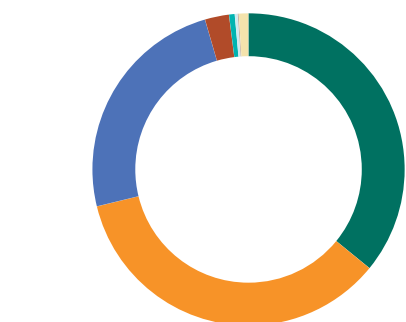
Breakdown of Scope 3 Emissions by Category in 2025 (in tCO₂e)



Scope 3 Carbon Emissions – Category 1 and 13 (2021 - 2025)



Building Material's Embodied Carbon Emissions in 2025



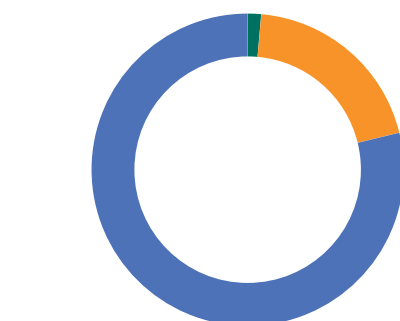
- 35.9% Steel
- 35.3% Aluminum
- 24.3% Cement and concrete bricks
- 2.5% Concrete
- 0.6% Timber
- 0.3% Glass
- 0.1% Gypsum
- 1% Others

- **Scope 3 absolute emissions:** Obtained a 22% reduction year-on-year, primarily driven by a decrease in the procurement of emissions-intensive construction materials as major development projects neared completion. We also made progress in advancing decarbonization initiatives with selected suppliers.

- **Renewable energy:** Eight out of ten of our Mainland properties are powered by renewable energy through power purchase agreements covering the entirety of each building's energy consumption (both landlord and tenant emissions).

Our 2025 target focused on landlords' renewable energy consumption, and when we formulated the target in late 2021, we aimed to meet 25% of their consumption with renewable energy. By the end of 2025, 71% of the landlord electricity demand in our Chinese Mainland portfolio was met by renewable energy, enabling us to exceed our 2025 target.

Breakdown of Carbon Emissions by Scope in 2025



- 1.4% Scope 1 (Direct emissions)
- 19.8% Scope 2 (Indirect energy emissions)
- 78.8% Scope 3 (Value chain emissions)

Highlights of Key Mitigation Initiatives

Refrigerants – scope 1: We consider global warming potential (GWP) and ozone depletion potential when selecting refrigerants during cooling system tendering processes, and we also conduct leak checks as part of maintenance and have an emergency plan for addressing them.

Energy efficiency – scope 2: Energy efficiency is the most readily available decarbonization lever, simultaneously supporting operational cost savings, enhanced asset-level and grid resilience, and emissions reduction. Please refer to the [Energy Management](#) section for details of our portfolio-wide energy efficiency targets and our progress against them through improvements across HVAC systems, lighting, building automation, and equipment lifecycles.

Energy efficiency – scope 3: Recognizing that tenant energy consumption is a major source of scope 3 emissions, we focus on data transparency, benchmarking, and collaborating with tenants to improve their energy efficiency. For more details, please refer to our tenant sustainability partnership program in the [Tenants](#) section.

Digital energy management platform:

Launched in 2025, this optional platform empowers tenants to track energy consumption in real time, benchmark performance, and identify energy-

efficiency opportunities via alarms and automated notifications.

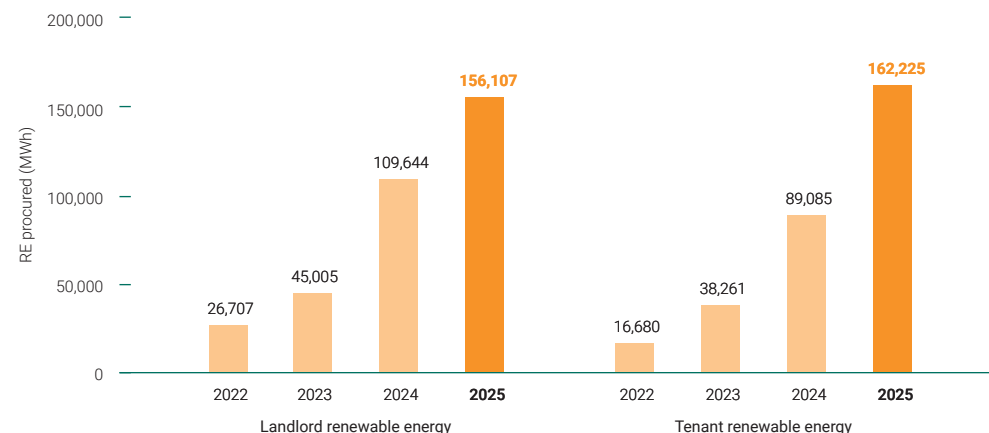
LightWise Program: Over 93% of our Mainland tenants and 19% of our Hong Kong tenants now participate in LightWise, our initiative to reduce non-essential lighting during non-operational hours.

Tenant GHG intensity reduction: We achieved a 67.5% reduction in Mainland tenant electricity GHG intensity in 2025 compared to the 2018 baseline, largely due to our renewable energy procurement and grid decarbonization, and further supported by our tenant engagement initiatives.

On-site renewable energy: We operate solar systems across eight Mainland properties and Amoy Plaza in Hong Kong, generating about 600 MWh of renewable electricity annually. Together, these systems accounted for 0.4% of our total energy use for these properties in 2025. In 2026, we will assess the performance of our on-site solar installations and look for upgrade and expansion opportunities.

On the Hong Kong side, a new solar installation at Hang Lung Centre is projected to add 13.4 MWh of clean energy to the Hong Kong grid each year.

YoY increase in renewable electricity procurement for the landlord and tenant



Ground source heat pumps: We have installed ground-source (geothermal) heat pump or water-source heat pump systems at four properties in the Chinese Mainland. Palace 66 (Shenyang) has achieved 100% self-sufficiency in winter heating using water-source heat pumps. Heat pump systems in Forum 66 (Shenyang) and Riverside 66 (Tianjin) supply heating for parking areas during winter months, improving energy efficiency by 25–35% compared to conventional heating systems. We also installed a closed-loop ground-source heat pump system supporting the hotel operations at Westlake 66 in Hangzhou, which is expected to improve energy efficiency by approximately 30% compared to traditional heating systems.

Power purchase agreements: As of May 2025, eight of our 10 Mainland properties are powered by renewable energy through power purchase agreements (PPAs).

These PPAs cover 100% of both landlord and tenant purchased electricity consumption. In 2025, we procured 318,333 MWh of renewable electricity (see the charts above for a breakdown).

Through our procurement and market-based accounting, our emissions are lower by 162,757 tonnes of CO₂e than if we reported the average grid emissions factor using location-based accounting across the Mainland portfolio. For a further discussion of this important accounting issue, please see our [“Journey to Net Zero”](#) paper.

Landlord purchased electricity consumption in the Chinese Mainland in 2025



- 59% Bundled PPA (129,548 MWh)
- 12% Unbundle PPA (26,559 MWh)
- 29% Grid Electricity (64,193 MWh)

For a detailed breakdown of our PPA contracts by property, please see [Appendix 6](#).

Low carbon construction materials

We are targeting the upfront carbon of our developments by incorporating low carbon materials and pursuing more circular practices.

Tenant purchased electricity consumption in the Chinese Mainland in 2025



- 71% Bundled PPA (158,820 MWh)
- 1% Unbundle PPA (3,405 MWh)
- 28% Grid Electricity (62,593 MWh)

Low carbon emissions steel: In 2024 and 2025, we procured approximately 2,500 tonnes of low carbon emissions steel for our Plaza 66 Pavilion Extension and Westlake 66 projects. Together these two projects achieved a combined 42% carbon reduction for the applicable areas. We continue to advocate for investment in steel decarbonization pathways beyond scrap recycling.

Case Study

Low Carbon Emissions Steel Procurement

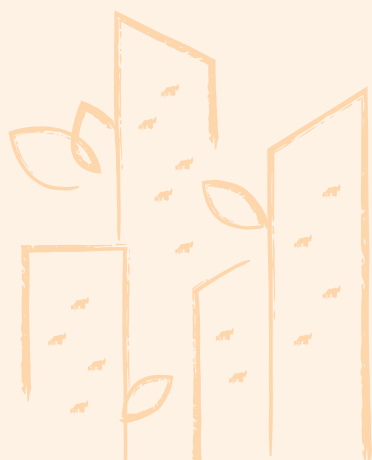
In late 2024 and 2025, the Plaza 66 Pavilion Extension procured and used low carbon emissions steel, and in 2025, Westlake 66's key tunnel procured low carbon emissions steel. As of the end of 2025, Hang Lung had sourced almost 2,500 tonnes of low carbon

emissions steel for the applicable areas of both projects, resulting in a combined 42% reduction in carbon emissions.

Hang Lung will continue to work with suppliers to source low carbon emissions

steel. In addition to steel for the core and shell of our properties (e.g., reinforced steel and structural steel plates), we will also explore the potential for low carbon emissions steel for interior applications.

Steel Types		Total steel amount (t)	Amount of Beyond ECO® low carbon emissions steel (t)	Baseline steel emissions factor (tCO ₂ e/t)	Beyond ECO® low carbon emissions steel emissions factor (tCO ₂ e/t)	Absolute emissions reduction (tCO ₂ e)
		(A)	(B)	(C)	(D)	(E) = (B) x [(C) - (D)]
Structural plates (to be manufactured into columns and beams) – Plaza 66 Pavilion Extension	1	1,233	1,171	2.5	1.485	1,189
Reinforcing bars – Plaza 66 Pavilion Extension	2	385	325	2.0487	0.892	376
Reinforcing bars – Westlake 66	3	1,200	1,000	2.0487	0.955	1,094
The project's total baseline steel emissions F1 = (A1) x (C1) + (A2) x (C2) + (A3) x (C3)						6,330
The project's total steel emissions (tCO ₂ e) F2 = F1 - E1 - E2 - E3						3,671
The project's steel emissions reduction ratio % = (F1 - F2)/F1 x 100%						42%



Highlights of Key Mitigation Initiatives (Continued)

Low carbon concrete: In 2023, we partnered with CLEANCO2 to procure mineralized carbon concrete bricks for Westlake 66. These bricks, manufactured using Carbon Capture, Utilization, and Storage (CCUS) technology, have an embodied carbon that is 87.5% lower than that of conventional shale bricks. The bricks cover a wall area of 17,000 sqm on the secondary partition walls of Westlake 66's basement. We are now examining other potential opportunities to make use of low carbon concrete.

EV charging: While transportation accounts for a relatively small share of our overall emissions, mainly from fleet vehicles, employee commuting, and business travel, the building sector also plays a vital role in supporting transportation decarbonization through the provision of EV charging infrastructure. We encourage EV adoption and use by expanding charging stations across our Chinese Mainland and Hong Kong portfolios. As of December 2025, we have provided EV charging infrastructure as follows:

- **Chinese Mainland portfolio:** 273 EV chargers are currently operational, with more than 555 in the pipeline across our Chinese Mainland properties.

- **Hong Kong portfolio:** 42 EV chargers are now operational; 28 new superfast chargers (60 kW rapid charging capacity) are planned for deployment by 2026, bringing the total planned network to 70 EV charging locations across our Hong Kong properties.

We will continue to work to expand EV charging infrastructure in support of transportation decarbonization.

Carbon pricing: In 2023, we piloted an Internal Carbon Pricing (ICP) mechanism using shadow pricing to inform our decision-making, drive energy efficiency and low-carbon investments, and identify and pursue low-carbon opportunities within the Group. Our shadow price is dynamic, reflecting regulatory realities: pre-2030, it increases modestly with China's Emissions Trading Scheme (ETS); post-2030, it rises more steeply to align with international climate and carbon pricing scenarios published by the Network for Greening the Financial System (NGFS). For example, while our 2025 shadow price was HK\$99 per metric tonne of CO₂e, this amount increases to HK\$585 by 2030 and HK\$1,106 by 2035.

Following a stakeholder engagement process, we have moved from theory to application. We have piloted ICP in the financial appraisal of scope 1 and 2 decarbonization projects, and specifically renewable energy procurement opportunities. This sensitivity analysis has helped us to quantify the difference between coal benchmark pricing and renewable energy pricing and supports our holistic business case presented to management. Starting in 2026, we also plan to incorporate ICP into selected major CAPEX projects where carbon costs can help inform management decisions, for instance, major equipment upgrades where energy efficiency and refrigerant emissions are relevant factors in the analysis. We see ICP as a useful tool to help ensure that carbon risk is visible, quantified, and taken into account where appropriate to support the adoption of low-carbon technologies and protect long-term asset value.

Net Zero Commitments by 2050

Science Based Targets Revalidation

We are committed to achieving net zero greenhouse gas emissions across our value chain by 2050. In 2025, through our subsidiary Hang Lung Properties, we revalidated our climate targets to align with the latest SBTi Buildings Criteria. Our transition pathway is defined by the following milestones:

Overall Net-Zero Target

Hang Lung Properties commits to reach net-zero greenhouse emissions across the value chain by 2050.

Near-Term Targets

Hang Lung Properties commits to reduce scopes 1, 2 and 3 in-use operational GHG emissions of owned and leased buildings, covering downstream leased assets, 56.1% per m² by 2030 from a 2023 base year. Hang Lung Properties Ltd. also commits to reduce absolute scope 3 GHG emissions from purchased goods and services 42.0% within the same timeframe. Hang Lung Properties commits to install no new fossil fuel equipment that is owned or financially controlled by the Group in its buildings portfolios from January 01, 2030.

Long-Term Targets

Hang Lung Properties commits to reduce scopes 1, 2 and 3 in-use operational GHG emissions of owned and leased buildings, covering downstream leased assets, 98.8% per m² by 2050 from a 2023 base year. Hang Lung Properties also commits to reduce absolute scope 3 GHG emissions from purchased goods and services 90.0% within the same timeframe. Hang Lung Properties further commits to reduce absolute scope 3 GHG emissions from purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting and investments 90.0% within the same timeframe.

Hang Lung V.3 Strategy and Implications for Decarbonization

In September 2025, the Group announced the launch of our V.3 strategy, which will focus on expanding our business presence in existing cities through targeted, smaller-scale investments, specifically, asset enhancements and strategic partnerships, such as 20-year operating leases.

This shift in our business model alters our carbon profile and decarbonization priorities in the following ways:

Reduced embodied carbon: In contrast to our earlier strategy, which was rooted in large-scale developments, the V.3 strategy will entail a lighter physical footprint. By prioritizing the optimization of existing assets over new heavy construction, we anticipate a structural reduction in embodied carbon emissions typically associated with the construction phase of our business cycle.

Operational focus: Conversely, the V.3 strategy will require closer attention on operational decarbonization. As we acquire or take over the operations of existing assets through long-term leases, we will examine opportunities for energy retrofits and system upgrades to bring these older assets in line with our net zero pathway.

Climate-Related Financial Disclosures in Line with IFRS S2

Climate-related risks and opportunities may lead to changes in capital and operating expenditures, and revenue for our business. Additional information on the financial impacts of climate-related risks and opportunities is provided in [Appendix 5](#). These disclosures are prepared with reference to IFRS S2 Climate-Related Disclosures.

Thought Leadership

Hang Lung was involved in two major thought-leadership projects on decarbonization in 2025:

“Journey to Net Zero” paper: In March 2025 we published our groundbreaking [discussion paper](#), “Our Journey to Net Zero: Our Scenarios and Actions to Reduce Greenhouse Gas Emissions to 2050.” The report, which draws on a bottom-up decarbonization model with more than 1,000 inputs, provides a transparent discussion of scenarios for Hang Lung to reduce our greenhouse gas emissions from 1,000,000 tonnes CO₂e in 2023 to fewer than 100,000 tonnes CO₂e in 2050 (before any consideration of the potential role of offsets to address residual emissions). The paper outlines the key assumptions underlying the model, highlights overlooked emissions in real estate, discusses challenges in carbon accounting, urges greater transparency, and advocates standardized benchmarks for construction materials. It also

highlights eight key actions Hang Lung can pursue, such as boosting energy efficiency, expanding renewable energy, and pioneering low carbon materials.

Following its publication, Hang Lung was invited to speak about the paper and its broader implications at several major industry conferences and events, including a Hong Kong Green Finance Association webinar, an HSBC invite-only roundtable, and a ReThink panel. In addition, Dr. Christine Loh of the Hong Kong University of Science and Technology authored an [opinion piece](#) in the *South China Morning Post* inspired by our paper. In Ms. Loh’s article, she argued that while net zero “targets are plentiful” in Hong Kong, “pathways are not,” and that others can learn from the “honesty” and “transparency” of our paper and the example it provides.

“Bending the Curve” paper: Hang Lung and LVMH Group co-sponsored a paper by the Carbon Containment Lab (CCL) on a Lifecycle Refrigerant Management (LRM) study to reduce emissions in commercial real estate, develop baseline models for China and the U.S., and assess 18 mitigation measures. Findings showed the scale of the challenge and the practicality of cost-effective actions. Although Chinese commercial cooling emissions could exceed 10 billion tCO₂e from 2026–2060, economically attractive measures could cut

emissions by 45%, with over 65% of avoided emissions being financially attractive.

The report, available [here](#), offers a framework for cooling lifecycle actions, emphasizing refrigerant recovery, recycling, and the use of lower-GWP refrigerants, and is further discussed later in this report as part of our Hang Lung–LVMH collaboration (see [Tenants](#) section).

Building on the study's findings, we will examine opportunities to enhance our cooling and refrigerant emissions management through improved controls, data-driven maintenance, leak detection, end-of-life recovery, and stakeholder engagement to deliver scalable solutions.

Stakeholder Collaboration

During the year, Hang Lung also worked with other key stakeholders, such as academic institutions, associations, and non-profit organizations, to advance collaborative efforts in decarbonization, including Columbia University's Columbia Center on Sustainable Investment, the China Iron and Steel Association, the Green Finance Forum of 60, the Hong Kong Green Finance Association, the Urban Land Institute, the World Steel Association, and others. We see these collaborations as essential to accelerating industry progress.

Leadership Recognition

Hang Lung performed well on multiple ESG ratings where our climate-related performance was a significant factor. For a summary of our ESG ratings performance, see [Sustainability Awards and Accolades](#).

We also received other forms of climate-related recognition in 2025, including the “Best Newcomer” award from RE100 as part of its 2025 RE100 Leadership Awards; an invitation to provide a case study in RE100's forthcoming publication for a business audience in China in 2026; and an invitation to be featured as a case study by the Chapter Zero Alliance (formerly the Climate Governance Initiative), a global philanthropic network dedicated to empowering board directors with the knowledge and tools needed to address climate change effectively.

» Look Ahead

While we have made considerable progress with our climate resilience strategy in recent years, we recognize that there are still many challenges ahead. For our operations, we are aiming to maintain and expand our renewable energy coverage while closely monitoring policy and market developments. We are also developing a five-year energy efficiency plan. For construction materials, we will continue to pursue opportunities to procure lower carbon materials. And as our business embraces its V.3 strategy, we will look for ways to enhance the efficiency and reuse of existing assets.

With regard to physical risks, we will continue to advance our adaptation efforts to protect our assets and enhance their value. We will implement further adaptation measures across our portfolio in 2026 and conduct further work to develop our CvaR methodology.

Lastly, we will continue to go beyond our own corporate boundaries to deepen discussions and advance initiatives with experts who are committed to finding ways to accelerating decarbonization at the system level.

Resource Management

Drive efficient and circular use of natural resources and help regenerate nature

Relevant GRI Disclosure

302 (2016), 303 (2018), 304 (2016), 306 (2020)



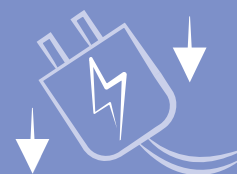
Resource Management



Effective resource management is a cornerstone of our sustainability strategy, guiding our efforts across Hong Kong and the Chinese Mainland in energy consumption, water use, waste management, recycling, and biodiversity conservation. This priority is increasingly critical as global scrutiny on nature-related risks intensifies; notably, over 60% of surveyed financial institutions now view nature-related challenges as comparable to climate risks.

Simultaneously, regional regulations and policies are tightening, with Hong Kong targeting “zero landfill” by 2035 and the Mainland advancing “zero-waste construction” pilots under the 14th Five-Year Plan. We recognize that our use of energy, water, materials, land, and other natural resources has an impact both on our environmental footprint and the quality of our communities.

2025 Performance Highlights



22% reduction in electricity intensity in 2025 as compared to 2018



14% reduction in water intensity in 2025 as compared to 2018



86% waste diversion rate in 2025

Overview

Through dedicated policies on the environment, climate resilience, resource management, circularity, and biodiversity, we aim to identify, measure, and manage resource-related impacts across the full asset lifecycle, from design and development to operations and renovation. We have 2025 and 2030 targets for energy, water, waste, recycling, and biodiversity.

- **Design and development:** Utilizing lifecycle assessment (LCA) to minimize embodied carbon and incorporate circularity principles into design (modularity and material reuse, etc.).
- **Operations:** Leveraging technology and management practices to optimize energy and water intensity. Please refer to the [Operational Excellence](#) section for more details on how we manage our properties.
- **Renovation:** Prioritizing the adaptive reuse of existing structures and the recycling of construction and demolition (C&D) waste.
- **Green building certification:** Benchmarking our portfolio against international standards. A comprehensive list of sustainable building certifications (LEED, BEAM Plus, WELL) obtained by our properties is disclosed in [Appendix 4](#).

Learning and Evolution

Over the last several years we have improved our data collection for energy, water, waste, and recycling; made significant efficiency gains in our use of energy and water, improved our waste diversion rate, especially in the Chinese Mainland; gained a better understanding of opportunities and challenges related to circularity in the built environment; and advanced our understanding and disclosures on nature and biodiversity.

This chapter outlines the initiatives we have undertaken to manage resources during the construction and operations of our properties, shows how we have achieved our 2025 targets, and discusses our approaches and plans to make further progress in resource management.

2025 and 2030 Sustainability Targets

2025 Targets	2030 Target
• Operational Water Use: 10% reduction in water intensity (m³/m²/year) relative to 2018.	• Energy Use Intensity: 10% reduction in the landlord's energy use intensity from a 2023 base year.
• Operational Waste: 70% of operational waste diverted from landfill.	• Operational Waste: 35% recycling of municipal solid waste generated from operating properties.
• Construction Waste: 60% of construction waste diverted from landfill for new projects starting in 2022 with maximized recycling.	• Construction Waste: 90% recycling of construction waste generated from construction sites.
• Construction Material Use: Demonstrate best efforts to maximize the use of recycled, reused and bio-based materials in all new projects.	• Water: 8% reduction in freshwater intensity from a 2023 base year.
	• Biodiversity: 10% biodiversity net gain on all new development projects and major renovations with landscape renovation.

Energy Management

As a building operator aiming to achieve net zero emissions by 2050, energy management is crucial to our sustainability efforts. Given the significant impact of energy consumption on both the environment and operating costs, we recognize the importance of managing our energy use. Through a combination of strategic initiatives, technological investments, and operational best practices, we endeavor to optimize energy consumption across our facilities, reduce energy-related pollution, and enhance overall energy efficiency.

In the context of our business, energy is primarily used for heating and cooling, major plants and equipment, and lighting.

Our approach integrates retro-commissioning, operational measures, and capital investments to support efficiency upgrades.

Our Approach

To improve performance, we have established comprehensive energy management programs across the asset lifecycle, including:

Green building and design for efficiency:

Integrating energy-efficient best practices into new developments and major Asset Enhancement Initiatives (AEI). Obtaining green building certifications for all our new developments.

Operational optimization: Leveraging smart technologies and retro-commissioning (RCx) for core properties, and real-time data analytics to optimize the performance of HVAC, lighting, and major plant equipment.

Sustainable procurement: Incorporate energy efficiency considerations into tenders for major equipment and operations.

2025 and 2030 Targets

2025 target status: We aimed for an 18% reduction in electricity intensity by 2025 (vs. 2018 baseline). At the end of 2025, we achieved a 22% reduction.

2030 target: We will pursue a further landlord energy use intensity reduction of 10% from a 2023 baseline.

External Recognition

Our commitment to energy transparency and performance has been acknowledged externally, for example:

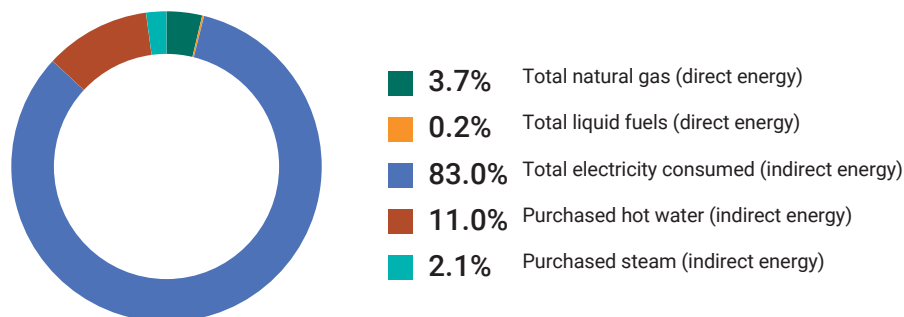
Energywise certificate: Multiple properties within our Hong Kong portfolio have attained the "Excellent" level of the Hong Kong Green Organisation Certification. Please refer to [Appendix 2](#) for the full list of certifications.

Green building certifications: A significant portion of our GFA is certified under LEED (Gold or Platinum) and BEAM Plus. Please refer to [Appendix 4](#) for the full list of certifications.

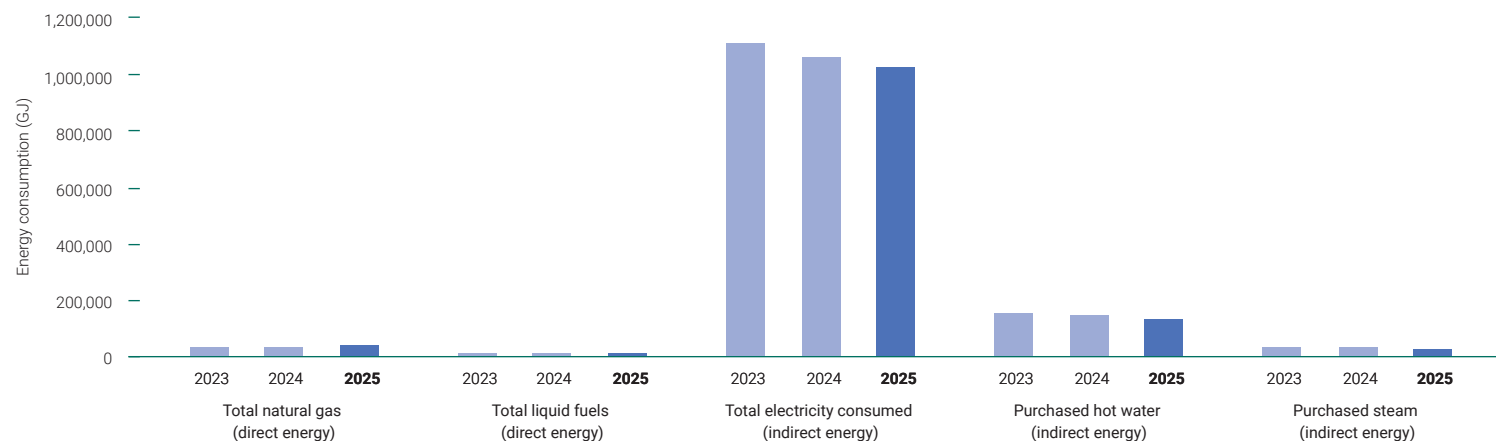
Energy Use Data Review

Electricity is the primary source of energy consumed across our portfolio, accounting for approximately 83% of our total energy consumption in 2025. It is essential for the operation of our HVAC systems, lighting, elevators, escalators, and other building facilities.

Breakdown of Energy Consumption by Energy Type in 2025



Energy Consumption by Energy Type (2023–2025)



Total consumption: The Group's total energy consumption was 1,236,770 GJ, representing a 4% decrease year-on-year compared to 2024. This reduction is mainly attributable to lower consumption of electricity (-4%), hot water (-7%) and steam (-23%).

Intensity performance: Our energy intensity measured 282 MJ per sqm in 2025. This represents a 4% reduction compared to 2024.

Electricity intensity performance: In 2025, we achieved a 22.4% reduction in our electricity intensity compared to our 2018 baseline. This performance surpassed our 2025 target of an 18% reduction, demonstrating the effectiveness of our energy management initiatives.

Regional Performance

Mainland portfolio: Energy consumption decreased by 4% to 1,005,134 GJ compared to 2024. This reduction is mainly attributable to decreases in electricity (-4%), hot water (-7%) and steam (-23%).

Hong Kong portfolio: Consumption declined by 5% to 231,636 GJ compared to 2024. This variance was driven by reductions in electricity (-4%) and total liquid fuel (-12%).

Energy Saving Initiatives

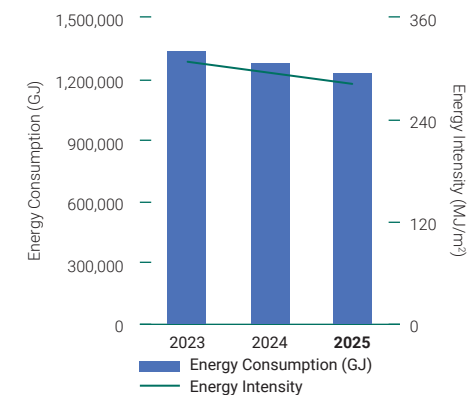
Over the years, we have effectively implemented a series of initiatives to manage our energy consumption, including:

HVAC and infrastructure upgrades: We continued to invest in high-ROI energy-efficient

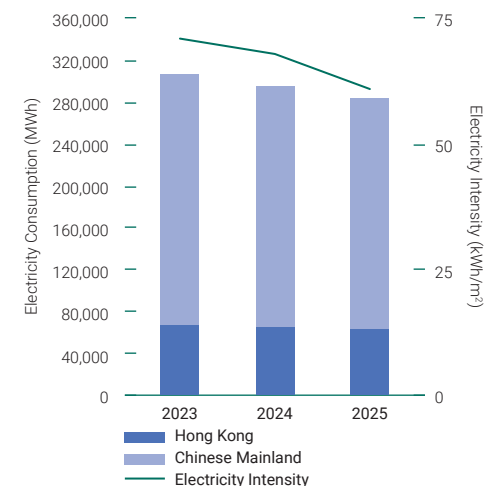
technologies and infrastructure improvements across our properties. Major capital works focused on chiller plant optimization and the installation of intelligent controls. Examples include:

- **Palace 66 (Shenyang):** We completed six cooling towers replacement, delivering estimated annual savings of 250 MWh of electricity.
- **Plaza 66 (Shanghai):** The chiller plant was optimized, projected to save 1,980 MWh annually.
- **Kornhill Plaza, Hollywood Plaza, Fashion Walk, 1 Duddell Street (Hong Kong):** Chiller plant upgrades were carried out, yielding combined annual savings of 2,100 MWh.

Total Energy Consumption and Energy Intensity Trend (2023–2025)



Total Electricity Use and Electricity Intensity Trend (2023–2025)



- **Hollywood Plaza, Amoy Plaza, Kornhill Apartments, and Gala Place (Hong Kong):** We undertook a Building Management System (BMS) upgrade, which is expected to save 1,150 MWh every year.
- **Olympia 66 (Dalian) and Standard Chartered Bank Building (Hong Kong):** AHU/PAU filters were replaced with high-efficiency filtration systems, reducing annual consumption by 85 MWh and 470 MWh, respectively.
- **Standard Chartered Bank Building (Hong Kong):** AI-driven controls (e.g., a Neuron Energy system) were introduced to maximize the efficiency of central plant equipment.

Retro-Commissioning (RCx): RCx remains our most effective tool for identifying low- and no-cost operational improvements.

- **Scope:** Between 2022 and 2024, we completed RCx reviews for 100% of our Mainland properties and 10% of our Hong Kong properties.
- **Impact:** We executed 20 specific retrofit projects derived from these reviews (10 in the Chinese Mainland and 10 in Hong Kong).
- **Realized savings:** These measures have resulted in validated annual savings of approximately 2,340 MWh (1,800 MWh from Mainland properties; 540 MWh from Hong Kong).

- **Electrification of heat:** We are at an early stage in studying the potential to reduce carbon emissions from heating sources (e.g., replacing or reducing reliance on natural gas or municipal steam). Palace 66 (Shenyang) is now self-sufficient in heating via Water Source Heat Pumps (WSHP). Three other Mainland properties utilize GSHP technology, significantly reducing reliance on municipal heating.

Benchmarking: In 2025, we collaborated with a major consultancy to assess our landlord and tenants' energy use intensity across our Chinese Mainland portfolio, and with a leading bank to benchmark the entire energy performance of our Hong Kong core properties against the CRREM (Carbon Risk Real Estate Monitor) pathway and comparable buildings in Hong Kong. These analyses are informing our portfolio-wide energy efficiency plans through 2030.

- **Technology trial – DC Motors:** We piloted replacing AC motors with DC motors in fan coil units at Kornhill Apartments, demonstrating >20% electricity savings.
- **Technology trial – water source heat pump:** We plan to install the heat pump system at Kornhill Apartments for hot water supply in 2026, expected to save 500,000 kWh annually.

Stakeholder Engagement

- **Internal capacity building:** A company-wide e-learning module on the importance of energy efficiency is available to all employees, highlighting best practices and fostering a culture of energy-conscious behavior. For operational teams, we conduct technical energy performance management training covering consumption-reduction opportunities for our facility management staff. In December 2025, a training on ESG considerations in property management, including energy efficiency elements, was also delivered to the operational staff.
- **Tenant collaboration:** Through our Changemakers Program, we share consumption data and benchmarking insights with tenants to drive Scope 3 reductions.

Energy monitoring and management: We utilize advanced energy monitoring systems to track consumption patterns in real time. By analyzing data from these systems, we can identify areas of high energy usage and implement targeted optimization strategies. Internally, we have established property-based energy KPIs and review their progress on a monthly basis. We sometimes conduct comprehensive reviews (e.g., energy audits, retro-commissioning study) for our buildings to identify opportunities to improve energy performance.

Energy-Efficient Design Projects

For new developments, we incorporate energy efficiency principles into the design process.

Spotlight: Westlake 66 (Hangzhou)

In Westlake 66, due to open in early 2026, energy efficiency measures integrated into the planning and design stages include:

- **Ground-source heat pump (GSHP):** A district-scale ground energy system for hotel and water heating, expected to be 30% more energy efficient annually compared to traditional heating systems annually.
- **Advanced hydraulics:** Installation of chilled water dynamic balancing control valves.
- **Variable Speed Drives (VSD):** High-efficiency motors for all fans and pumps.
- **Free cooling:** Systems designed to utilize ambient air for cooling during transition seasons, reducing chiller load.



Water and Circularity

Water scarcity represents one of the most significant resource challenges facing global communities. Climate change is intensifying drought conditions and exacerbating water stress across many regions, threatening both ecological systems and human livelihoods. We recognize water as a shared natural resource essential to life, livelihoods and the resilience of our communities. We regularly assess our portfolio's vulnerability to water stress through the World Resources Institute's Aqueduct Water Risk Atlas and the World Wildlife Fund's Water Risk Filter to monitor exposure to potential shortages and inform our strategic response.

The low price of water, while essential for accessibility, poses challenges in driving conservation behavior among building occupants. Mindful of this dynamic, we pursue practical, scalable solutions to reduce freshwater consumption across our operations where feasible. Water serves multiple critical functions throughout our portfolio, including energy and fire services systems, landscaping, and hygiene facilities for workers, tenants, and customers. Tenant water use within individual premises is addressed separately in our [Tenants](#) section.

Our Approach

Our water management approach is embedded in our Sustainability Policy framework and has been guided by our 2023–2025 Resource Management Plan. We are committed to developing and maintaining comprehensive programs across the following areas:

Water management: Promoting water efficiency through rainwater harvesting, greywater recycling, high-efficiency fixtures, and more sustainable landscaping practices.

Water Risk Assessment: Analyzing consumption patterns and practices within our portfolio, and considering current status and future trends related to water stress across our operating locations.

Circularity: Exploring opportunities for water circularity in selected properties through innovative recycling systems.

2025 and 2030 Targets

2025 target status: We established a goal to reduce water intensity by 10% by the end of 2025 (vs. 2018 baseline). As detailed below, we have successfully exceeded this target ahead of schedule.

2030 target: Moving forward, we have set a new trajectory to achieve an 8% reduction in freshwater intensity from a 2023 baseline. This refined target emphasizes the preservation of potable water resources through increased reliance on recycled and non-potable alternatives.

External Recognition

Quality Water Supply Scheme for Buildings

Nine properties in Hong Kong have been validated under the Water Supplies Department (WSD) Quality Water Supply Scheme for Buildings – Fresh Water (Management System), and three properties have been awarded under the Flushing Water scheme. Established in 2015, this voluntary scheme ensures the provision of high-quality potable water by identifying contamination risks in internal plumbing and recommending control measures. There are three levels of recognition certificates, validated every two years. Details of the certificates awarded to Hang Lung's properties can be found in [Appendix 2](#). Additionally, we periodically monitor water quality at our properties in compliance with local regulations.

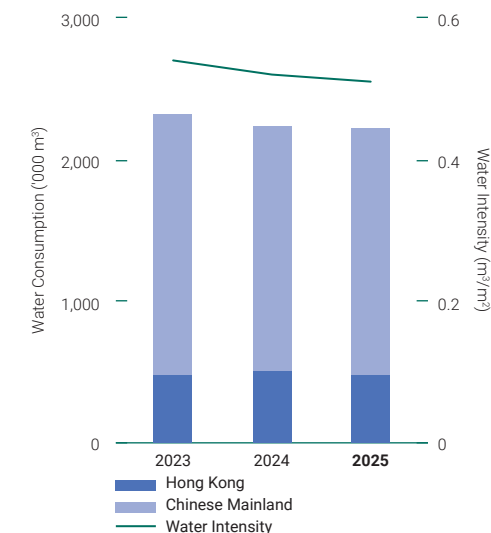
Water Use Data Review

In 2025, our portfolio reduced overall water consumption despite fluctuations in occupancy.

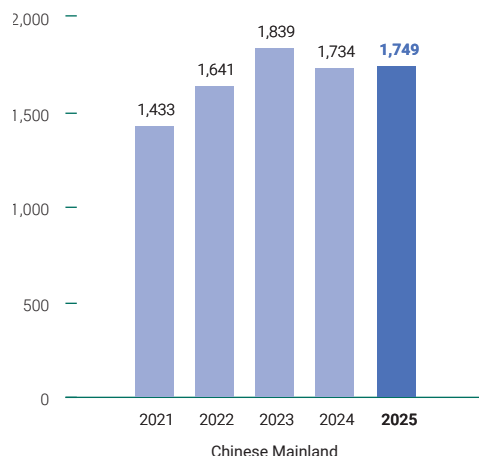
Total consumption: The Group's total water consumption was 2.24 million m³, representing a 0.6% decrease year-on-year compared to 2024.

Intensity performance: Our water intensity was 0.51 m³/m². This represents a 14% reduction against our 2018 baseline, surpassing our 2025 reduction target of 10%.

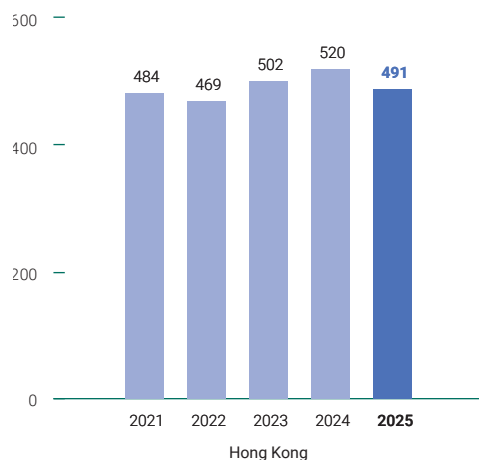
Total Water Consumption and Intensity Trend



Water Consumption – Mainland Properties (2021-2025, in '000 m³)



Water Consumption – Hong Kong Properties (2021-2025, in '000 m³)



Regional Performance:

Mainland Portfolio: Water consumption increased slightly by 0.9% to 1.75 million m³.

Hong Kong Portfolio: Consumption decreased by 6% to 0.49 million m³, primarily due to the restoration of the flushing water system at Kornhill Apartments, which replaced temporary potable water flushing in 2024.

Water Saving Initiatives

We incorporate water-saving fixtures and treatment facilities into our building design, including occupant sensors for public toilets, grease traps to treat kitchen wastewater, and on-site greywater treatment systems (e.g., at Spring City 66 and Parc 66). In recent years, we have been working on three areas: on-site water recycling, operational efficiency, and upstream “embodied water” analysis.

Water Recycling

To decouple our operations from municipal freshwater supplies and to deploy water-recycling infrastructure where feasible, we prioritize systems that yield the highest volume of recovery: air-conditioning condensate recovery and fire-service water recycling.

Implementation: As of 2025, six Mainland properties (Grand Gateway 66, Parc 66, Center 66, Olympia 66, Spring City 66, and Heartland 66) use advanced water recycling systems.

Impact: In 2025, these systems reclaimed 83,753 m³ of water, offsetting equivalent demand from municipal sources. Besides air-conditioning condensate recovery and fire-service water recycling, these systems also include rainwater recycling, greywater recycling, and cooling water recycling.

Hong Kong feasibility: While 85% of Hong Kong uses seawater for flushing, we have identified properties that use potable water for flushing as high-impact targets. We have completed a feasibility study for condensate recycling at these sites and will proceed with implementation in cases where the lifecycle cost analysis supports the investment.

Operational Efficiency

We continued retrofitting assets with high-efficiency hardware and engaging with local governments to align incentives with commercial realities.

Fixture retrofits: We have installed high-efficiency water restrictors on water faucets, reducing water consumption without compromising water pressure. In Hong Kong, installing high-efficiency water restrictors at two properties resulted in annualized savings of approximately 672 m³, optimizing flow while preserving the user experience. In the Chinese Mainland, we upgraded the water restrictors at three of our properties. Until then, almost all Mainland properties had been using high-

efficiency restrictors (water flow at 3 L/min or less).

Incentive advocacy: Across our operating locations, we identified three cities with government incentive programs offering monetary rewards for water-saving performance in commercial buildings. After evaluating threshold requirements and our properties’ performance, we have decided to pursue one incentive program. While manufacturing sectors often benefit from robust subsidies, commercial real estate faces higher eligibility thresholds. We have actively engaged with policymakers to advocate for incentive categories tailored to the commercial sector, arguing that the high baseline efficiency of Grade-A office buildings warrants performance benchmarks distinct from those for industrial facilities.

Upstream Value Chain: Embodied Water Study

Recognizing that our water impact extends beyond our operational boundaries, we initiated a pioneering study to analyze the embodied water of key construction materials used at Westlake 66 and the Plaza 66 Pavilion Extension.

Recap of key findings from previous study:

Approximately 52% of a typical commercial building’s lifecycle water withdrawal of a typical commercial building occurs in the upstream supply chain (extraction and manufacturing),

compared to 28% in operations and 20% downstream. Steel, concrete, and cement were identified as the most water-intensive inputs, highlighting these materials as potential opportunities for water efficiency.

Methodology: Following EN 15804 standards, we assessed the cradle-to-gate water footprint of concrete, brick, steel rebar, aluminum, gypsum board, and light steel keel.

Data gaps: The study revealed significant gaps in the granularity of supplier data. While manufacturer awareness of environmental footprints is improving, the supply of low-water-footprint products is limited and is likely to remain so in the absence of explicit customer demand or incentives.

Broader implications: These findings lay the foundation for aligning our Scope 3 water accounting with the Science Based Targets Network (SBTN) frameworks. In the years ahead, we will build on this pilot to incorporate these specifications into our procurement processes.

Waste and Circularity

Effective waste management and the transition to a circular economy are increasingly material priorities for commercial real estate owners and operators. Rising public awareness, evolving regulatory requirements in Hong Kong and the Chinese Mainland, and growing stakeholder expectations from ESG investors and rating agencies demand robust, measurable progress in this domain. The Hong Kong Government's "Waste Blueprint for Hong Kong 2035" targets a 40–45% reduction in per capita municipal solid waste disposal, while the Chinese Mainland's national waste classification and treatment regulations mandate increasingly stringent source separation and diversion protocols across urban centers. We aim to separate business growth from resource consumption by embedding circular economy principles across our design, procurement, construction, and operations.

Our Approach

Our waste management strategy is governed by our Sustainability Policy, prioritizing the waste hierarchy: Avoid, Reduce, Reuse, Recycle, and Recover. Our Sustainable Procurement Policy is a cornerstone of our strategy to drive the built environment toward a circular economy. By encouraging the use of recycled, reused, and bio-based materials, we minimize waste, lower embodied carbon, and create

a more sustainable construction ecosystem. This policy supports more responsible material sourcing and resource efficiency in the industry.

Our 2023–25 Resource Management Plan addressed waste generation across three primary streams: operational waste from our managed properties, construction and demolition waste from development projects, and tenant-generated waste within our portfolio.

2025 and 2030 Targets

2025 target status: Our initial focus was on establishing robust data collection and improving operational diversion. We established a goal of achieving a 70% diversion rate by the end of 2025. As detailed below, we have successfully exceeded this target ahead of schedule.

2030 targets:

- **Operational Waste:** 35% recycling of municipal solid waste generated from operating properties.
- **Construction Waste:** 90% recycling of construction waste generated from construction sites.

These targets reflect an imperative to minimize reliance on landfill and reduce Scope 3 emissions associated with waste disposal and material extraction.

External Recognition

Nineteen of our Hong Kong properties have received the WastewiSe Certificate from the Hong Kong Green Organization, recognizing demonstrated commitment to waste reduction and recycling. Additionally, one of our Hong Kong property management companies became a signatory to the Environmental Protection Department's [Carbon Neutrality Waste Reduction Charter](#) in 2025.

Promoting Circularity at Our Hong Kong Headquarters

Our Hong Kong headquarters rejuvenation project served as a "living lab" for circular renovation. By focusing on reuse and modularity, the project limited demolition waste and embodied carbon. For example, the reception counters at the two offices are sculpted from reclaimed wood, and the washroom tiles are made from ceramic parts discarded by Jingdezhen kilns.

Industry Recognition:

- **World Green Building Council (WGBC):** Featured as a case study in the "Business Goes Better When You're Bold on Buildings" thought leadership series (Sept 2025).
- **Hong Kong Green Building Council (HKGBC):** Awarded the Grand Award (Existing Building – Interior Category).



- Industry Standard: Showcased in the 2025 Hong Kong Circular Built Environment Guidebook, defining best practices for office retrofits.

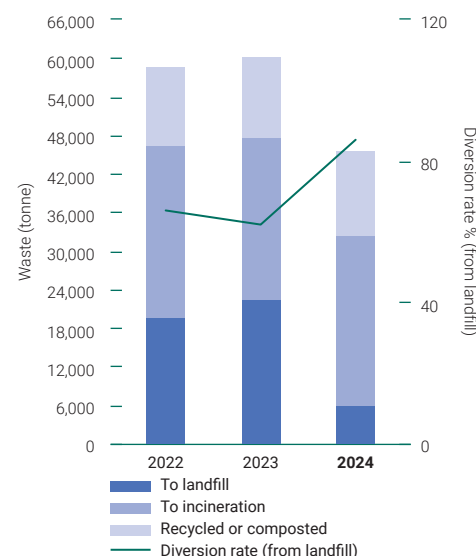
Operational Waste Data Review

In 2025, our key operational waste data metrics were as follows:

Total generation: We recorded 45,747 tonnes of municipal waste across our portfolio in 2025.

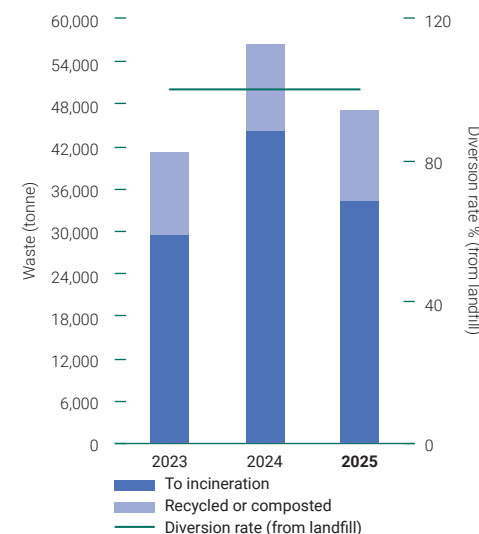
Diversion performance: We achieved a diversion rate of 86% (combining recycling and incineration with energy recovery). This represents a stabilization of performance despite increases in occupancy rates and portfolio expansion over the years.

Operational Waste Disposal and Diversion Trend (2023-2025)

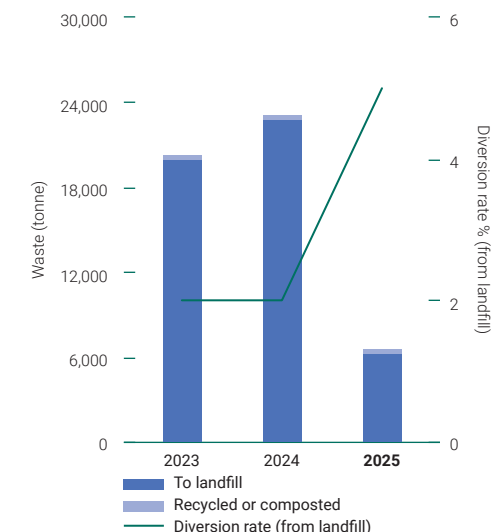


The breakdown reveals significant regional variation. In the Chinese Mainland, mandatory waste classification regulations and established waste-to-energy infrastructure enable higher diversion rates. Conversely, Hong Kong's reliance on landfill disposal and limited waste-to-energy capacity limits our diversion potential despite our operational interventions.

Regional Waste Generation and Diversion Rate Trend – Chinese Mainland (2023-2025)



Regional Waste Generation and Diversion Rate Trend – Hong Kong (2023-2025)



Data integrity: We launched a digital waste weighing pilot at the Standard Chartered Bank Building in Hong Kong. By replacing manual bin counts with Bluetooth-enabled digital scales, we now capture precise weight data (kg) directly to our data platform. We plan to scale this technology across key assets to ensure audit-grade data quality. In the meantime, we conducted a comprehensive solid waste survey across 19 Hong Kong properties to determine actual daily waste generation on weekdays and weekends, aiming to enhance current data and more accurately project the potential recycling and waste diversion rates for future years.

Operational Waste Initiatives

Our operational strategy focuses on tenant behavior change and the deployment of smart infrastructure.

Tenant Partnership: “Resource Wise”

Recognizing that tenant activities drive most operational waste, we collaborated with Greeners Action, a Hong Kong-based NGO, to develop a new initiative named “Resource Wise Hong Kong.” This credit-based benchmarking scheme evaluates occupants’ operational waste management in terms of their vision, circular practices, and waste auditing.

In the pilot stage of this program, we engaged Decathlon, a key tenant partner, as the inaugural participant. This collaboration tests the framework’s efficacy and readiness before Greeners Action rolls it out to the broader community.

Addressing the Food Waste Challenge

Food waste remains the most significant component of our municipal waste stream.

Tenant solutions: In collaboration with the Environmental Protection Department (EPD), we launched a free food waste recycling service at Aqua Marine in Hong Kong in May 2025.

Upstream support: We partnered with a local NGO to provide consultancy services to F&B tenants, offering tailored guidance on kitchen-level separation to maximize diversion rates.



Packaged food and festive item recovery:

Through our partnership with Food Angel, we diverted over 1.9 tonnes of packaged food and 478 packs of mooncakes from waste streams. A joint initiative with Maxim’s collected more than 33 kg of used mooncake boxes, while our partnership with Greeners Action recovered approximately 1.7 tonnes of red packets.

Construction Waste Management

Construction and Demolition (C&D) waste represents a significant portion of our Scope 3 emissions profile.

Waste Management Protocols

Project-specific waste management plans:

Every development project incorporates a tailored waste management plan as an integral component of the overall construction program. These plans establish waste reduction and recycling targets, enabling compliance with corporate sustainability targets and green building certification requirements under the LEED and BEAM Plus frameworks.

On-site waste separation: In strict compliance with local market regulations, all our development projects implement construction and demolition waste separation and on-site sorting practices. Each site is equipped with dedicated sorting areas for specific waste types, including timber, metal, gypsum board, and general construction waste.

Verification and audit: In 2024, we completed a comprehensive review of 100% of the construction waste data and recycling records for our development projects. An independent waste management consultant conducted site visits and interviews with main contractors at the Westlake 66 development project in Hangzhou, enabling data verification, refining on-site recycling practices, and deepening understanding of downstream recycling rates.

Contractor education: Through structured training programs, our workforce and contractors on all development projects receive training in waste management techniques. We encourage contractors to recover and recycle building materials from on-site waste management to foster a culture of resource conservation.

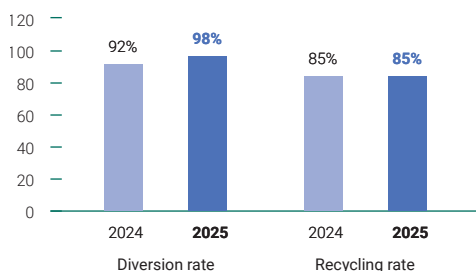
Continual monitoring: Construction waste data from all active construction sites is collected quarterly and reported at an internal management meeting to support monitoring and continual improvement.

Construction Waste Data Review

In compliance with our Sustainability Policy, all development projects implement tailored Waste Management Plans.

2025 Performance: We achieved a 98% diversion rate across our active construction sites, with an 85% recycling rate. This performance currently exceeds our 2030 target of 90%, demonstrating the efficacy of our on-site sorting protocols for timber, metal, and gypsum.

Recycling Rate of Construction Waste (2024–2025)



Construction Waste and Circularity Initiatives

Circular design toolkit: We partnered with Arup to develop a Circular Buildings Toolkit. This feasibility study evaluated over 100 initiatives identified include “Design for Disassembly” and “Refuse Unnecessary Construction,” providing a menu of potential practices for our future developments.

Westlake 66 (Hangzhou)

We implemented various circularity-related practices at Westlake 66, such as:

- **Refuse unnecessary construction:** The historical buildings at 5 Yesutang Lane and the ancient well of Yesutang were preserved, and the historical building, 1 Jingqingli, was restored. Original building materials at 5 Yesutang Lane have been retained wherever possible to avoid unnecessary material usage and preserve the site’s heritage.

- **Recycled concrete:** In collaboration with CLEANCO2, we converted 100 tonnes of construction waste concrete into low carbon Recycled Concrete Aggregate (RCA) via carbon dioxide mineralization. Used in landscaping bricks, this pilot project reduced embodied carbon by over 87.5% compared to traditional shale bricks.
- **Gypsum closed-loop:** We partnered with Saint-Gobain to trial a closed-loop recycling program that returns gypsum scraps from construction back into the manufacturing cycle.

Biodiversity and Nature

With growing concerns about resource depletion, environmental degradation, and biodiversity loss arising from global economic activities, we are working on actions we can take in the real estate sector. By integrating biodiversity considerations into our capital allocation, design, and operational lifecycles, we aim to enhance urban resilience and meet the expectations of the Taskforce on Nature-related Financial Disclosures (TNFD).

Our Approach

We aim to avoid negative impacts on nature, minimize harm where these impacts cannot be avoided, and do our part to help restore and regenerate nature where harm has already occurred. We acknowledge that the built environment has historically contributed to habitat fragmentation. Our updated Sustainability Policy seeks to reverse this trend by leveraging our properties as nodes for urban ecological connectivity.

Policy and governance: We have enhanced our Sustainability Policy to commit to “Nature Positive” outcomes. This commitment is operationalized through rigorous site assessments, consideration of nature-related impacts and dependencies as they relate to climate risks within our Enterprise Risk Management (ERM) framework, and the prioritization of nature-based solutions (NbS) in our climate adaptation strategy.

Progress to Date and 2030 Target

To the end of 2025, we focused on understanding our ecological footprint, piloting measurement methodologies, and building internal competencies.

2025 Progress: We completed biodiversity baseline surveys for key assets and formally adopted the TNFD framework, conducting our first comprehensive nature-related risk analysis in 2024 (see [Appendix 9](#)).

2030 Target: Building on this foundation, we have established a quantitative performance target for the next strategic cycle: Achieve a 10% Biodiversity Net Gain (BNG) on all new development projects and major renovations involving landscape renovation. This target aligns with global best practices, such as the UK’s Environment Act requirements, ensuring our developments leave the natural environment in a measurably better state than before.

Development Project Initiatives

In order to deliver on our 2030 BNG target, we are deploying advanced technology to measure ecological value and connectivity with scientific support.

Retrospective Analysis: Spring City 66 (Kunming)

To inform our understanding of how to improve biodiversity in our properties, we applied satellite-based remote habitat assessments retrospectively to Spring City 66, comparing the 2012 pre-development baseline (pastureland) with the 2024 operational status.

Key learning: The analysis revealed that, despite extensive landscaping, the total biodiversity value declined because the total vegetated area was reduced relative to the original pastureland.

Plaza 66 Pavilion Extension (Shanghai)

The Pavilion Extension serves as our pilot project for the Biodiversity Net Gain methodology.

Methodology: We collaborated with a UK-based technology partner using satellite-based remote habitat assessments. This technology allowed us to map ecological connectivity and establish a precise biodiversity baseline before the commencement of renovation works.

Strategy: The project design focuses on retaining established trees through meticulous individual evaluation. Trees requiring relocation are temporarily housed in near-site nurseries for repatriation. The landscape design is engineered to increase total biomass and species diversity, with the goal that the post-construction biodiversity value exceeds the pre-renovation baseline. We will conduct a post-completion measurement in 2026 to validate the BNG achievement.

Operating Property Initiatives

For our standing portfolio, our focus is on ecological restoration and the mitigation of wildlife-building conflicts.

Baseline ecological study: Peak Galleria (Hong Kong)

In 2024, we concluded an 18-month comprehensive ecological study at Peak Galleria and its 300-meter radius, conducted in partnership with OWLHK.

Findings: The survey identified rich biodiversity, including 408 plant species (78% native) and significant fauna activity (55 bird species and 65 butterfly species). Notably, the site supports species of conservation concern, including the *Rhododendron simsii* and three bird species classified as near-threatened or critically endangered.

Action: responding to these findings, we converted the roof-level garden into a native species habitat. In 2024, we replaced non-native decorative plants with six targeted native shrub and tree species (e.g., *Enkianthus quinqueflorus* and *Rhododendron azalea*) specifically selected to provide food and shelter for local pollinators. Ongoing monitoring will track the ecological response to these interventions.



Spring City 66: Proximity to Biodiversity Hotspots

We launched a specialized biodiversity baseline survey for Spring City 66 in Kunming in 2025, recognizing its location within 5 km of Dianchi Lake, a critical plateau freshwater lake and biodiversity hotspot. The survey's scope extends to the adjacent Pan Long and Ming Tong Rivers to map the property's interactions with the broader watershed ecosystem. Results expected in 2026 will inform a targeted riverine restoration strategy.

Mitigating Bird Collisions

We are proactively addressing the risk of bird collisions, an often-overlooked impact of glassy modern architecture.

Data-driven mitigation: 2025 marks the third year of our portfolio-wide bird collision surveys across the Mainland. By leveraging our frontline hygiene teams, we have documented a total of 54 incidents to date, involving species from 7 orders and 18 families, with 29 species identified.

Intervention at Olympia 66 (Dalian): Following the identification of a collision hotspot on the northern rooftop (five incidents in 2023), we installed a Dalian-themed decal as a visual deterrent in 2024. This intervention reduced recorded collisions to almost zero in the subsequent period. The decal was retained for the 2025 marketing campaign, extending its lifecycle while protecting wildlife.

Our efforts in bird collision avoidance and biodiversity protection have been selected as a [2025 Corporate ESG Case by the Ministry of Ecology and Environment's Center for Environmental Education and Communications](#).



» Look Ahead

We will continue to work on water and energy efficiency initiatives, and to increase recycling rates.

We are preparing a white paper on circularity in interiors. The paper will aim to help bring clarity around commonly discussed concepts, discuss challenges and opportunities, and highlight best practices and notable case studies.

We will also work to improve our assessment methodologies and understanding of practical actions to support nature and biodiversity in the built environment. A key milestone will be the completion of our first before-and-after BNG assessment for the Plaza 66 Pavilion Extension project.



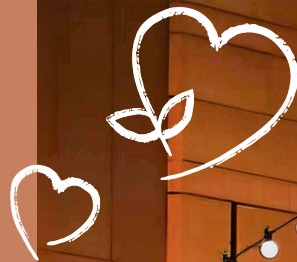
Wellbeing

Foster safe, inclusive and healthy spaces that enhance quality of life for all stakeholders

Relevant GRI Disclosure

401 (2016), 403 (2018), 404 (2016), 405 (2016),

406 (2016), 413 (2016)



Wellbeing



Our vision is to create sustainable, compelling urban spaces that not only facilitate commerce but also actively enrich lives and support broader societal progress. Our approach to wellbeing is ambitious and expansive, and includes many considerations related to the physical, mental, and social vitality of our stakeholders. This holistic focus is essential in a shifting landscape where workforce expectations are changing, technologies are rapidly accelerating, and climate stressors, such as extreme heat, are creating new occupational health realities for outdoor workers. We recognize wellbeing as a material strategic driver that directly influences talent retention, community resilience, and the customer experience.

For our workforce: We view wellbeing as the foundation of an engaged, innovative, and agile culture. This means prioritizing professional growth and inclusive work–life integration to foster a supportive workplace.

For our communities: We aim to foster social cohesion and vibrancy through targeted community investments in cultural connections, holistic wellbeing, and youth development, with an emphasis on measurable social outcomes.

For our customers: We aim to deliver healthy buildings that leverage better indoor environmental quality (IEQ) to enhance visitors' experiences.

2025 Performance Highlights



Increased the Employee Engagement Survey percentile rank in the Gallup Overall Database from 79th to 81st



Delivered 124,587 hours of training, of which over 790 hours involved sustainability topics



The Hang Lung As One volunteer team contributed more than 73,000 volunteering hours, benefiting over 24,000 people in Hong Kong and Chinese Mainland

Learning and Evolution

Our progress over the last several years in wellbeing includes the following:

- **Employee engagement capacity:** We have enhanced our capacity to foster employee wellbeing, including through implementation of regular engagement surveys, learning platforms, and feedback channels, alongside a strengthened organizational capacity to respond to these assessments with actionable policy changes.
- **Measuring social impact:** We have matured our understanding of how to generate and quantify social value and social impact. We will adopt impact assessment frameworks to understand the long-term benefits of our community programs.
- **Technical drivers of health:** We have developed a more comprehensive, data-driven understanding of the factors influencing health, safety and indoor environmental quality.

The conclusion of our 25x25 Sustainability Targets marks an important milestone. Our performance demonstrates robust delivery against our foundational commitments to safety, engagement, and certification.

2025 and 2030 Sustainability Targets

2025 Targets	2030 Targets
• Achieve an employee engagement rating greater than or equal to the 75th percentile.	• Health and safety: Maintain zero work-related fatalities, serious injuries, and occupational diseases for employees and contractors. Maintain a Lost Time Injury Rate of 1.5 or below for employees and contractors.
• Maintain Female-to-Male pay ratio of 1:1.	• Indoor air quality: Maintain, more than 90% of the time, PM2.5, TVOC and CO₂ levels below levels defined in the RESET Air standard.
• Conduct an audit of all our properties and corporate practices on how to enhance wellbeing and opportunities for persons with disabilities.	• Employee engagement: Maintain an employee engagement survey rating greater than or equal to the 75th percentile.
• Obtain local or international health and wellness certification for all our existing Mainland properties.	• Diversity: At least 5% of our workforce across the portfolio is comprised of people from diverse backgrounds.*
• Obtain WELL Gold certificate or equivalent for at least one new property in Hong Kong and Chinese Mainland.	• Diversity: Maintain Female-to-Male pay ratio of 1:1; maintain gender balance in management positions.
• Deliver priority ESG training targeted to all departments and seniority levels.	• Social impact: Create at least HK\$40 million in social value through our community investments.
• Maintain a Lost Time Injury Rate of 1.5 or below for employees.	
• Maintain zero work-related fatalities for employees and contractors.	
• Work with youth on wellbeing community initiatives at all properties by 2025.	

* Our definition of diverse background includes people with disabilities and ethnic minorities.

Employee Wellbeing

Our Approach

Our people are integral partners in our value creation and business continuity. We are committed to cultivating a culture of high performance, diversity, and holistic wellbeing. By investing in leadership capability, digital upskilling, and employee wellness, we aim to unlock the potential of our employees and ensure we remain resilient in a rapidly evolving real estate market.

2030 Targets

Employee engagement: Maintain an employee engagement survey rating greater than or equal to the 75th percentile.

Diversity: At least 5% of our workforce across the portfolio is comprised of people from diverse backgrounds.¹

Diversity: Maintain Female-to-Male pay ratio of 1:1; maintain gender balance in management positions.

External Recognition

Our efforts to establish a world-class workplace culture were recognized by numerous significant industry accolades in 2025:

Global benchmark: We became the first real estate company in Hong Kong to receive the Gallup Exceptional Workplace Award, placing our culture among the world's top-performing organizations.

Regional leadership: We were selected as one of the Best Companies to Work for in Asia 2025 and received the Sustainable Workplace Award by HR Asia both in Hong Kong & Mainland.

We received certificates of appreciation for our internship initiatives, building on our partnerships with the Hong Kong SAR Government and the United Front Work Departments of Shanghai and Jing'an District. We are also proud that Derek Pang, Senior Director – Mainland Business Operations, was honored as an Innovation and Entrepreneurship Mentor for the Shanghai Overseas Friendship Association's 2025 Internship Program for Hong Kong, Macao, Taiwan, and Overseas Chinese Youth.



Certificates of appreciation for 2025 internship initiatives

Service excellence: Our frontline teams at Amoy Plaza, Fashion Walk, and Peak Galleria received the Outstanding Flagship Service Brand Award at the 2025 Service Talent Awards by Hong Kong Retail Management Association.

Culture: We received the Employer of the Year Award and the Workplace Culture Award at the Hong Kong HR Awards 2024/25 by JobsDB, highlighting our success in building a high-performing culture anchored in openness, employee wellbeing, and sustainability.

Inclusion: Hang Lung was presented with the Caring Employer Award Medal (Level 2) – Disability-Inclusive Employer by the HKSAR Labour and Welfare Bureau.

This commendation assesses various aspects of our business, such as our policies, employment operations, workplace culture, business development, and community



Level 2: Disability Inclusive Employer in the Inclusive Workplace Recognition Scheme

participation, and acknowledges our dedication to integrating people with disabilities and advancing inclusive practices.

¹ Our definition of diverse background includes people with disabilities and ethnic minorities.

Talent Attraction and Retention

We adopt an agile and comprehensive approach to workforce planning and talent development, designed to anticipate the shifting skills required for sustainable property development and management.

- **Internal first philosophy:** We prioritize internal mobility (including promotions and transfers), and invest heavily in developing our talent through structured talent reviews, leadership development programs, and job rotations to build a pipeline of future leaders.
- **Strategic hires:** We complement internal development with targeted external hires to inject new competencies (e.g., digital, sustainability, asset management) into the organization.
- **Forward-looking governance:** To ensure alignment with long-term business objectives, we conduct an annual manpower review with a rolling three-year planning horizon, allowing us to proactively address talent gaps before they impact operations.

Talent Acquisition Initiatives

In 2025, we further strengthened our recruitment endeavors to attract high-potential talent across Hong Kong and the Mainland.

- **Staff referral program:** This program remains a strong and effective channel for sourcing culturally aligned talent. 32% of new hires in 2025 were recruited through employee referrals (vs. 29% in 2024), demonstrating strong employee participation.
- **Campus and early career programs:** We partner with leading universities to engage the next generation of professionals and future leaders through career fairs, management trainee and internship opportunities.
- **Finance Executive Program (Launched Sept 2024):** As an addition to our talent ecosystem, this program targets mid-career top talent in the financial sector. It provides accelerated exposure to our financial operations across Hong Kong and the Chinese Mainland, grooming participants into finance generalists to support sustainable growth and strengthen our high-performing team.

Retention and Total Rewards

Our retention and reward strategy is anchored in a pay-for-performance philosophy that ensures fair, competitive, and merit-based compensation.

- **Market benchmarking:** We regularly evaluate our compensation packages against peer indices to ensure market competitiveness.
- **Pay for performance:** We reward employees through the principle of meritocracy and are committed to our pay-for-performance philosophy to ensure our staff receive fair and competitive total rewards.
- **Key talent management:** We identify high-potential employees through an annual talent review process. In 2025, 42.5% of these identified key talents were promoted, and we achieved a 94.5% retention rate for this critical cohort.
- **Voluntary turnover:** Our voluntary turnover rate in 2025 was 9.3%, well below our internal target of staying under 20%.

Diversity and Inclusion (D&I)

We view diversity not merely as a compliance metric, but as a strategic asset that enhances our understanding of and our ability to connect with the communities we serve. Our goal is to cultivate a workplace where every employee—regardless of gender, age, ethnicity, or ability—is treated with fairness and empowered to thrive. This commitment is embedded in our updated 2025 Sustainability Policy, which explicitly incorporates our Diversity Policy and Equal Employment Opportunities Policy (outlined in the Code of Conduct, part 13.1) to ensure zero tolerance for discrimination.

Evolution in Our Approach

As our D&I initiatives progress, we are shifting our focus from raising D&I awareness to driving measurable representation across our workforce.

- **2030 target:** Ensure that at least 5% of our workforce across the portfolio comprises individuals from diverse backgrounds (defined as individuals with disabilities and ethnic minorities).
- **Current status:** As of 2025, our diverse representation stands at 3.77 % (approximately 150 employees). We are working to increase this number through targeted recruitment partnerships and inclusive infrastructure upgrades.

Gender Equality and Leadership

We are committed to ensuring balanced representation among our executives.

Executive representation: We continue to see progress in gender diversity within our leadership. Between 2024 and 2025, the proportion of our female executives increased from 41.2% to 43.1%.

Pay equity: We uphold the principle of equal pay for equal work. In 2025, we achieved a female-to-male pay ratio of 1:0.94, our almost reaching our target of 1:1. There were no reported incidents of discrimination or harassment.

Inclusive Recruitment Ecosystem

To achieve our 2030 targets, we have built a robust ecosystem of partnerships to attract talent from underrepresented groups.

1. Disability inclusion

- **Strategic partnerships:** We collaborate with CareER (Hong Kong) and the Disabled Persons' Federation (Chinese Mainland) (殘疾人聯合會系統) to identify candidates with disabilities. In 2025, these partnerships facilitated the hiring of one full-time staff member and five interns across both regions.
- **External recognition:** For the third consecutive year, we were awarded the "Employer Badge of Disability Inclusive Employer" by CareER.

- **Barrier-free workplace:** Following the 2025 CareER Disability Inclusion Index (DII), we drew on audit findings to enhance the physical accessibility of our Hong Kong office rejuvenation project. We are upgrading our Human Resources Information System (HRIS) to allow candidates to voluntarily specify accommodation needs during the application process.

2. Ethnic and cultural diversity

- **Charter commitment:** We renewed our endorsement of the Racial Diversity and Inclusion Charter for Employers under the Hong Kong Equal Opportunities Commission (EOC).
- **Targeted programs:** In 2025, we collaborated with The Zubin Foundation to recruit interns from minority ethnic backgrounds and partnered with Baptist Oi Kwan Social Service to conduct job mapping for diverse candidates.



Hang Lung Internship Program

3. Age diversity

We value the institutional wisdom of experienced employees. As of December 31, 2025, we employed 101 staff members aged 60 or above, ensuring intergenerational mentorship and knowledge transfer. We also partnered with social enterprises like Gingko House to create employment opportunities for people with hearing impairments and the elderly.

Percentage of executive staff by gender in 2025

By gender	Percentage
Female	43.1%
Male	56.9%

Percentage of staff by age group in 2025

By age group	Percentage
Under 30	8.5%
30 – 50	72.7%
Over 50	18.8%



Hang Lung Management Trainee Program

Cultivating an Inclusive Culture

Building an inclusive culture requires active education and engagement. In 2025, we launched several initiatives to challenge unconscious bias:

Diversity and Inclusion Week: Held in November 2025 across Hong Kong and nine Mainland cities, this event engaged about 300 employees in workshops and 225 volunteers in community outreach. The initiative achieved an employee Net Promoter Score (NPS) of 91%.



Diversity and Inclusion Week

Education and training: We produced our first internal micro-movie on unconscious bias to educate staff on inclusive behaviors.

Motivating and Rewarding Performance

To attract and retain a high-performing workforce, we employ a holistic approach. Our total reward strategy transcends traditional compensation to encompass elements like salary, bonuses, benefits, recognition programs, career development, and work-life balance initiatives. We strictly adhere to local minimum wage laws (including overtime wages) and set wages based on market benchmarks, ensuring they are comparable to the local living wage. Our pay-for-performance philosophy ensures that rewards are directly calibrated to both objective outcomes (what is achieved) and behavioral alignment with our corporate values (how it is achieved).

Core benefits:

We offer a competitive suite of non-salary benefits designed to support the physical, mental, and financial wellbeing of our permanent full-time and part-time employees. We have transparent and standardized working hours with clear overtime procedures in place to ensure proper wellbeing of employees.

- **Health and protection:** We provide comprehensive medical and dental insurance (including coverage for dependents), life and personal accident insurance, free vaccinations, and annual health checkups.

- **Flexibility and family:** We offer flexible work hours, remote and part-time work options, and generous leave entitlements including parental leave and Founder's Day for Wellbeing—a dedicated paid leave day for personal celebration or family care. We also grant paid annual leave entitlements with clear carry-forward rules to support rest and recovery. Through our Chan Tseng-Hsi Foundation, we provide financial assistance to the children of low-income employees to pursue university education. So far, we have supported more than 70 young people in their academic endeavors.
- **Lifestyle and development:** Our employees may benefit from training subsidies, Employee Assistance Programs (EAP), and access to wellness facilities (e.g., work bikes and holiday bungalows).
- **Equity participation:** Periodic grants of share options are awarded to eligible executives to recognize their loyalty, performance, and contributions, giving them a personal stake in the Group's success.

Non-salary benefits and programs in place:

Medical insurance (covering dependents)

Life and Personal Accident insurance

Health Check/Flexi Allowance Program

Parental leave

Founder's Day for Wellbeing

Family-friendly leave and gifts (e.g., marriage gifts)

Flexible work hours

Flexible work locations

Training subsidies

Wellness and cultural initiatives and facilities (e.g. work bikes, holiday bungalows)

Employee Assistance Program

Performance Management Architecture

We utilize a performance management cycle that integrates Management by Objectives (MBO) with multi-dimensional feedback. This process includes semi-annual appraisals and ongoing “agile conversations” to ensure employees remain in sync with strategic pivots throughout the year.

The Common Goals Framework:

To support organizational alignment, our appraisal process mandates Common Goals, applicable to every department and employee. For example:

1. **Integrity:** A mandatory behavioral competency requiring adherence to our Code of Conduct and completion of integrity training.
2. **ESG integration:** Every department is evaluated against the completion of Strategic ESG KPIs approved by the Sustainability Steering Committee (SSC). This ensures that sustainability is not a siloed function but a shared operational responsibility.

During mid-year and year-end reviews, employees are assessed using a comprehensive approach. Outstanding performance is recognized through discretionary bonuses and salary reviews, reinforcing our rigorous meritocracy and pay-for-performance culture.

ESG-linked Compensation

ESG plays a critical role in the Group's holistic approach to compensation. We have successfully integrated climate and sustainability performance into our remuneration structure to drive accountability from the top down.

Executive Accountability: Our CEO is ultimately accountable for the ESG KPIs of his direct reports, who, in turn, represent relevant departments. Progress against the annual Strategic ESG KPIs (see [Appendix 3](#)) is reported biannually to the Board and directly influences executive compensation reviews.

- **Departmental linkages:** Discretionary bonuses for all levels of management are connected in part to the successful delivery of department-specific ESG targets, ranging from carbon intensity reduction to safety performance.
- **Performance impact:** The integration of ESG metrics into the appraisal process ensures that sustainability priorities—such as progress towards our 2030 targets—are considered alongside financial and operational objectives.

Employee Engagement

We view employee engagement as a key indicator of organizational resilience and a critical driver of talent retention, business performance, and excellence. A highly engaged workforce correlates directly with lower turnover, higher productivity, and superior customer service. Consequently, our engagement strategy goes beyond simple satisfaction measurement; it is a structured, holistic approach designed to foster emotional connections, purposeful work, and open dialogue.

Our Approach

Our engagement evaluation framework is anchored in an annual third-party survey that evaluates key dimensions of the employee experience, including job satisfaction, emotional wellbeing, sense of purpose, work-life balance and potential stress-related issues.

To ensure accountability and company-wide participation, we employ a rigorous Listen-Act-Report model to follow up on the results of each survey, comprising:

1. **Transparent dissemination:** Post-survey results are shared at both the corporate and departmental levels, maintaining total transparency.
2. **Action planning:** Every department is mandated to develop a documented

annual action plan targeting its lowest scoring dimensions.

3. **Progress tracking:** Implementation progress is periodically reviewed by management to ensure that feedback translates into tangible operational changes and ongoing progress. Such progress is also shared back with colleagues as transparent and open communications.



Follow-up actions are tailored to team needs and feedback

2025 Performance Review

In August 2025, we conducted our fifth annual comprehensive engagement survey, administering 21 targeted questions to our workforce across Hong Kong and the Chinese Mainland.

Key Performance Indicators (2025):

- **Participation rate:** Achieved 99.2% (up from 99.1% in 2024), indicating a

workforce that feels safe and motivated to provide feedback.

- **Engagement score:** Recorded a grand mean score of 4.52 out of 5 (improving by 0.04 year-on-year).
- **Global benchmarking:** This score places Hang Lung in the 81st percentile globally of the Gallup Overall Database, distinguishing us as an employer of choice.
- **Improvement rate:** Our score improvement rate ranks in the top 25% worldwide, demonstrating the effectiveness of our efforts to address employee feedback.

Case Study: Five-Year Engagement Trajectory (2021–2025)

Sustaining engagement in a volatile market requires consistent investment. Over the past five years, our focus on culture has delivered a robust upward trend, validating our “We Do It Well” philosophy.

- **Score growth:** The rise in our grand mean score from 4.06 (2021) to 4.52 (2025) represents aggregate growth of 11%.
- **Market position:** Our global ranking has made significant strides, rising from the 48th percentile in 2021 to the 81st percentile in 2025, marking a transition from “average” to “industry leader.”

While all 12 of our key measurement areas have recorded encouraging growth in the past

five years, further analysis reveals that our overall growth is driven by significant gains in three specific cultural dimensions:

1. **Recognition and praise:** Validating our shift toward a culture of appreciation and meritocracy.
2. **Opinions count:** Reflecting the success of our core value of “Openness,” including open-door policies and facilitating “agile conversations.”
3. **Encourages development:** Confirming that employees acknowledge our investment in expanded learning and development initiatives.

Future Outlook

While further year-on-year improvements will be increasingly challenging at high percentile levels, we remain committed to continually improving our workplace culture. Moving toward 2030, we will leverage these engagement insights to further refine our employee value proposition, ensuring that Hang Lung remains a leading destination for top talent in the real estate sector.

Employee Recognition

We view recognition not merely as a reward mechanism, but as a strategic tool to reinforce high-performance behaviors and foster psychological ownership. Consistent feedback from our annual engagement surveys identifies our recognition culture as a key strength of our company.

We offer formal recognition in three ways: Strategic Impact & Innovation (CEO Award), Service Excellence & Frontline Leadership (Emerald Award/ Star of the Quarter), and Loyalty & Culture (Long Service/Teachers’ Day/ Staff Appreciation Day).

Strategic Impact and Innovation

CEO Award: The CEO Award is the Group’s premier internal accolade, designed to honor projects and teams that exemplify the spirit of our corporate culture, collaboration and innovation. Winners are determined through a rigorous weighted voting process that balances executive assessment (an award selection committee) with democratic peer recognition (staff voting). This dual approach ensures awards reflect both strategic business impact and broad cultural alignment.

2025 winners: In 2025, the following teams were recognized for their outstanding contributions:

- **Gold:** Center 66 - Space Optimization & Value Creation

- **Silver:** Spring City 66 Shangyi Street Revitalization - Building a Compelling Community
- **Bronze:** Wiggle WeGo Themed Marketing Campaign
- **Special Mention:** Protecting and Creating Value from Climate Adaptation and Resilience; and CRM 2.0 Revamp

Service Excellence and Frontline Leadership

Emerald Award: Since 2014, the Emerald Award has set the benchmark for customer service excellence within our portfolio. It celebrates frontline employees who demonstrate extraordinary initiative, accountability, and problem-solving capabilities —those who embody our “We Do It Well” philosophy by going the extra mile. In 2025, one “Emerald Merit Award” was presented to VIC Service personnel from Heartland 66 in Wuhan. The winner demonstrated initiative and meticulous attention to detail, delivering exceptional customer service that directly drove business impact by increasing customer spending.

“Star of the Quarter” Recognition: For immediate positive reinforcement, we introduced the Property Management Services – Star of the Quarter program in the fourth quarter of 2024. This agile recognition scheme enables rapid acknowledgement of service excellence, rather than waiting for the conclusion of an annual cycle.



Loyalty and Culture

Long Service Award: We pride ourselves on the stability and depth of our workforce. The Long Service Award honors colleagues whose dedication forms the backbone of our institutional knowledge. This year, 83 employees were celebrated for achieving service milestones ranging from 10 to 35 years. Their sustained loyalty is a testament to the bond that is possible between Hang Lung and its people.



Teachers’ Day: As a learning organization, internal knowledge sharing is an important part of our culture. In September 2025, we hosted our third annual Teachers’ Day to recognize over 300 internal trainers, mentors, and project coaches.

Staff Appreciation Day: We understand that an engaged and appreciated team is essential to productivity. We celebrate Staff Appreciation Day by fostering direct interaction between management and colleagues across multiple operational sites and offices to foster appreciation for the workforce’s hard work and dedication. To mark the Group’s 65th anniversary, this year’s gift pack for all employees across multiple sites included a commemorative 3D thank-you card and a curated selection of health products.



Senior management team members visited multiple frontline sites to express their appreciation

Learning and Talent Development

Our Approach: Building a Future-Ready Workforce

We view talent development as a critical driver of institutional resilience and long-term value creation. In an era defined by rapid technological disruption, our human capital strategy has evolved beyond traditional training and is now a strategic imperative.

Our talent pipeline strategy integrates two core streams:

1. **Internal cultivation:** We collaborate with business and functional leaders to assess workforce requirements over a three-year planning horizon, formulating bespoke development plans that facilitate internal mobility and succession.

2. **Strategic hires:** We actively engage diverse talent pools through high-impact initiatives, including our Management Trainee Program for emerging leaders and the Finance Executive Program for developing finance generalists.

Holistic Training Program

We have established a culture of lifelong learning through Academy 66, which delivers a structured curriculum across four strategic pillars: Leadership/Management, Personal Effectiveness, Functional Expertise, and Company and Market Knowledge. This curriculum equips employees with the knowledge, skills, and mindset to adapt to industry changes, maintain competence, and achieve personal and professional growth. It is underpinned by a robust governance framework:

1. **Needs analysis:** Annual collaboration with department heads and focus groups to identify skills gaps.
2. **Agile delivery:** Piloting new initiatives before portfolio-wide rollout to ensure relevance.
3. **Digital integration:** Leveraging our Learning Management System (LMS), integrated with our Human Resources Information System in 2024, to provide on-demand, self-paced learning and real-time analytics for managers.

Our employees have access to a comprehensive training program that fosters a culture of ongoing learning and growth, leading to increased job satisfaction and opportunities to deepen connections with colleagues from different departments through mutual enrichment and experience sharing.

At the start of each year, we engage with department heads to identify their training needs and present our learning plan. We gather input through interviews, focus groups, and surveys to tailor new programs. Pilot initiatives are tested and refined based on feedback before wider implementation. Throughout the year, we continually assess post-training responses and adapt to employees' changing requirements and priorities.



We also invest in our Learning Management System (LMS) to enhance functionality and the user experience. This one-stop digital platform also produces customized manager reports, allowing leaders to track team learning progress. With the integration of the LMS and

our Human Resources Information System (HRIS) in 2024, users can enjoy a more intuitive experience with easier navigation, comprehensive information, and enhanced functionality. Meanwhile, we continue to expand and enrich the LMS's learning content, covering diverse topics from computing to management and other soft skills.

2025 Performance Highlights

Our investment in human capital continues to yield measurable returns in workforce capability and engagement.

Training volume: In 2025, we delivered a total of 124,587 training hours, averaging 31.7 hours per employee (approximately four days). The results significantly exceeded our internal target of 26 hours.

- **Compliance:** We achieved 100% completion for mandatory compliance modules (Integrity, Safety, Cybersecurity, and Crisis Management), with completion directly linked to performance appraisals.
- **Digital adoption:** Our external e-learning platform saw robust engagement, with 100 subscribers accumulating 1,275 learning hours across 6,361 courses.

Training Hours by Category, 2025

Training topics	Training hours
Functional	70,090 hours (56%)
Company and Market Knowledge	40,843 hours (33%)
Personal Effectiveness	8,001 hours (6%)
Leadership/ Management	5,652 hours (5%)

Professional support: We assist colleagues pursuing professional certifications or training in Hong Kong. Employees can apply to obtain sponsorship for relevant programs or exams. In 2025, we granted HK\$901,141 in external sponsorships.

External recognition: Entering our 10th year of partnership with the Employees Retraining Board (ERB), we were upgraded to the status of "Super Manpower Developer" in 2025, a distinction held by only 220 companies in Hong Kong.

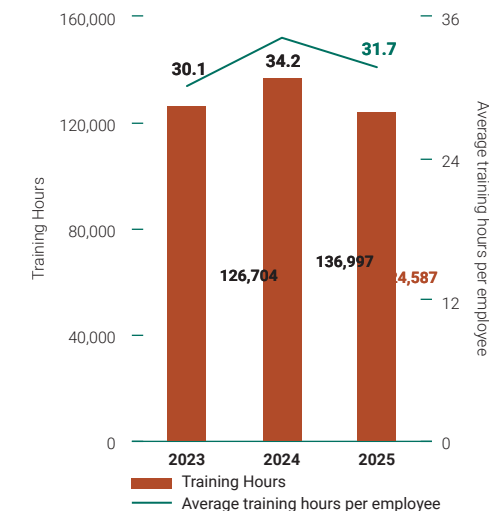
Strategic Pillars of Development

Highlights of specific activities in 2025 under our four learning pillars are as follows.

1. Leadership & management

We are building a pipeline of future-ready leaders capable of navigating complexity.

Annual Employee Training Hours, 2023 - 2025



- **Leadership Development Program (LDP):** Since 2021, we have launched eight cohorts across various management grades. In 2025, we partnered with the School of Economics and Management at Tsinghua University (SEM) to deliver a three-day Leadership Immersion Program for LDP alumni, expanding their horizons, sharpening their strategic thinking, and broadening their industrial perspectives. By March 2026, 116 high-potential employees will have graduated from this flagship track.
- Between 2021 and 2025, 21 out of 35 (60%) Action Learning Projects were selected

for the incubation stage, of which 10 out of the 21 (48%) have been completed, including the Shangyi Street Revitalization Project at Spring City 66, pet-friendly communities at some of our Hong Kong and Mainland locations, and an AI chatbot at Center 66. Another 11 (52%) are in progress. These projects have had tangible impacts on our business operations and tenants' experiences.

- The Shangyi Street Revitalization Project at Spring City 66 in Kunming is a successfully incubated Action Learning Project from 2022. For tenants, the historical street was transformed into a vibrant city-walk destination, achieving average daily sales of RMB4,500 per store and a daily footfall of 700–900 people at shops along Shangyi Street. For Hang Lung, footfall rose by 18% at Spring City 66 and increased by 15% at the south entrance from June to December 2025 (% YOY). The customer sales generated from inbound traffic derived from Shangyi Street to the Spring City 66 mall hit 2.5M.
- Our annual employee engagement survey also provided insights into the program's effectiveness. In our 2025 survey, the engagement level of teams led by managers who completed LDP training was higher than that of teams led by non-LDP managers (grand mean score of 4.56 vs. 4.46), demonstrating the program's positive impact on managers' leadership performance.



Leadership Development Program

- **Reverse mentoring program:** Launched in 2025, the program aims at promoting intergenerational learning. We paired management trainees with 20 senior executives to foster digital fluency and fresh perspectives in top-tier decision-making.
- **Management Development series:** This six-module curriculum has helped cultivate consistent leadership practices across our 400+ managers since 2022. The series includes six modules on people skills and critical managerial capabilities, delivered through interactive sessions, self-paced learning, and peer learning. The 2025 implementation of the module 6 coincided with an increase in our employee engagement score from 4.48 to 4.52, validating the correlation between leader quality and team sentiment.

2. Personal effectiveness

Launched in 2023, the **Personal Effectiveness Series** (PES) enhances soft skills critical for a collaborative workplace. Over 84% of employees attended core modules so far (e.g., Embracing Growth Mindset, Effective Communication, and Emotional Intelligence), with nearly 15% opting for additional elective modules. A new core module on Accountability in Action is slated for 2026.

3. Functional

We develop role-specific competencies to drive operational superiority.

- **Property Management Services series:** In 2025, we launched a comprehensive 18-module curriculum for our 500+ Property Management Services (PMS) colleagues. Eight modules were completed this year, directly addressing operational pain points.
- **Emerald Service series:** Utilizing NPS data and field-coaching insights, this series upskills frontline staff to deliver our signature customer-centric experience.
- **ESG capacity building:** To implement our sustainability strategy, we set a target of 500 learning hours for key departments. We exceeded this by delivering over 790 hours of specialized training on ISO 14001, Bird Collision Prevention, EMS Considerations in PMS, and Building Accessibility.

4. Company and market knowledge

We foster a culture of intellectual curiosity and market awareness.

- **INSIGHT webinars:** Our monthly internal webinar series featured expert sessions on net zero pathways, AI applications, and Asset Enhancement Initiatives.
- **Academic partnership:** Deepening our ties with the Hang Lung Center for Real Estate (HLCRE) at Tsinghua University, we offered an exclusive industry course to 193 employees, totaling 2,070 learning hours. Additionally, our Senior Director of Mainland Business Operations, Derek Pang, served as a guest lecturer, bridging the gap between academia and industry practice.

Cultivating a Learning Culture: Learning Week 2025

In April 2025, Academy 66 hosted the third annual Learning Week with the theme "Be the Owner of Self-Development." Shifting from passive consumption to active sharing, the event featured 30 Hang Lung team members leading workshops alongside external speakers. More than 1,200 colleagues participated, reinforcing our philosophy that every employee has knowledge worth sharing.



Learning Week 2025

Employee Wellness

Our wellness strategy is holistic, extending beyond physical health to encompass mental, social, financial, and environmental dimensions. Our annual Employee Engagement Survey serves as a primary feedback mechanism to validate the efficacy of our interventions.

2025 performance: Our targeted wellness strategies achieved a score in the 77th percentile of the Gallup Overall Database for both wellbeing and work-life balance, confirming that our initiatives are effectively driving workforce vitality and high employee acceptance of the company's wellbeing strategies.

The Wellness@HL Framework

Our core program, Wellness@HL, is structured around five strategic pillars designed to comprehensively support employee wellness. In 2025, we organized over 100 targeted workshops and activities across Hong Kong and the Mainland, engaging around 8,000 participants (total person-time).



1. Physical wellbeing

- **Preventive care:** We provide free voluntary annual medical examinations for eligible employees to encourage early detection of health risks. Various staff activities, such as the Stepathon Challenge and office massage sessions, were also implemented during the year to enhance employees' physical health.
- **Flexible wellness allowance:** Recognizing diverse needs, we offer an alternative reimbursement program that covers expenses for a wide range of physical and mental wellness activities.

2. Mental Wellness and Psychological Safety

We are committed to protecting and nurturing mental health and are an active signatory to the Hong Kong SAR Government's Mental Health Workplace Charter, dedicated to fostering an inclusive environment that destigmatizes mental health issues.

- **Employee Assistance Program (EAP):** Our 24/7 EAP hotline provides confidential professional counseling to employees and their families. Aggregated data from EAP usage provides management with anonymized insights into psychosocial risks, enabling proactive organizational adjustments.
- **Relief sessions and awareness campaigns:** Relaxation initiatives, such as singing bowl therapy, were offered to busy employees to support their wellbeing. To mark World Mental Health Day, we collaborated with the New Life Psychiatric Rehabilitation Association to offer immersive experiences promoting mindfulness and stress reduction.



Employees were given opportunities for mental relief and stress reduction

3. Environmental

- To strengthen employees' awareness and mindset around sustainability, we offered practical green-lifestyle wellness tips alongside themed initiatives such as CircuMart—an internal marketplace that encourages staff to exchange pre-loved items and embrace circular living.

4. Financial health

- **Financial literacy:** We hosted workshops on retirement planning and financial intelligence to help nurture financial readiness for the future and support long-term security.

5. Social connection and community

Fostering a sense of belonging is critical for staff retention.

- **Social Club:** Led by our management trainees, this employee-run group organizes a variety of activities—from dance and mindfulness clubs to bowling nights—creating cross-departmental communities.
- **Family integration:** We hosted Family Fun Day and Christmas Fun Day, bringing together colleagues and their family members to strengthen connections and celebrate together.



Family Fun Day

- **Wellness Fund:** A designated fund supports departmental team-building activities, empowering managers to foster camaraderie in ways best suited to their specific team dynamics.
- **"Friday Cheers":** Twice a month, we host informal social gatherings that promote

casual interaction and idea exchange across seniority levels.

The Wellness-Centric Workplace

We are redesigning our physical and operational environments to support healthy behaviors.

Built Environment:

- Our rejuvenated offices feature wellness-focused amenities, including ergonomic furniture and collaborative spaces. New skylights have been installed at our Gala Place office, each fitted with a state-of-the-art, automatic sunshade system to enhance natural lighting and ensure a comfortable work environment. We have also chosen a Cradle to Cradle—certified EcoWorx carpet, made from 100% renewable nylon fibers and free of harmful substances. IAQ sensors are also installed across floors to ensure clean air quality.
- **Continuous office rejuvenation:** Our Hong Kong headquarters now features dedicated wellness zones and facilities, including refurbished wellness staircases, a fitness area with smart mirrors, a table tennis facility, a "Switch" game zone for stress relief, and ergonomic work bikes.



- **Frontline enhancements:** We are systematically upgrading break and rest facilities at our operational sites to ensure equitable comfort for frontline staff.
- **Lactation support:** To support working mothers, we provide private, fully equipped lactation rooms in all workplaces, encouraging the continuation of breastfeeding post-maternity leave.

Operational Culture:

- **Flexible working:** We maintain a hybrid work model (including work-from-home options) to accommodate diverse personal needs. For employees recovering from health issues, we offer phased return-to-work plans, including temporary part-time arrangements to ease reintegration. We ensure employees do not work beyond legal limits, including overtime and holiday hours, by setting clear normal working hours, start and end times,

and ensuring they do not exceed total working hours.

- **Nutritional support:** To enhance vitality, we offer a complimentary morning F&B bar featuring healthy drinks and snacks on an intermittent basis.

Occupational Health and Safety

We operate with a fundamental belief that zero harm to our people is the only acceptable standard. Our Occupational Health and Safety (OHS) strategy extends beyond statutory compliance to foster a proactive safety culture. By integrating management systems, digital innovation, and employee engagement, we aim to protect the physical and psychological wellbeing of our employees, contractors, tenants, and customers.

Governance and Management Systems

Our OHS strategy is governed by the Group-level [Health and Safety Policy](#), which applies to all workplaces, properties, and construction sites across Hong Kong and the Chinese Mainland. This framework mandates clear responsibilities for both employers and employees, emphasizing the cross-market exchange of best practices and lessons learned.

Oversight Structure:

- **Health and Safety Subcommittee (HSS):** Reporting to the Sustainability Steering Committee (SSC), the HSS drives portfolio-wide initiatives. In 2025, the HSS convened twice to assess process effectiveness, review incident root causes, and endorse new safety innovations.
- **Operational Committees:** In Hong Kong, the operational Health and Safety Management Committee meets biannually to monitor

KPIs and address emerging risks. Recent enhancements driven by this committee include refined accident reporting procedures and a strengthened contractor safety management framework.

Management Systems and Certification: We utilize a Plan-Do-Check-Act (PDCA) framework to drive continual improvement.

- **Hong Kong:** Approximately 70% of our total construction floor area is certified to the ISO 45001 international standard. We conduct annual internal health and safety audits to ensure compliance with these guidelines.
- **Chinese Mainland:** Our systems align with the Work Safety Law and are verified against the GB/T 33000-2025 standard (Occupational Safety and Health Management System Certification). Regular audits are conducted by a joint multi-disciplinary team to ensure statutory compliance.

Supply chain integration: We extend our safety standards to our partners. In Hong Kong, ISO 45001 certification is a key requirement in the tender assessment process for operational contractors, ensuring their commitment aligns with ours. We also conduct regular meetings to review contractor health and safety performance.

Risk Management and Controls

Workplace hazards are regularly assessed in both Hong Kong and the Mainland, with risk assessment reports updated as circumstances change.

Hierarchy of controls: We implement preventive measures in accordance with the hierarchy of controls method (Elimination > Substitution > Engineering > Administrative > PPE).

High-risk operations: For critical tasks, our project and operations teams evaluate potential risks and review safety procedures before execution.

Mitigation in action: Addressing the risk of slips, trips, and falls (our most frequent injury type), we reviewed the anti-slip performance of frontline staff uniforms. This review led to the deployment of redesigned shoes with enhanced grip and the upgrading of safety signage across our properties.

Crisis management: We have established a comprehensive incident reporting mechanism and Crisis Management Manual to respond to incidents of varying severity. In 2025, over 200 emergency drills were conducted across our portfolio, ensuring our teams are familiar with emergency protocols.

Training and Capability Building

We actively promote safety awareness through a robust training framework that combines mandatory e-learning with specialized onsite instruction.

Mandatory online training: Since 2023, we have implemented an online health and safety training program for all staff, achieving a 100% completion rate in 2025. This KPI is embedded within the annual performance appraisal for all employees, reinforcing safety as a core competency.

Curriculum: Regular sessions cover diverse topics, including accident prevention, first aid, ISO 45001 basics, and coronary heart disease prevention.

Specialized development: To further enhance expertise, selected employees attend the Safety and Health Supervisor course at the Occupational Safety and Health Council (OSHC) in Hong Kong.

Safety Culture and Engagement

Building a resilient safety culture requires active participation from the frontline. In 2025, we executed several initiatives to advance our safety culture:

Safe Production Month

- Held in June 2025, the nationwide Safe Production Month campaign reinforced the theme: "Safety is everyone's responsibility – spotting hidden hazards around us."
- **Engagement:** We conducted 20 emergency drills involving over 3,340 participants across our Mainland projects. We also introduced collaborative safety meetings this year, bringing together tenants, contractors, and vendors to review safety management standards, analyze case studies, and share industry best practices. These efforts resulted in more than 1,060 participants attending 20 safety meetings across Hong Kong and the Chinese Mainland, fostering stronger partnerships and a unified approach to workplace safety.
- **Social engagement:** The month-long campaign concluded with a "Work Safety Month x Friday Cheers" event, using quiz games to reinforce safety knowledge in a relaxed setting.

Innovation: Safety Innovation Proposal Competition

- In August 2025, we launched our inaugural Safety Innovation Proposal Competition to crowdsource solutions from staff.
- We received 22 proposals aiming to tackle onsite risks. The winning entrant (selected in December 2025) will receive R&D sponsorship for operational pilot implementation, turning frontline ideas into enterprise solutions.

Employee Feedback

- During Safe Production Month, we conducted a health and safety survey, and obtained 299 responses.
- **Results:** The Group's overall performance across Policy, Culture, Environment, and Training was rated >4.7 out of 5, indicating strong employee confidence in our safety systems. Feedback in specific areas is being integrated into our 2026 OHS plan.

Health and Wellbeing Initiatives

We are expanding our OHS definition to include holistic health promotion and emergency readiness.

- **Green Cross Group Membership:** In 2025, Hang Lung registered as a member of the OSHC Green Cross Group, facilitating benchmarking and access to best-practice safety training.

- **Heart Caring Campaign:** To mitigate cardiovascular risks among frontline workers, we joined the Heart Caring Campaign (Labour Department/OSHC). In April 2025, we organized comprehensive health checks for guest services and technical staff at Gala Place in Hong Kong.
- **Emergency response (AEDs):** We have standardized the provision of Automated External Defibrillators (AEDs). Currently, we operate 25 AEDs (with 232 trained personnel) in Hong Kong and 9 AEDs (with 456 trained personnel) in the Chinese Mainland. We are on track to achieve 100% portfolio coverage by early 2026.
- **Harmony@Workplace:** We have been recognized by the Advisory Committee on Mental Health as a Harmony@Workplace organization, acknowledging our efforts to foster a psychologically safe work environment.

External Recognition

We received the OSH Report Award – Bronze Award for the Group, and the Outstanding Award for the Safety Performance Award (SMEs) for Burnside Villa from the OSHC, recognized for its good operational safety practices.

2025 Performance and Targets

Our 2025 safety target was to maintain a Lost Time Injury Rate (LTIR) of 1.5 or below for employees and zero work-related fatalities for employees and contractors.

Incident Analysis and Mitigation:

Data-driven analysis of 2025 incidents highlighted specific risk profiles for targeted intervention, including:

Hong Kong: The primary incident causes were "Slips, Trips, and Falls" and "Manual Handling," predominantly affecting operational staff.

- **Corrective Action:** We redesigned staff uniforms to include shoes with enhanced anti-slip soles and ergonomic support. We also intensified on-site manual handling training.

Chinese Mainland: "Falls from Height" remained a key risk, particularly among contractors.

- **Corrective Action:** We reinforced strict permit-to-work protocols for high-level operations, mandating verified working platforms and enhanced PPE inspection for all contractor works.

Community Wellbeing

We see connection as the foundation of lasting value, shaped by inclusion, vitality, and the power of people coming together.

Community Investment Strategy

In 2025, we refined our community investment strategy around three key areas that underscore our commitment to fostering meaningful relationships:

- Cultural Connections:** Embracing the identity and creativity that bring generations together.
- Vibrant Wellbeing:** Promoting the importance of healthy bodies, minds, and communities to improve quality of life.
- Inspiring Youth:** Empowering young minds to unlock possibilities for a greater tomorrow.

Impact Measurement

Our approach is grounded in a simple theory of change: by providing resources (space, capital, and mentorship) to high-potential community partners, we catalyze local solutions that enhance community vitality.

Partnerships: In 2025, we collaborated with more than 180 organizations, including NGOs, social enterprises, local governments, tenants, and educational institutions across Hong Kong and the Chinese Mainland.

Resource allocation: We deployed HK\$20 million in direct charitable donations and provided 11 venue sponsorships to non-profit organizations at nominal rental fees, leveraging our prime retail spaces for social good.

Hang Lung As One Volunteer Team: Inspiring Positive Change

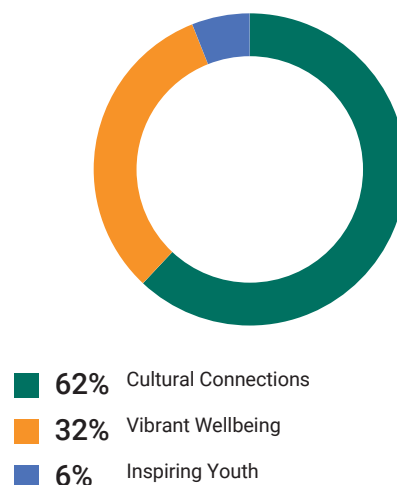
Our Hang Lung As One Volunteer Team remains the operational engine of our community engagement. We are committed to cultivating a vibrant culture of volunteering among our employees. Since the establishment of the Hang Lung As One Volunteer Team in Hong Kong in 2012, our dedication to community support has significantly expanded.

Scale: Operating 12 volunteer teams across 10 cities, we mobilized 2,759 volunteers (employees, their families, friends, and our tenants) in 2025.

Impact: Through 121 activities, our teams contributed 73,805 volunteer hours, directly benefiting 24,982 individuals.

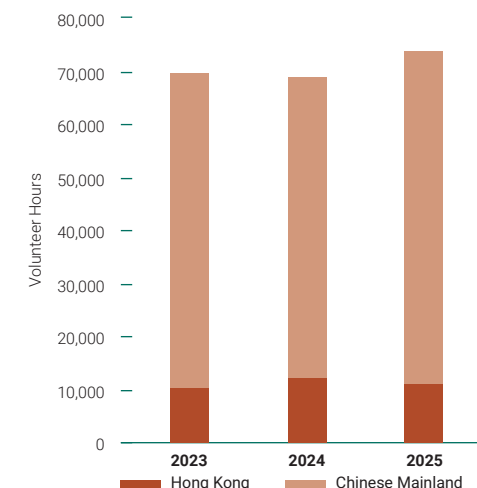
Recognizing the dedication of our volunteers is crucial to sustaining their enthusiasm. We continue to honor their contributions through the annual Volunteer Award Presentation Ceremony, which celebrates individuals who exemplify our commitment to community service. Additionally, we provide one day of paid volunteer leave for our Hong Kong

Number of Volunteering Activities by Focus Area



colleagues participating in activities organized by charitable organizations and the Hang Lung As One Volunteer Team. We were also proud to again receive the "Corporate—Top 10 Highest Volunteer Hours Award (100–999 full-time employees)" at the Hong Kong Volunteer Award in 2025, which highlights our commitment to promoting volunteerism.

Breakdown of Volunteer Hours by Region



Cultural Connections

Hang Lung Nationwide Volunteer Day

Held annually in September to mark our founding anniversary, the 2025 edition of the Hang Lung Nationwide Volunteer Day engaged over 1,100 volunteers across Hong Kong and 9 Mainland cities. Delivering 6,400 service hours in collaboration with more than 60 community partners, activities focused not only on social inclusion but also on the essential protection and transmission of intangible cultural heritage.

Highlights:

Hong Kong: Partnered with Walk in Hong Kong, a long-standing local cultural enterprise, to create the “Throwback Causeway Days City Walk,” which immersed over 700 participants, including elderly, students, tenants, community members, and mentees from the Hong Kong SAR Government’s Strive and Rise Programme, in the rich history and cultural evolution of Causeway Bay, fostering a deeper appreciation for local heritage.

Chinese Mainland: Organized diverse cultural experiences for 8,000 community members, emphasizing the importance of cultural heritage while deepening social ties. Activities included hands-on experiences such as participating in cultural heritage events, DIY projects related to local culture, and city-specific crafts. We hosted exhibitions, cultural markets, and performances to generate public interest and awareness, benefiting over 1,000 individuals. Our volunteers created and donated cultural heritage items to local NGOs, schools, and office building tenants. These initiatives collectively demonstrated our commitment to promoting and preserving local culture, contributing to the city’s diverse development.



The “Throwback Causeway Days City Walk” included guided tours that uncovered the rich history of Causeway Bay



Tours at the Shenyang Imperial Palace Museum embraced the unique cultures of each locale

Inspiring Youth

We are leveraging our commercial assets to incubate the next generation of retailers and social entrepreneurs, fostering local economic vitality.

Community · Connect

Launched in 2025 to mark our 65th anniversary, Community · Connect is our flagship initiative to create vibrant spaces that enrich lives and foster social wellbeing. By partnering with diverse stakeholders, we aim to build sustainable communities where people thrive. Through our community investment initiatives, we champion the holistic development of young people, spark entrepreneurial spirit, nurture creativity and cultural vitality, and promote wellness and social inclusion for all. This year, we implemented a series of pilot projects across three selected locations in the Chinese Mainland, including Grand Gateway 66 in Shanghai, Parc 66 in Jinan, and Spring City 66 in Kunming.

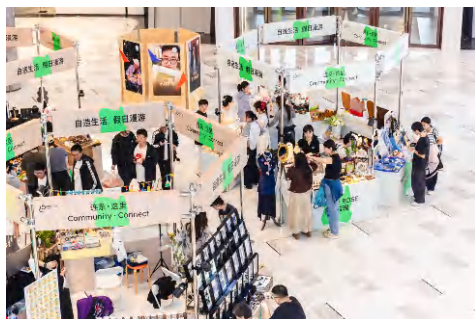
With Grand Gateway 66 as the launchpad, the Summer Retro Market hosted more than 40 emerging youth-led brands and provided them with a rent-free exhibition platform. This allowed creativity and business to intersect, and helped young entrepreneurs build a presence in the market. The impact was tangible: nearly 90% of the startups formed new professional or business connections, almost 100% reported increased confidence in



Summer Retro Market at Grand Gateway 66, Shanghai

their future businesses, and two-thirds saw a 20% revenue uplift.

At Parc 66 and Spring City 66, we hosted passionate entrepreneurs and artisans, including original IP creators from the city, local agricultural producers, and rehabilitation groups, who participated in interactive workshops. The events provided a platform for local startups to enhance the visibility of their products and stories and build meaningful connections with customers. The events also supported local NGOs, integrating commerce with social advocacy.



Marketplace at Parc 66, Jinan



Bread n' Roses Bazaar at Spring City 66, Kunming

Well-Being · Start-Up 2.0 Program

We teamed up with the Hong Kong Housing Authority's "Well-Being · Start-Up 2.0" program, selecting three outstanding young entrepreneurs from nearly 80 applicants. By providing premium rent-free spaces at Peak Galleria, Kornhill Plaza, and Amoy Plaza—along with renovation and marketing subsidies—we lowered the barriers to entry for youth entrepreneurs, allowing them to test concepts in a live retail environment.



Mr. Kenneth Chiu, Chief Financial Officer of Hang Lung Properties (second from the right) and the Secretary for Housing, Ms. Winnie Ho Wing-yin (third from the right), visited Peak Galleria to learn about the brand concepts and products of three young entrepreneurs

The Hang Lung Scholarship and Development Donation for the Visually Impaired

We partnered with Ebenezer School & Home for the Visually Impaired in February 2023 to establish The Hang Lung Scholarship and Development Donation for the Visually Impaired. Backed by a HK\$30 million fund, this initiative provides annual scholarships and learning subsidies to foster the holistic development of outstanding students and graduates from Ebenezer School. Chosen by a scholarship selection panel composed of Hang Lung management and Ebenezer representatives, these visually impaired youths will be recognized for their academic performance, professional development, social commitment, and other remarkable achievements.



We proudly recognized five scholarship recipients this year

Strive and Rise Programme

For the third consecutive year, we supported Strive and Rise—the Hong Kong SAR Government's initiative to facilitate upward social mobility. We were honored to be acknowledged as one of the supporting organizations this year, marking our second time receiving this award.

Nature and sustainability education:

Partnering with Outdoor Wildlife Learning Hong Kong (OWLHK), we utilized the newly launched Native Flora Garden at Peak Galleria as a living classroom for biodiversity education.

Sustainable future: Our management trainees led student tours of our rejuvenated office spaces at Gala Place, showcasing sustainable workplace design and inspiring mentees to consider how the choices we make each day can shape a greener, more innovative future.

Supporting a Knowledge Economy through University Collaborations and Empowering Youth

15 Years of Academic Partnership: Tsinghua University

Our alliance with Tsinghua University continues to bridge the gap between academia and industry.

2025 Forum: We hosted a landmark forum on the sustainable development of cities and real estate, convening 3,000 participants (industry leaders, academics, and policymakers) to share insights on shaping the future of green real estate and smart cities in Chinese Mainland.



Two roundtable discussions covered the topics of “Emerging Trends in Real Estate Development” and “Carbon Reduction and Green Building Development in Real Estate” in the forum

Vibrant Wellbeing

We are committed to enhancing the physical and mental resilience of our stakeholders.

Transforming Steps Into Social Impact

In 2025, we evolved our annual Hang Lung Stepathon Challenge into a “giving back through fitness” model. Partnering with the Let’s Sportsor! program, we converted employee steps into funding for complimentary sports classes for underprivileged children. This initiative simultaneously promotes employee health and addresses health equity gaps in the wider community.

Dementia Friendly Program

Building on the success of our inaugural campaign in 2021, we launched the second edition of this three-year partnership with Hong Kong Christian Service in June 2024. The program offers regular cognitive testing for the elderly and consultations to introduce available community resources.

Innovation: In 2025, we established Hong Kong’s first mall-based “Carer Cafés” at Amoy Plaza and Kornhill Plaza in collaboration with our F&B tenants. These cafés offer free respite services and leisure activities for elderly individuals with dementia and their carers, helping ease the pressure on caregivers. The program has already served over 2,500 individuals as it reaches the end of its fifth year.

Tai Po Wang Fuk Court Fire Relief Fund

In response to the tragic fire at Wang Fuk Court in Tai Po, Hang Lung has committed a total of HK\$11 million to establish the Tai Po Wang Fuk Court Fire Relief Fund, providing financial assistance and accommodation support to affected residents. From this total, HK\$10 million was pledged for relief and recovery efforts. To address the urgent need for shelter, Hang Lung also offered 20 serviced apartment units at Kornhill Apartments in Quarry Bay, rent-free for two months, to assist those displaced by the incident.

Case Study

Hang Lung Mathematics Awards – Talent Development for a Knowledge-Driven Future

At Hang Lung Properties, creating enduring value extends beyond our real estate portfolio to the communities we serve. The Hang Lung Mathematics Awards (HLMA) exemplifies this philosophy, serving as a cornerstone of our long-term community investment in youth and education. The competition reaffirms our commitment to empowering the next generation through knowledge, curiosity, and ideas that shape the future.

Launched in 2004, HLMA is a biennial mathematics research competition, supported by Hang Lung Properties' cumulative investment of over HK\$20 million,

designed to nurture young talent in mathematics and STEM. It challenges secondary school students to undertake original mathematical research, with top entrants advancing to an oral defense before a Scientific Committee composed of world-leading academics, chaired by a Wolf Prize laureate. By shifting the focus from examination performance to inquiry-based learning and original research, HLMA cultivates students' analytical reasoning, self-directed learning, and intellectual perseverance. These competencies underpin innovation across science, technology, and society and closely align with Hang Lung's commitment to creating lasting value.

Since its inception, HLMA has engaged over 2,800 students from more than 200 secondary schools in Hong Kong, generating over 500 original mathematics research papers, many of which demonstrate undergraduate-level academic standards. Many of our winners have subsequently pursued research careers at top institutions in Hong Kong and around the world, and their work has been recognized by the Croucher Foundation, a leading Hong Kong institution dedicated to advancing scientific research and nurturing top talent.



Case Study (continued)

Beyond individual achievements, HLMA generates a powerful multiplier effect across Hong Kong's education ecosystem. Teachers play a vital role as research mentors, guiding students through self-directed research and helping to cultivate a culture of inquiry-driven learning in schools. Through the HLMA Educator Scholarship, teachers from winning schools can undertake postgraduate studies in mathematics education, enabling them to deepen subject expertise and bring research-informed teaching practices back into their classrooms.

Remarkably, the competition's impact comes full circle: Some outstanding winners have returned to their alma maters as mathematics teachers, leading their own students to HLMA success. By sharing their experiences and enthusiasm for knowledge, these winners-turned-teachers are blazing the trail and nurturing the next generation of thinkers, carrying the HLMA spirit well beyond the competition, unleashing youth creative potential and passion in mathematics and sciences for a better future.



HLMA Talks: Shaping Our Future

Building on more than 20 years of HLMA excellence, we launched HLMA Talks in 2024 as a public program to broaden its societal impact. Leveraging our global network within the scientific community, HLMA Talks has quickly become a respected thought leadership forum, bringing together world-class scientists, leading experts, and influential minds to expand public access to frontier knowledge and promote the

exchange of ideas across generations and sectors.

In collaboration with the Asia Society Hong Kong Center, HLMA Talks extends Hang Lung's community investment beyond the education sector into a broader, more diverse civic space, engaging leaders from government, academia, and business.

Case Study (continued)

In its first two years, HLMA Talks has held six high-impact discussions, featuring two Nobel laureates, five top university presidents, and internationally renowned scientists and thought leaders, exploring topics spanning AI, fundamental science, medical innovations, and the future of higher education.

HLMA Talks is a key social impact initiative that inspires young talent, enhances public literacy in science, and strengthens community support for research and innovation. By expanding access to frontier knowledge and nurturing intellectual curiosity among young people, it supports Hong Kong's ambition to advance STEM education. Consistently positive feedback and full-house participation underscore HLMA Talks' relevance and strong public endorsement.

From developing young talents to engaging the wider public, HLMA and HLMA Talks together amplify Hang Lung's lasting contribution to fostering a vibrant, knowledge-driven future.



Customer Wellbeing

Our Approach

Customer wellbeing is a material strategic driver that directly influences tenant retention and visitor satisfaction. We define customer wellbeing not merely as the absence of safety hazards, but as the active promotion of physical, mental, and social vitality through the built environment.

Our approach centers on delivering “healthy buildings” by prioritizing superior Indoor Environmental Quality (IEQ) and reducing harmful chemicals in building materials to create a healthier and more comfortable visitor experience. We implement this by following international standards, such as the WELL Building Standard, which ensures our spaces promote the wellbeing and productivity of all occupants.

Delivering Healthy Buildings

We actively manage the environmental determinants of health—air, water, light, and materials—through a combination of third-party certification and real-time performance monitoring.

Certifying for health and safety: To validate our performance against global best practices, we have systematically pursued health-focused certifications across our portfolio. Please refer to the [Sustainable Business Excellence](#) Section for more details.

Indoor Environmental Quality (IEQ)

management: We view IEQ as an important metric encompassing air quality, water quality, thermal comfort, and acoustic performance. To transition from periodic auditing to continuous management, we have implemented real-time Indoor Air Quality (IAQ) monitoring systems at our Hong Kong headquarters. These systems track temperature, humidity, PM2.5, and TVOC levels in accordance with RESET Air standards.

Chemical safety and materials: To minimize occupant exposure to hazardous substances, we are advancing our management of building materials. We completed a RESET assessment for our Hong Kong and Shanghai offices, successfully avoiding Red List chemicals—materials identified internationally as harmful or polluting—in more than 90% of selected materials during the renovation stage.

Standard setting: We are currently collaborating with RESET to develop a comprehensive Red List chemical guideline. This internal standard will be rolled out progressively across the Group, leveraging lessons learned from our pilot projects in Hong Kong, Shanghai, and Hangzhou.

» Look Ahead

To advance our wellbeing agenda, we are committed to fostering a safer and healthier environment. We are implementing safety enhancements across the organization. For indoor air quality, we are developing a plan to expand real-time IAQ across our portfolio over time. We will communicate key findings from our Red List chemicals case study and guideline to internal and external stakeholders. And we will consider opportunities to implement other IEQ enhancements.

For social initiatives, we are developing a robust methodology for measuring the social impact of our key projects, translating outcomes into validated Social Return On Investment (SROI) metrics. In our pursuit of diversity and inclusion, we will provide D&I training to every employee and forge strategic partnerships to identify and attract talent from diverse backgrounds across all our operating properties.



Sustainable Transactions

Collaborate with key stakeholders across our value chain to advance our sustainability priorities

Relevant GRI Disclosure

204 (2016), 308 (2016), 418 (2016)

Sustainable Transactions



As a developer and owner-operator, a significant portion of our environmental and social impact is generated beyond our direct operational boundaries. Some of this impact takes place upstream of our business through our suppliers' activities, and some occurs downstream through our tenants' operations. We also impact the economy and our communities through our financial arrangements, investor relations, customer incentives, and university collaborations. The Sustainable Transactions pillar serves as the strategic framework for managing these broader impacts and aligning our value chain with our sustainability ambitions.

By aiming to incorporate ESG criteria into every transaction—whether procuring construction materials, leasing office space, or securing debt—we leverage our market position to drive progress towards decarbonization, circularity and ethical standards across our communities.

2025 Performance Highlights



Secured 60% of total debts and available facilities from sustainable financing



Over 80% of our total gross floor area is certified as green buildings

90% of our total gross floor area has either been certified with WELL or WELL HSR



Partnered with 76 tenants representing 20% of our total leased area on sustainability initiatives

Learning and Evolution

Our progress over the last several years in sustainable transactions includes:

Tenant collaboration: We have evolved from pilots with selected tenants to a structured and program open to all tenants. Our tenant partnerships have grown to include 76 tenants covering 20% of our leased floor area.

Supplier engagement: We have moved beyond compliance efforts related to our Code of Conduct to define an overall supplier ESG program. The program includes the integration of sustainability considerations into procurement decisions, active capacity building and outreach to selected suppliers that can help support our leadership ambitions.

Sustainable finance: We successfully achieved our target of obtaining 50% of total debts and available facilities from sustainable finance, reaching 60% by the end of 2025.

Investors: Over the last several years we have conducted multiple ESG roadshows for investors to brief them on our ESG strategy and progress and to obtain their feedback and perspectives on key issues.

The conclusion of our 25 × 25 targets demonstrates significant progress in embedding sustainability into our commercial dealings.

2025 and 2030 Sustainability Targets

2025 Targets	2030 Targets
Embrace technology to build a robust digital platform for assessing suppliers' ESG performance.	Tenant Electricity Intensity: Benchmarking provided to 100% of tenants across Chinese Mainland portfolio and work with tenants towards a 10% reduction in their electricity intensity from a 2023 base year.
100% of marketing events evaluated for their sustainability impacts.	Tenants: Tenants representing 25% of our leased floor area in applicable Chinese Mainland and Hong Kong properties participate in our tenant partnerships program.
100% of leases incorporate sustainability provisions.	Suppliers: Regularly conduct ESG risk screening for 100% of active suppliers and provide ESG assessments for suppliers covering 50% of spending.
50% of total debts and available facilities from sustainable finance.	Procurement: 15% of spending on operational procurement qualifies as sustainable procurement.
100% of potential asset acquisitions include ESG due diligence.	Standards Development: Undertake at least three innovative initiatives in standards development to help accelerate learning and sustainability impact.

Finance and Investments

Sustainable Finance Framework

Following the Hang Lung Properties Green Finance Framework developed in June 2019, the Group launched the [Hang Lung Group Sustainable Finance Framework](#) (“the Framework”) in January 2023, to extend coverage across the Group, cover a broader range of financing instruments, and extend the scope of the eligible investments to include social projects.

The Framework enables Hang Lung Group to raise funds, where appropriate and under scrutiny, to finance projects that deliver environmental and social benefits, thereby supporting our business strategy and vision for leadership in sustainability. It was developed in line with international guidelines, including the Sustainability Bond Guidelines 2021 (SBG), Green Bond Principles 2021 (GBP), Social Bond Principles 2021 (SBP), Green Loan Principles 2021 (GLP), and Social Loan Principles 2021 (SLP). We engaged Sustainalytics—an independent environmental, social, and governance research, ratings, and analysis firm—to provide a second-party opinion on the Framework and affirm that it is credible, robust, impactful, and fully aligned with industry standards.

The Sustainable Finance Subcommittee (SFS) under the SSC is responsible for and oversees matters related to sustainable

finance, including the review of relevant industry developments and, where required, the approval of eligible projects, as stipulated under the Framework.

In 2021, we set target for Hang Lung Properties to obtain 50% of total debts and available facilities from sustainable finance by the end of 2025. As of the end of 2025, sustainable finance accounted for 60% of our total debts and available facilities.

Green Loans and Green Bonds

As of the end of 2025, Hang Lung Properties had secured 14 green loan facilities and issued 16 green bonds under the Framework with the proceeds allocated to predefined eligible green projects (see next page).

Green Loan and its Allocation (As at December 31, 2025)					
Arranged in Hong Kong	Year Signed	Facility Amount (HK\$'M)		Drawn Amount (HK\$'M)	Allocated to
Hong Kong	2024	500		0	-
Total			500	0	
Arranged in Mainland	Year Signed	Facility Amount (RMB'M)		Drawn Amount (RMB'M)	Allocated to
Westlake 66, Hangzhou	2021	497		497	Westlake 66, Hangzhou
Forum 66, Shenyang	2021	435		435	Forum 66, Shenyang
Riverside 66, Tianjin	2021	204		204	Riverside 66, Tianjin
Westlake 66, Hangzhou	2022	1,816		808	Westlake 66, Hangzhou
Westlake 66, Hangzhou	2022	497		477	Westlake 66, Hangzhou
Heartland 66, Wuhan	2022	760		760	Heartland 66, Wuhan
Heartland 66, Wuhan	2022	530		530	Heartland 66, Wuhan
Parc 66, Jinan	2023	450		450	Parc 66, Jinan
Center 66 - Phase 2, Wuxi	2024	695		445	Center 66 - Phase 2, Wuxi
Spring City 66, Kunming	2024	396		396	Spring City 66, Kunming
Heartland 66, Wuhan	2025	975		586	Heartland 66, Wuhan
Spring City 66, Kunming	2025	536		536	Spring City 66, Kunming
Center 66 - Phase 2, Wuxi	2025	300		226	Center 66 - Phase 2, Wuxi
Total			8,091	6,350	

Green Bond (as at December 31, 2025)					
Location	Year Issued	Maturity Date	Original Currency	Amount	Eqv HK\$'M
Hong Kong	2020	Feb 26, 2027	HK\$'M	700	700
Hong Kong	2020	Apr 7, 2027	HK\$'M	500	500
Hong Kong	2021	Jan 19, 2028	HK\$'M	230	230
Hong Kong	2021	Feb 5, 2027	HK\$'M	750	750
Hong Kong	2021	Feb 2, 2026	HK\$'M	465	465
Hong Kong	2021	Feb 10, 2028	HK\$'M	555	555
Hong Kong	2021	Aug 27, 2028	HK\$'M	805	805
Hong Kong	2021	Sep 28, 2028	USD'M	50	391
Hong Kong	2022	Jan 13, 2029	HK\$'M	605	605
Hong Kong	2022	Jan 24, 2029	HK\$'M	590	590
Hong Kong	2023	Mar 31, 2030	HK\$'M	400	400
Hong Kong	2024	Feb 20, 2027	RMB'M	300	318
Hong Kong	2024	Mar 4, 2028	RMB'M	250	265
Hong Kong	2024	Oct 19, 2026	RMB'M	200	212
Hong Kong	2024	Sep 6, 2029	HK\$'M	230	230
Hong Kong	2024	Sep 4, 2028	HK\$'M	200	200
				Total	7,216
				Allocated	7,216
				Pending for Allocation	-

HK\$'M								
Green Bond Allocated to:		2020	2021	2022	2023	2024	2025	Total
Shenyang	Forum 66	-	365	10	19	26	-	420
Wuxi	Center 66 (Phase 2)	-	175	4	309	250	-	738
Dalian	Olympia 66	-	24	-	59	53	-	136
Kunming	Spring City 66	455	41	145	175	289	-	1,105
Wuhan	Heartland 66	745	49	-	-	11	-	805
Hangzhou	Westlake 66	-	266	22	888	266	-	1,442
Hong Kong	228 Electric Road	-	47	288	77	24	-	436
Hong Kong	The Aperture	-	-	287	343	306	-	936
Refinancing	Green Panda Bond ⁽¹⁾	-	1,198	-	-	-	-	1,198
Total Allocated		1,200	2,165	756	1,870	1,225	-	7,216

Notes:

(1) Green Panda Bond – All proceeds were applied to Spring City 66 and Heartland 66.

Reporting Criteria

- A Green Bond is added to the Green Finance Reports when it was issued by the Company or its subsidiaries during the reporting period.
- A Green Bond is removed from the Green Finance Reports when it has been fully repaid by the Company or its subsidiaries.
- A Green Loan is added to the Green Finance Reports when it has been drawn by the Company or its subsidiaries and was still outstanding at the end date of the reporting period.
- A Green Loan is removed from the Green Finance Reports when it has been repaid by the Company or its subsidiaries.

- The green projects eligible for the use of green proceeds are approved by Sustainable Finance Subcommittee under the Sustainability Steering Committee.

Unallocated proceeds are held in accordance with our liquidity guidelines for short-term time deposits or investments, or used to repay existing borrowings within the Group. An independent practitioner, PricewaterhouseCoopers, has issued a limited assurance report. Please refer to [Appendix 8](#) for further details.

The nine properties listed in the table below have obtained green building certificates. Further details are provided in [Appendix 8](#).

Project Description	Notable green features
Center 66 – Phase 2 (Wuxi, Chinese Mainland) GFA: 107,118 m²	• LEED BD+C: Core and Shell v4 (Gold Level Certification) • Applied radiant cool and fresh air technology for efficient temperature control in the sales office and achieved 45% electricity savings compared to a traditional VAV system during summer
Forum 66 (Shenyang, Chinese Mainland) GFA: 293,905 m²	• LEED BD+C: Core and Shell v2 (Gold Level Certification) • Installed a high-efficiency heat recovery system for our hotel floors which can reduce an average of 100 MWh of electricity and 25,000 m³ of natural gas during cooling days, and an additional 5,000 m³ of natural gas during heating days • Installed a water source heat pump to supply heating in the carpark area
Olympia 66 (Dalian, Chinese Mainland) GFA: 221,900 m²	• LEED BD+C: Core and Shell v3 2009 (Gold Level Certification) • Installed a solar panel system which has generated approximately 153 MWh renewable power annually • Installed a water recycling system to reuse water discharged from the fire service system • From May 2025, 100% powered by renewable energy for landlord and tenant operations; avoided approximately 17,470 tonnes of carbon emissions in 2025
Spring City 66 (Kunming, Chinese Mainland) GFA: 431,166 m²	• LEED BD+C: Core and Shell v3 2009 (Gold Level Certification) • Installed a hospital-grade ventilation system (MERV 16) with UV light for sterilization to improve indoor air quality • Installed a water recycling system to reuse water discharged from the fire service system, rainwater, and greywater • 100% powered by renewable energy for landlord and tenant operations; avoided approximately 31,612 tonnes of carbon emissions in 2025
Riverside 66 (Tianjin, Chinese Mainland) GFA: 152,831 m²	• LEED BD+C: Core and Shell v2 (Gold Level Certification) • Completed LED lighting upgrade works, reducing 1,450,000 kWh electricity and saving RMB1 million per year • Implemented climate adaptation measures to prevent flooding and mitigate the effects of typhoons and heat waves in 2025; for example, conducted pre-rainy-season inspections and repairs of advertising areas to prevent seepage, with systematic rainy-season monitoring to document seepage locations for subsequent investigation and remediation

Project Description	Notable green features
Heartland 66 (Wuhan, Chinese Mainland) GFA: 460,105 m ²	• LEED BD+C: Core and Shell v3 2009 (Gold Level Certification) • Adopted an advanced Building Management System with a highly efficient building service system • Installed IAQ sensors in malls and offices to monitor real-time IAQ levels • Installed a water recycling system to recycle HVAC condensation water • Conducted a climate adaptation deep-dive study of typhoons and heavy rain
Westlake 66 (Hangzhou, Chinese Mainland) GFA: 194,100 m ²	• LEED BD+C: Core and Shell v4 (Gold / Platinum Level Pre-Certifications) • China Green Building Design Label (3-star) • Installed a closed-loop ground source heat pump system for the hotel building • Jingqing Lane No. 1 was recognized as the "2022 Hangzhou Green Building and Building Energy Saving Demonstration Project" during its design stage in 2023 • Deployed 5G technology to monitor, among other things, construction safety and quality, energy consumption, and dust and noise levels, to ensure environmental indicators in the construction stage meet requirements
228 Electric Road (Hong Kong) GFA: 9,754 m ²	• LEED BD+C: Core and Shell v4 (Platinum Level Certifications) • BEAM Plus New Building V1.2 (Platinum) • China Green Building Design Label (3-star) • At least a 35% energy reduction from the baseline model ASHRAE 90.1-2010 (US) and 28% from the baseline model BEC 2018 (HK) • Installed architectural fins as a sunshine device as well as a rainwater recycling system for irrigation; provided automatic window blinds using daylight sensors and operable window controls using electricity actuators
The Aperture (Hong Kong) GFA: 16,226 m ²	• BEAM Plus New Building V1.2 (Gold) • Adopted the Digital Quality Management System (DQMS), a multi-platform cloud solution for construction workflow inspection and quality management • Deployed Enertainer, an advanced battery energy storage system (BESS) to replace traditional diesel generators

ESG Due Diligence in Asset Acquisitions

The acquisition of new development sites and existing assets is an important opportunity for long-term value creation.

Since 2022, we have adopted ESG due diligence guidance and an ESG factors checklist for all potential acquisitions across Hong Kong and the Chinese Mainland. The checklist is integrated into our standard project management and investment feasibility processes before capital commitment.

Our assessment considers a range of environmental, social, and governance criteria, including:

Environmental factors:

- Identification of existing or potential green building certifications (e.g., LEED, BEAM Plus).
- Analysis of energy efficiency and renewable energy potential, including technical feasibility for geothermal and solar integration.
- Evaluation of environmental protection issues, landscape conservation, biodiversity impact, and site-specific climate adaptation requirements.

Social factors:

- Assessment of occupant health and safety impacts and universal accessibility.
- Evaluation of transportation connectivity and any community sensitivities.
- Screening for heritage preservation requirements.

Governance requirements:

- Verification of compliance with local and international environmental regulations.
- Screening for historical pollution records or ground contamination to mitigate liability risks.

The ESG due diligence findings are integrated into feasibility submissions presented to the Board for review. This process ensures that sustainability considerations are integrated into the highest level of corporate decision-making for potential acquisitions.

Suppliers

We manage a complex value chain spanning development (design, construction, materials) and operations (facility management, security, corporate services).

Our supply chain is the most significant contributor to our Scope 3 emissions and a critical vector for social and ethical risk. Recognizing the importance of such issues, and as our sustainability capabilities have developed, our procurement strategy has evolved from transactional compliance to a structured supplier ESG program supported by relevant governance, policies and engagement practices.

Governance and Policy Framework

Our management framework is governed by our Code of Conduct for Suppliers and Contractors and our Sustainable Procurement Policy, which collectively mandate adherence to environmental, social, and governance (ESG) standards, including human rights, labor practices, and anti-corruption.

Code of Conduct for Suppliers and

Contractors: Establishes baseline requirements for all suppliers, encompassing ethical behavior, human rights, labor standards, environmental protection (e.g., carbon footprint data, initiatives for emissions reduction, waste minimization, and water conservation, as well as measures to prevent and minimize

pollution to air, water, and land, including compliance with applicable discharge/emission limits), occupational health and safety, and anti-corruption measures. Adherence to this Code is a prerequisite for supplier registration and contract eligibility.

Sustainable Procurement Policy: Guides procurement decisions toward environmentally responsible materials, encourages packaging reduction, and promotes waste recycling. In line with this policy, sustainability-related evidence or credentials, including certifications (e.g., ISO14001, ISO 9001, and ISO 45001), environmental performance, and circular economy practices, may be requested and reviewed in relevant cases as part of the supplier selection process.

Both policies are embedded within our procurement governance framework and undergo regular reviews to ensure alignment with evolving regulatory standards and industry best practices.

2030 Targets

Over the last several years, we have transformed our approach to supply chain management, shifting from a focus on transactional compliance to cultivating strategic, values-driven partnerships. We have embedded ESG considerations into our procurement lifecycle, enforcing our Code of Conduct, digitizing supplier performance management, and engaging partners on critical

issues such as site safety. We are moving beyond risk identification to active value creation, leveraging our purchasing power to incentivize low-carbon innovation and ethical standards.

Looking ahead to 2030, our two key targets related to suppliers are as follows:

- **ESG screening:** Regularly conduct ESG risk screening for 100% of active suppliers and provide ESG assessments for suppliers covering 50% of spending. Due diligence focused on high-impact suppliers (based on spend and other considerations) provides a logical and practical framework for managing reputational, regulatory and operational risks across a large number of suppliers.
- **Sustainable procurement:** 15% of operational procurement spending qualifies as sustainable procurement. We aim to promote market transformation by directing capital toward suppliers that lead in low carbon materials, recycled content, ethical labor practices, collaborative decarbonization, and other environmental improvements.

Supplier ESG Program

We have established a comprehensive supplier ESG program, under Board oversight, to drive value chain transformation. This ongoing initiative encompasses sustainable purchasing

practices, supply chain mapping, supplier risk assessment, capacity building, and innovative practices related to decarbonization and other areas for environmental improvement.

Sustainable Procurement

Registration and Prequalification

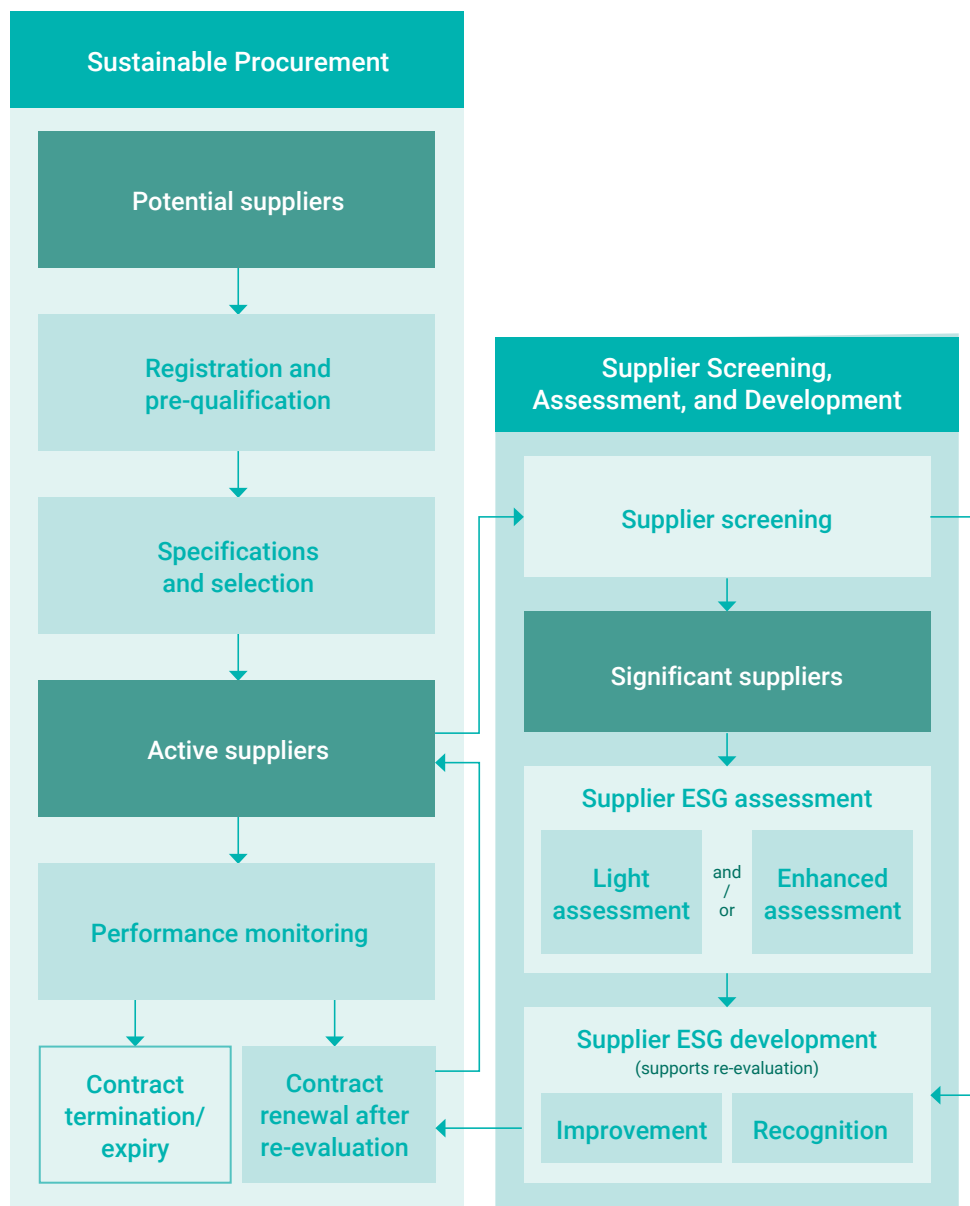
All new suppliers undergo a pre-qualification process before registration. This includes:

Legal and financial due diligence: Verification of business licenses, financial stability, and legal standing. Suppliers must disclose any legal cases or convictions from the preceding three years, including labor, safety, and environmental violations.

Technical competence: For projects with complex or specialized requirements, prequalification may incorporate technical requirements, including demonstrated capabilities, relevant experience, and other project-specific criteria.

ESG commitment: Suppliers are required to declare and confirm that they have read, understood, agree to, and will comply with the terms and conditions of Hang Lung's Code of Conduct for Suppliers and Contractors and the Sustainable Procurement Policy.

Supplier qualification: Certain forms of serious misconduct are considered minimum ESG thresholds. Registration will not proceed where a supplier is alleged to be involved in serious



misconduct, including material employment-related breaches, fatal occupational health and safety incidents, or corruption/bribery involving board members or senior management. Across the supplier lifecycle, user departments may escalate cases where governance requirements are not met and are not remedied within a defined remediation timeframe (as specified on a case-by-case basis). In serious cases, the supplier may be disqualified from tendering, contract award, and/or contract renewal, and/or suspend or terminate the relationship. Examples of such circumstances include, but are not limited to, situations where a supplier has engaged in unethical business practices or professional misconduct, or where a supplier has failed to honor a proposal or tender submitted (including ESG-related requirements) without valid legitimate / business justification.

Specifications and Selection

We integrate ESG expectations into tender documentation and evaluation as part of the technical requirements, alongside commercial considerations. In priority areas, we weigh ESG performance in selected contract awards, using scorecards or embedded requirements (see examples in the [Operational Supplier Management](#) section).

We conduct supplementary interviews for enhanced due diligence as necessary and exclude suppliers from such reviews if

material concerns arise. For example, in green power tenders, we may conduct interviews with electricity retailers to validate their delivery capacity and their claimed renewable generation sources.

Regular Performance Monitoring

We conduct annual performance reviews of registered suppliers, using predefined ESG KPIs to monitor compliance and progress. Existing suppliers are also reevaluated upon contract renewal. Suppliers may be disqualified under the following circumstances:

- Serious breach of integrity or ethical standards.
- Significant performance failures on existing or prior contracts.
- Severe financial distress or bankruptcy.

We periodically review purchasing practices and supplier evaluation criteria to ensure alignment with our Code of Conduct for Suppliers and Contractors and our Sustainable Procurement Policy, and to avoid potential conflicts with our ESG requirements. The supplier evaluation criteria are updated as needed to reflect emerging ESG risks and opportunities.

Supplier Screening, Assessment, and Development

Supplier screening: We apply a desk-based supplier screening process to identify significant suppliers that have greater business relevance and higher ESG risks. Screening includes:

- Business relevance: spend, criticality to operations and/or development, substitutability, and potential impact on our ESG outcomes.
- Environmental, social, and governance risk dimensions.
- Risk lenses: country- or region-specific, sector-specific, and commodity-specific risks (including higher-risk transactions and sourcing contexts).

To support this process, we leverage external platforms such as EcoVadis IQ Plus, Sedex's risk screening tool, and the Environmental Supervision Records platform developed by IPE to generate supplier risk profiles and identify risk hotspots, thereby helping to prioritize suppliers for further assessment and engagement.

Significant suppliers identified: We identified 90 suppliers in 2025, including 89 Tier-1 suppliers and one non-Tier-1 supplier. The Tier-1 significant suppliers represented about 40% of our total Tier-1 spend in 2025. These suppliers form the primary focus of our supplier ESG assessment and development efforts.

Supplier ESG assessment

Following screening and prioritization, we assess significant suppliers using a tiered approach that considers ESG risk and business relevance.

The first tier is a light assessment, and suppliers are asked to provide supporting documents to substantiate key responses. Currently, we use tools including:

- **EcoVadis Vitals:** A brief supplier questionnaire designed to quickly surface high-level sustainability risks and generate an initial supplier risk profile across key sustainability topics such as the environment, labor and human rights, ethics, and sustainable procurement.
- **Sedex Self-Assessment Questionnaire (SAQ):** A structured supplier self-assessment used to capture baseline disclosures across key areas such as labor standards, environmental ethics, health and safety, and business ethics.

Light assessment: We engaged EcoVadis and Sedex to support our supplier ESG assessment. Overall, 58 of our 2025 significant suppliers completed a light assessment, representing 64% of the significant suppliers. The assessment revealed that labor rights, codes of ethics, and sustainable procurement by these suppliers are areas that demonstrate potential for targeted capacity-building.

For suppliers identified with higher risk through the light assessment, we deepen the assessment through enhanced desk-based verification and/or independent on-site audits, followed by a corrective action plan and, where appropriate, follow-up verification. Separately, for selected suppliers important to our ESG priorities, we conduct second-party on-site assessments by our employees and/or contracted consultants to validate key information. For example, we engaged consultants to visit several building material suppliers' factories to validate their activity data and assess their carbon footprint. Suppliers that undergo enhanced assessment receive structured feedback and, where available, benchmarking insights against relevant peer groups through third-party methodologies.

Enhanced assessment: Two suppliers—one from operations and one from construction—underwent on-site audits conducted by an independent, accredited third-party audit firm in line with Sedex Members Ethical Trade Audit (SMETA) guidelines. Neither audit found a major actual or potential negative supply chain impact. To support continual improvement, each audit resulted in a report and a corrective action plan.

Supplier Capacity Building and Innovation Partnerships

We recognize that higher standards require empowering our supply chain to meet them. As part of supplier ESG program, we provide suppliers with information and training on program objectives, processes, and requirements, and support continuous improvement through guidance and follow-up, including support for implementing corrective or enhancement actions, as well as targeted topic-specific technical support for selected suppliers.

Supplier workshop: In December 2025, we convened an online training and capacity-building workshop attended by over 100 participants, including internal colleagues responsible for both construction and operations procurement, and value-chain stakeholders (including 48 suppliers). The session focused on our supplier ESG program and supplier management and procurement targets for 2030. We also shared best practices for sustainable procurement and for improving ESG performance, including buyer-supplier collaboration, compliance, and operational efficiency. This inaugural workshop is an important milestone in our plans for a structured capacity-building program that will expand in scope and frequency, and we hope it will also increase impact, through 2030.



Construction Supplier Management

Addressing embodied carbon in our development pipeline is a high priority for Scope 3 reduction. We maintain a master tender list, through which companies are regularly vetted for technical competence and green building capabilities. In 2025, we engaged 298 construction suppliers (34 in Hong Kong and 264 in the Mainland).

Project-Level
Decarbonization Collaboration

While commercial considerations (price, quality, delivery) remain our primary focus in tender evaluations, we have integrated ESG performance into supplier selection in priority areas. Recent examples include:

Westlake 66 (Hangzhou): We successfully selected vendors capable of supplying low carbon concrete. In 2023, we partnered with CLEANCO2 to convert 100 tonnes of waste concrete into low carbon Recycled Concrete Aggregate (RCA), reducing embodied carbon by 87.5% compared to traditional aggregate.

Plaza 66 Pavilion (Shanghai): Procurement specifications were adjusted to enable sourcing of low carbon emissions steel, directly supporting the project's lifecycle carbon reduction targets. For more on these transactions, see [Climate Resilience](#).

Operational Supplier Management

For our operating assets, our procurement strategy emphasizes improved environmental practices, ethical labor standards, and local sourcing wherever feasible. In 2025, we engaged approximately 5,900 operational suppliers (1,200 in Hong Kong and 4,700 in the Mainland).

ESG Integration Into Tenders

We have moved beyond “pass/fail” screening to weigh ESG performance in selected contract awards. Recent examples in operational and development procurement include:

- **Renewable energy:** Contracts for nine Mainland properties (including the signing of a contract for Heartland 66 in late 2025) now include binding clauses requiring vendors to guarantee a minimum percentage of renewable energy delivery.
- **Circular uniforms:** Our portfolio-wide uniform tender assigns a dedicated scoring weight to vendors' ability to incorporate recycled content.
- **Certified paper:** Hong Kong copy paper tender evaluations include FSC/PEFC certification, with scoring weights tailored to each tender's specific objectives.
- **IT equipment:** Procurement mandates local energy efficiency standards and chlorine-free, biodegradable packaging.

- **Chiller replacement:** In a recent tender to replace a chiller at one of our Mainland properties, we included technical selection criteria related to energy efficiency and emissions from refrigerants.

External Recognitions

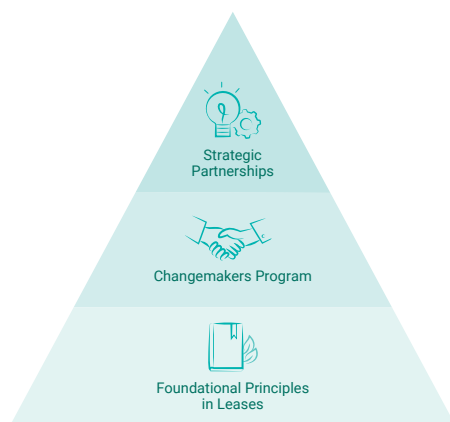
Independent industry benchmarks have acknowledged our evolving maturity in supply chain management:

- **Sedex Supply Chain Awards 2025:** Nominated as a finalist in the “Driving Change” category.
- **IPE CITI Index:** Our score on the Green Supply Chain Corporate Information Transparency Index (CITI) improved to 29.75 in 2025 (up from 28.8), placing us first among 68 real estate companies in the index and reflecting increased transparency in our Chinese Mainland supply chain management.

Tenants

Sustainability progress in the built environment requires a whole-building approach and effective collaboration between landlords and tenants on a broad range of issues.

Our Approach



Modes of Tenant Collaboration on Sustainability

Our strategy for working with tenants on sustainability is characterized overall by one word: partnership. Instead of attempting to impose prescriptive “green leases” to drive tenant compliance on sustainability, our experience over the last several years has taught us that it is important to take a customer-centric, data-driven, pragmatic approach as we aim to create value and advance sustainability impact with our tenants.

We work together with our tenants on sustainability in three ways:

- Promoting foundational principles in leases.
- Our universal Changemakers Program.
- Strategic partnerships with more ambitious tenants.

2025 Performance and 2030 Targets

Scale: As of December 31, 2025, 76 tenants (48 Changemakers and 28 LVMH brands) have partnered with Hang Lung on sustainability across 18 properties, encompassing 20% of our total leased floor area.

Diversity: Participants span a range of sectors, including luxury retail (46%), restaurant chains (13%), professional services (11%), and banking and finance (9%), with percentages representing the proportion of participating tenants in each sector.

We have established two tenant-related performance targets for 2030:

- **Intensity reduction:** Benchmarking provided to 100% of tenants across the Mainland portfolio and work with tenants towards a 10% reduction in their electricity intensity from a 2023 base year.
- **Participation:** Tenants representing 25% of our leased floor area in applicable Mainland and Hong Kong properties participate in our tenant partnerships program.

Foundational Principles in Leases

We have incorporated sustainability into the core defining landlord–tenant documents, including the lease itself and related documents, namely, the Tenant Handbook and Fitting-out Guideline.

Sustainability Addendum

We introduced a sustainability addendum in 2024 and incorporated it into all our new leases and renewals across Hong Kong and the Mainland in 2025. The addendum encourages tenants to adopt sustainable operational practices (such as energy efficiency measures and low carbon fit-outs) and to participate in our Changemakers Program.

Starting in 2026, the Mainland addendum will also highlight our commitment to energy benchmarking with tenants and call on all tenants to make efforts to improve their energy efficiency based on the benchmarking results.

This additional provision is possible in the Chinese Mainland but not yet in Hong Kong, as we do not have access to our tenants’ energy consumption data for our Hong Kong properties. We and other property owners in Hong Kong hope the local government and utilities will make aggregated whole-building information available (while maintaining the privacy of individual data) in the years ahead.

Tenant Handbook and Fitting-Out Guidelines

Updated in 2021, our Tenant Handbook and Fitting-out Guidelines encourage our tenants to make efforts in key areas. For instance, we urge tenants to install sub-metering for granular energy monitoring, use circular materials to reduce embodied carbon, and adopt “green cleaning” protocols.

These foundational principles help foster tenant engagement and sustainability improvements across our properties.

Changemakers Program

Launched as a pilot in 2023, the **Changemakers: Tenant Partnerships on Sustainability Program** has evolved into our primary vehicle for tenant collaboration on sustainability.

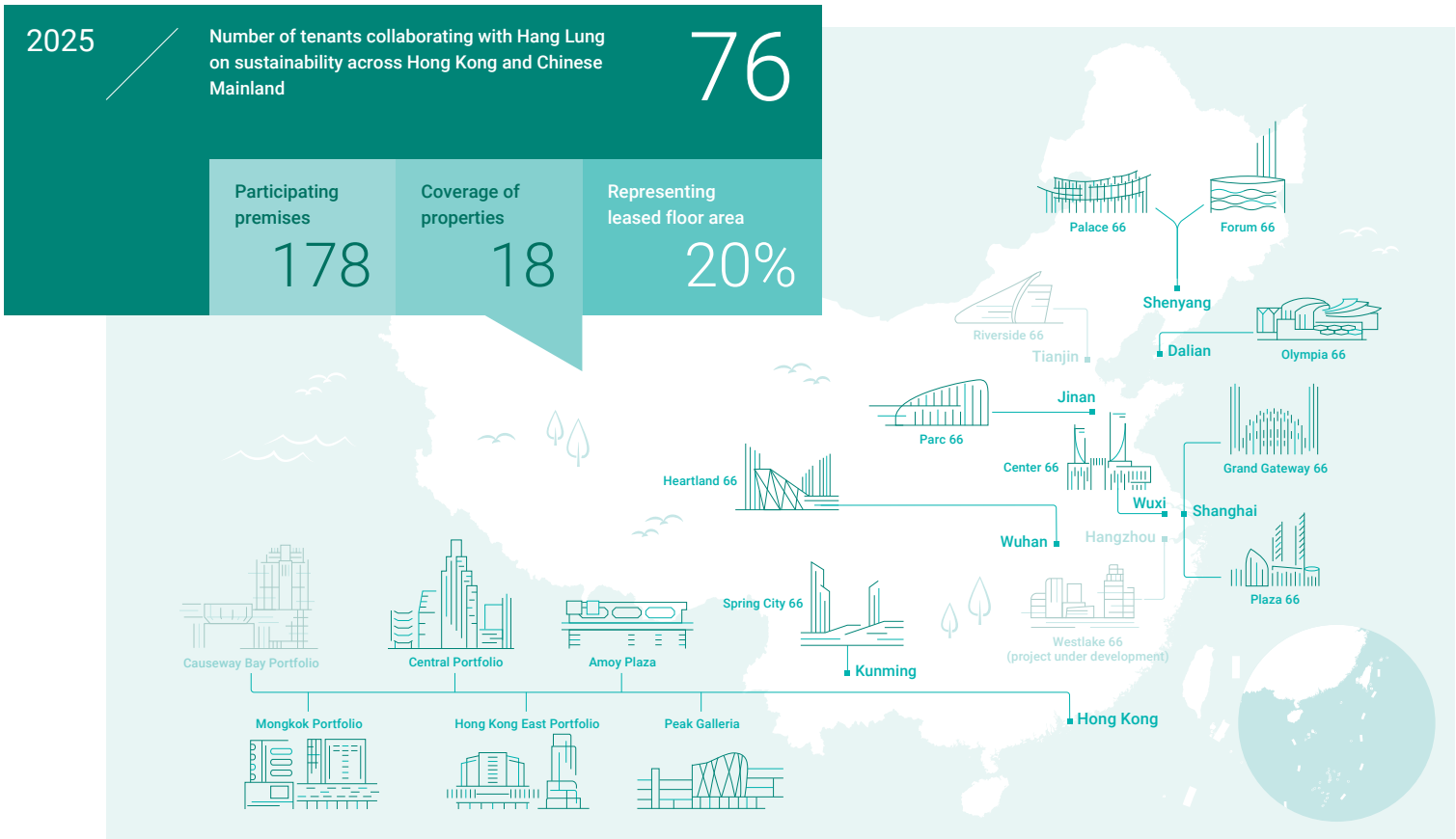
Since tenants operate at different stages of sustainability maturity and have varying resource constraints, priorities, and implementation capacity, a prescriptive, one-size-fits-all approach would exclude many potential participants. The Changemakers Program is designed with tiered engagement levels, enabling tenants to participate in ways that are appropriate to their circumstances and ambitions.

2025 Expansion and Performance

Following a successful pilot year in 2024, the Changemakers Program expanded significantly in 2025 through targeted outreach to leading companies from multiple sectors across our portfolio, including those in luxury goods, banking, sports retail, restaurant chains, and luxury hospitality.

Highlights:

- 48 tenants actively participate in the Changemakers Program as of December 31, 2025, surpassing our 2025 KPI by 20%.
- Diverse sector representation, including AEON stores (Hong Kong), Conrad Shenyang, Decathlon Hong Kong, Longchamp, Qeelin, Sa Sa Cosmetics, Siemens China, Standard Chartered Bank (Hong Kong), Tam Jai International Co. Limited, and numerous additional participants representing a cross-section of office, retail, F&B, and hospitality tenants.
- Wide geographic coverage spanning Hong Kong and major Chinese Mainland cities including Shanghai, Shenyang, and Wuxi.



* Property icons shown in a darker color represent portfolios with tenant participating in our Changemakers: Tenant Partnerships on Sustainability Program as of 2025.

Guidance on Renewable Energy Procurement

Portfolio expertise: Eight properties across our Chinese Mainland portfolio are already powered by renewable energy, and we have developed a strong understanding of renewable energy markets, policy frameworks, and procurement approaches across various regions.

Tenant capacity-building:

Changemakers tenants receive dedicated training on our approach to procuring renewable energy and what it means for them.

Priority access to renewable energy

documentation: Tenants are offered priority access to Green Electricity Certificates (绿电证书) and Green Electricity Consumption Certificates (绿电消费凭证) for properties within our portfolio.

These certificates provide credible, third-party evidence of renewable energy consumption and support tenants' own sustainability reporting.

Value Proposition and Benefits

We provide tangible value to lower the barriers to sustainability through measures such as:

Renewable energy documentation: Leveraging our renewable energy portfolio in the Mainland, we provide tenants with priority access to renewable energy documentation to support their own sustainability reporting and save them the cost of purchasing separate unbundled renewable energy certificates.

"As a leading luxury hotel, we work to ingrain sustainability in all aspects of our operations. It is great news for us and for our guests that Hang Lung has procured renewable energy for its Liaoning properties, including all the electricity for our hotel at Forum 66."

Erich Kaiserseder – General Manager, Conrad Shenyang

Energy audits: Participating tenants receive complimentary energy audits and benchmarking reports that identify directly actionable CAPEX and OPEX savings. These audits can also provide actionable insights applicable to other tenants, supporting our commitment to working with tenants to reduce their electricity intensity (including our 2030 target to reduce Mainland tenant electricity intensity by 10%). The audits provide baseline data and improvement roadmaps to guide implementation planning.

Waste solutions: In partnership with Greeners Action in Hong Kong, we offer waste collection free of charge and consultancy services at key properties (e.g., Amoy Plaza and Kornhill Plaza), helping tenants navigate municipal waste regulations.



Community engagement: Tenants participate in community initiatives that promote social cohesion and cultural vitality. Across numerous Chinese Mainland cities, we have organized diverse cultural activities to strengthen social connections and community impact.



In Hong Kong, Changemakers tenants joined the Throwback Causeway Days City Walk, exploring Causeway Bay's rich cultural history and fostering team building.

Capacity Building and Recognition

With the understanding that sustainable operations must deliver benefits not only to the environment but also to communities and employees, we have delivered wide-ranging capacity-building events related to social sustainability, diversity and inclusion, and community engagement.

Knowledge sharing: In 2025, we hosted tenant workshops on circular economy concepts, diversity and inclusion, and renewable energy procurement. These events brought together more than 139 tenant representatives, facilitating peer networking and knowledge exchange.



In partnership with Tam Jai International Co. Limited and the New Life Psychiatric Rehabilitation Association, we conducted a waste management workshop where participants transformed surplus materials into candles while exploring mindful eating and circular economy principles.



Newsletter: Our tenant sustainability newsletter, Changemakers, effectively communicates our initiatives, progress, and achievements to a broad readership of tenants, and we also make it available to other stakeholders. It highlights tenant successes and promotes sustainable practices. Topics addressed in our 2025 newsletters include [creating an accessible environment for a sustainable community](#), [how Conrad Shenyang's sustainability efforts inspire collective action](#), and [nurturing biodiversity in our properties](#).

Tenant feedback: We regularly collect tenant feedback through meetings, phone calls, emails, interviews, and surveys. Feedback regarding the Changemakers Program has been consistently positive, providing insights that enable continual improvement.



Tenants participated in a guided tour of Mil Mill, Hong Kong's first beverage carton recycling plant. The visit covered the full recycling process and provided tenants with practical guidance on enhancing circularity in their daily operations.

"The Changemakers Program provides a clear and comprehensive sustainability framework that is not only easy to follow but also actionable. It fosters a valuable platform for interaction with peers, allowing us to share experiences, best practices, and innovative ideas."

Feedback from
Changemaker tenant

Case Study

Changemakers Tenant Sustainability Awards 2025



To celebrate participating tenants' sustainability achievements and foster peer learning, Hang Lung hosted Changemakers Tenant Sustainability Awards ceremonies in Hong Kong (at Gala Place) and Shanghai (at Plaza 66) to recognize progress across the program's various tiers while highlighting exceptional cases of tenant innovation and leadership. More than 80 tenant representatives attended, creating opportunities for peer connection, best-practice sharing, and inspiration among tenant leaders.

We proudly recognized that 38% of tenants in the Changemakers Program achieved the advanced level in the previous year, alongside eight special-mention awardees who were honored for their leadership in energy efficiency, food waste management, circularity, and community wellbeing. Their stories served as a testament to the power of collaboration in achieving sustainability goals.

For more information, visit our [newsletter](#).



Strategic Partnerships

For tenants with high sustainability maturity, we are pleased to form deeper partnerships to test innovative solutions for potential applications across the industry.

The LVMH Partnership: A Model for Co-Creation

The launch of our partnership with LVMH Group in 2022 represented an accelerated learning and innovation opportunity for both groups. In 2025, the collaboration expanded to cover over 65,000 sqm of retail and office space and engaged 28 distinct brands.

Highlights from 2022–2025:

- **Real Estate and Climate Forum:** We convened over 200 stakeholders in Hong Kong, Shanghai, and Paris (2022 and 2024) to workshop solutions to complex challenges, including Scope 3 data integration and circular fit-outs.
- **Common Charter:** We issued our first Common Charter under the partnership in 2023. The 2024 update to our Common Charter synthesized lessons learned and defined updated actions in 20 areas, including biodiversity and social impact.

Innovation Highlights

- **Data transparency:** We selected a real-time energy and carbon management platform that provides LVMH brands with granular

visibility into their consumption patterns. This digital infrastructure will help their maisons identify inefficiency hotspots and will be rolled out across their stores at Hang Lung-owned properties in 2026.

- **Energy efficiency:** LVMH's stores with Hang Lung saw an overall reduction in average energy use intensity from 2022 to 2025.
- **Embodied carbon in retail fit-outs:** Hang Lung and LVMH partnered with RESET to conduct embodied carbon assessments in selected stores, with the insights informing future store design and materials procurement options.
- **Thought leadership:** The "Changemakers Circle" podcast disseminated expert insights on topics ranging from "Pragmatic Optimism" to "Refrigerant Emissions," positioning both organizations as thought leaders.



John Haffner, our Deputy Director – Sustainability, speaking at the 8th China International Import Expo with LVMH colleagues, highlighting our joint commitment to sustainability

- **Groundbreaking report:** Hang Lung and LVMH co-sponsored a first-of-its-kind study by the Carbon Containment Lab (CCL) entitled "Bending the Curve: Cost-effective cooling emissions reduction pathways for commercial real estate in China and the U.S." The report develops an actionable cost curve spanning both electricity-related cooling and refrigerant emissions and presents clear, "no-regret" reduction opportunities for stakeholders, including landlords, tenants, and others, with input from more than 60 contributors across four continents.
- **Social impact:** Building on several social initiatives and exchanges under the partnership, Hang Lung and LVMH are formulating plans for a collaborative social impact initiative to be launched in 2026.
- **Partnership renewal:** Top management from both groups have discussed lessons learned, key achievements, and priorities ahead, and have enthusiastically agreed to renew the partnership for another five years, from 2026 to 2030 (see below).

Partnership Renewal: 2026–2030

As agreed by management, the Hang Lung–LVMH partnership renewal will continue on two levels:

Group-level focus: The two groups will continue to support industry-wide innovations related to standards development or thought leadership at the group level.

Maison and store-Level engagement: LVMH stores within Hang Lung have been welcomed into our universal Changemakers Program, ensuring a common framework for impact, collaboration, and community across our portfolio.

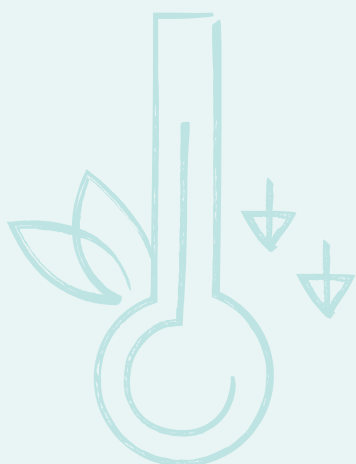
Other Strategic Partnerships

In 2025, we expanded our high-maturity partnerships to include collaboration with another group with multiple stores across the Hang Lung portfolio. The collaboration included a dedicated sustainability event, bringing together senior executives from both sides. To date, this partnership has included exchanges related to energy efficiency, renewable energy, data integrity, circularity, and wellbeing.

We have also identified tailored, strategic collaboration opportunities with other key tenants and will share further updates as these partnerships develop in the year ahead.

Case Study

“Bending the curve” cooling emissions report



In this pioneering study, CCL predicts that air conditioning and refrigeration in commercial real estate in the U.S. and China will result in ~12.8 billion tons of CO₂e emissions by 2060. These emissions occur at every level of the value chain and stem from both energy use and refrigerants.

Through modeling 18 potential abatement measures, the report found that 45% of cumulative cooling emissions are preventable at a cost of less than USD100/ton. Of these avoided emissions, more than 65% are financially attractive, defined as an internal rate of return above 8%. The two largest economically viable opportunities are improving system controls and smarter maintenance and operations, together estimated to avoid 1.4 billion tons of CO₂e and deliver present-value savings of USD178 billion over 2026 to 2060. These findings are illustrated through case studies in the report.

To help stakeholders apply the findings, the report groups measures into four practical levers: lifecycle refrigerant management (“fuel”), cooling equipment upgrades (“engine”), reduced primary cooling load (“demand”), and cooling system management (“system-wide”). It notes that

the measures were informed by published research and standards such as LEED, BREEAM, and LVMH’s LIFE in Architecture, and then were refined with expert input.

Building on the report, Hang Lung and LVMH will explore ways to translate the findings into practical applications across the landlord–tenant ecosystem. Potential next steps include targeted pilots of no-regret operational measures (controls, data-driven maintenance, leak detection, and calibration) in representative asset and tenant contexts; applying the modeling approach to develop an abatement curve tailored to Hang Lung and/or LVMH portfolios; and convening a tenant workshop—including tenants that rely more heavily on refrigeration (e.g., supermarkets)—to better understand cooling practices and refrigerant management gaps, and to support scalable end-of-life refrigerant recovery pathways.

This collaboration is one example of how the Hang Lung–LVMH partnership can create value beyond individual projects by co-sponsoring independent, data-driven research. In this case, the research is a conduit for accelerating shared learning and potential implementation across the cooling value chain (e.g.,

building owners and operators, original equipment manufacturers, and facilities managers), helping stakeholders to prioritize actions that are both practical and economically compelling.

BENDING THE CURVE

Cost-effective cooling emission reduction pathways for commercial real estate in China and the U.S.



Carbon
Containment
Lab

With
support
from

HANG LUNG PROPERTIES

LVMH



Three-year partnership launch:

- 27,000+ m² leased area 90+ retail stores
- 26 LVMH brands

Oct

2022



1st Common Charter launch:

20 specific actions

Mar

2023



Panel discussion with **Stella McCartney** on Sustainable Fashion

Oct



2nd Real Estate & Climate Forum:

- Gypsum Board Recycling and Circularity Accelerator
- Social initiatives with Diversability Lab, Lili Time and beYourEyes

Apr

2024



1st Real Estate & Climate Forum:

- 12 learning paths
- 200+ ideas
- 36 key discoveries

Nov

Sep

"Step-Up for Good"

Shanghai City Walk with 50 volunteers from both Groups and 50 grassroots children



Nov



Panel discussion in **Moët Hennessy Diageo Living Soils Forum** on Ecology

Sep

2nd Common Charter & Changemakers Circle Podcast launch:

- Scope extended to office space (total 65,000+ m²)
- Refreshed 20 actions



Customers

At Hang Lung, we prioritize the health, safety, and satisfaction of our customers while leveraging digital innovation to enhance loyalty and environmental stewardship.

Maintaining Quality Standards

We put customers first by delivering products and services that meet the highest levels of quality. We work to ensure that our properties and services remain safe, resilient, and inclusive environments. Our management approach is governed by standardized procedures across Hong Kong and the Chinese Mainland, ensuring consistent service excellence.

Operational rigor: We conduct comprehensive annual technical inspections to identify and rectify defects in building fabric and electrical and mechanical (E&M) systems. Critical life-safety facilities, including fire services, HVAC, and vertical transportation, undergo proactive maintenance to ensure service continuity.

Hygiene and health assurance: Maintaining high hygiene standards remains a baseline operational requirement. We conduct regular technical training for frontline staff on advanced sanitization protocols and use a robust inspection framework, including daily checks and monthly inspections, to monitor service performance and ensure we meet our customers' expectations.

Asset enhancement: During asset enhancement initiatives, we prioritize the design, layout optimization, and customer circulation of our malls and offices. All contractor works are backed by a minimum defects liability period of one to two years, with major equipment warranties extending up to ten years. We also continually upgrade building systems to strengthen functionality and safety. For example, in 2025, we initiated lift modernization projects for the Standard Chartered Bank Building, Hollywood Plaza, 1 Duddell Street, Printing House, and Baskerville House in Hong Kong, all scheduled for completion by the end of 2026 or early 2027.

Enhancing the Customer Experience

We combine technology, effective service delivery, and attention to customer needs and preferences to deliver tailored lifestyle experiences.

Strategic Engagement in the Chinese Mainland

Our HOUSE 66 customer relationship management program remains our primary vehicle for customer engagement across ten malls in eight Mainland cities, leveraging data analytics to drive tenant sales and footfall.

- **Economic impact:** In 2025, our flagship HOME TO LUXURY gala achieved a new milestone, delivering nearly 50% year-on-year growth in tenant sales over three days. By integrating spectacular flying acrobats performance and gourmet experiences, we redefined the scale of luxury retail activation.



- **Targeted demographics:** We successfully engaged younger people through high-impact activations, such as the ButterBear showcase at Grand Gateway 66, while the Riverdance anniversary celebration at the same location drove a 40% year-on-year

increase in traffic and sales. Immersive experiences at the "Spring Into Life" event in Spring City 66 helped drive an approximate 20% year-on-year sales increase, setting single-day record highs.



Sustainable and Inclusive Retail Experiences in Hong Kong

We make efforts to integrate eco-conscious practices and inclusive design into every aspect of the customer journey. These efforts empower shoppers to make sustainable choices while enjoying vibrant mall environments.

- **The hello Hang Lung Malls Rewards Program:** Our "hello" rewards program connects over 600 tenants with our customer base through a seamless digital interface, helping integrate sustainability into the consumer journey.
- **Circular economy integration:** In collaboration with Fill n' Go, we promoted "naked shopping" by installing smart refill

stations for personal care products at Amoy Plaza, Fashion Walk, and Kornhill Plaza. This initiative empowers customers to reduce single-use plastic waste.

Furthermore, in partnership with Redress, we hosted exhibitions, a sustainable fashion pop-up, and upcycling workshops at Peak Galleria in December 2025, encouraging the reuse of unwanted clothing and raising awareness of sustainable fashion, further integrating sustainability into everyday mall experiences.



- **Inclusive spaces:** Promoting social inclusion, Fashion Walk has been pet-friendly since January 1, 2026. Preparatory work began in late 2025 at Fashion Walk and Peak Galleria, where we partnered with tenants and the pet healthcare platform Furmomo to create welcoming environments through engagement activities.
- **Community art and placemaking:** We leveraged our spaces for community co-creation, inviting NGO partners to develop a mural at Fashion Walk's Art Lane.



Measuring Customer Satisfaction

We employ a data-driven approach to monitor stakeholder sentiment, viewing feedback as a material input for strategic planning and service improvement.

- **Data-driven feedback:** In 2025, we continued our online customer survey across the Chinese Mainland, tracking Net Promoter Score (NPS) and qualitative feedback on our brand, marketing mix, facilities, and services. The survey reached close to 30,000 customers, enabling targeted enhancements that sustained a high NPS of 75% in the

Chinese Mainland, representing a 1.3-point year-on-year increase.

- **Office tenant insights:** In 2025, we launched our first office tenant survey in the Mainland, interviewing more than 4,000 tenant representatives across six office properties. Overall, satisfaction ranged from 70% to 90%, with the highest scores recorded at Center 66 and Grand Gateway 66. In total, 68% of respondents expressed interest in collaborating with Hang Lung through the Changemakers Program.

Service Standards and
Grievance Mechanisms

- **Service excellence:** Our Emerald Service Standards provide frontline staff with grooming, service, and communication guidelines to ensure professional, polite, and caring interactions, while the Emerald Service Assessment, conducted twice yearly by trained assessors, verifies compliance with these standards. Together, they maintain consistent, high-quality service across our portfolio.
- **Complaint handling and resolution:** We maintain standardized complaint-handling procedures to ensure timely and consistent responses. Dedicated teams log, investigate, and follow up on cases while keeping customers informed of progress. Property management teams regularly review complaints and receive ongoing training to strengthen problem-solving skills and sustain service excellence.

Written Complaints

Hong Kong	Chinese Mainland
Response to be provided within five to ten working days	Acknowledgement within 24 hours, with a formal response within three working days

Sustainable Marketing

Recognizing the environmental footprint of large-scale marketing activities, we have incorporated sustainable marketing guidelines across our portfolio.

Framework: Our Sustainable Marketing Guidelines apply to all our properties and set principles for event design, including marketing promotion, venue setup, waste management, and low carbon transportation. The guidelines also address sustainable procurement of marketing collateral and require the use of metrics such as electricity consumption and carbon footprint to assess event impact, with decorative materials and guest transportation identified as key reduction drivers.

Implementation and performance: Building on enhancements introduced in 2024—including updated carbon calculators with standardized emission factors and clearer data inputs—these tools were further embedded into daily practice. In 2025, 100% of our central-led marketing events were evaluated against the guidelines, ensuring the systematic assessment of environmental performance across our campaigns.



The 2025 HOME TO LUXURY event was conducted in line with our Sustainable Marketing Guidelines

Protecting Customer Data Privacy

We maintain customer data privacy as a core integrity feature across our operations. Our established internal policies govern the collection, use, and protection of personal data in full compliance with relevant laws and regulations, with periodic reviews to sustain alignment.

Data security governance: The Data Security Management Committee (DSMC) leads our overall data security governance and compliance monitoring with respect to personal data protection laws. All business scenarios involving the collection of personal information are subject to DSMC review prior to implementation. For more details, please refer to the Data Security Management section.

Regional compliance: In Hong Kong, we adhere to the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) and maintain our Privacy Statement. In the Chinese Mainland, our privacy policies align with the Personal Information Protection Law. Following the law's implementation in 2021, we have upheld customer consent requirements for data collection and minimized cross-border data transfers.

Performance record: In 2025, we received no substantiated complaints regarding breaches of customer privacy or losses of customer data.

» Look Ahead

We plan to further expand the scope and impact of our sustainability efforts across our value chain through a series of focused actions.

We are analyzing benchmarking data and developing tools and methodologies to help our tenants reduce their electricity intensity and the carbon footprint of their fitouts and operations.

For suppliers, we will continue to deepen and expand our supplier ESG program by enhancing our supplier screening criteria, piloting sector-specific specifications and guidance for our user departments, and selected pilots with innovative and leading companies.

We will organize a circularity workshop in Q4 2026 that will include participation from multiple stakeholders, including selected suppliers and tenants.

Lastly, recognizing the need for system-level changes in many areas, we will continue to work with universities, experts, associations and other stakeholders on the development of standards that will help advance key sustainability priorities in the built environment.

Appendix



Appendix 1 – About this Report

This is the 14th sustainability report (the “Report”) for Hang Lung Group Limited (“the Company” or “Hang Lung Group,” stock code: 00010) and its subsidiaries (collectively known as “Hang Lung” or “the Group”), including Hang Lung Properties Limited (“Hang Lung Properties,” stock code: 00101). The Group produced and issued this Report to disclose information transparently to our stakeholders regarding the Group’s material sustainability issues from January 1, 2025 to December 31, 2025, unless otherwise specified. This Report follows our Sustainability Report 2024, which was published online in March 2025.

Scope of this Report

This Report focuses primarily on the Group’s management approach to material sustainability issues. The scope of our economic key performance indicators (KPIs) disclosures aligns with the Group’s financial reporting and the social KPIs reported across our material topics cover our entire operations.

Compared with the Sustainability Report 2024, the reporting boundary has been expanded to include The Aperture in Hong Kong, which commenced operations in July 2024. For the full list of properties, please refer to [Appendix 6](#). In this Report, we also set forth our progress toward our sustainability targets and KPIs. In selecting base years for these targets, several

factors, including data availability, timeliness, and representativeness, were considered.

Reporting Standards and Assurance

This Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards with content defined based on the principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability. It also complies with Appendix C2 Environmental, Social and Governance Reporting Code in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEX”). In addition, we have disclosed sustainability-related risks and opportunities with reference to International Financial Reporting Standards (IFRS) S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures published by the International Sustainability Standards Board (ISSB Standards), and made our best effort to report against metrics required by the Sustainability Accounting Standards Board (SASB) for the real estate sector in [Appendix 9](#). We also disclose our nature-related risks and opportunities with reference to the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). The adoption of these reporting standards ensures that the content

presented is accurate, balanced, clear, comparable, reliable and disclosed in a timely manner. We have identified material ESG topics through ongoing stakeholder engagement and our annual materiality assessment. Quantitative data are reported consistently and presented in a manner that allows for meaningful comparisons over time, while the methodologies used for calculations are described in the Performance Tables in [Appendix 6](#) to facilitate public review. A list of properties included in the reporting boundary is also provided in [Appendix 6](#) to allow for year-on-year scope comparison. The Report also reflects both positive and negative aspects of our performance to enable an unbiased and reasoned assessment. The Group has provided a fair presentation of all material sustainability-related risks and opportunities that could reasonably be expected to affect the company’s prospects.

Information in this Report has been independently verified by SGS Hong Kong in accordance with the GRI Standards, the HKEX ESG Reporting Code, and fundamental reporting principles, as detailed in the Independent Assurance Opinion Statement in [Appendix 7](#).

The cover of this Report highlights Spring City 66 in Kunming and features a kinetic sculpture by George Sherwood entitled “Lily Grove,” inspired by the city’s identity as the “City of Eternal Spring.”

Appendix 2 – Memberships, Charters and External Recognition

The Group, through its subsidiary Hang Lung Properties, actively supports government bodies, sustainability organizations, and industry associations that have a positive impact on society. In 2025, our total contributions and membership fees to trade and industry associations amounted to approximately HK\$2 million. Among these, Hang Lung participates in several associations that engage in public policy related to sustainability, such as the Hong Kong Green Building Council, Business Environment Council, and the Hong Kong Green Finance Association. These organizations advocate for a sustainable built environment, sustainable business practices, and green finance, respectively. In 2025, the total sum of our member contributions to these organizations was approximately HK\$300,000.

Our Climate Change Policy Position and Our Related Work with Relevant Associations

We are committed to reducing our carbon footprint in line with climate science, a commitment endorsed by our Board, and we support the policy objectives of the Paris Agreement. We also support China’s dual carbon goals. Our top management regularly reviews our trade association memberships and advocacy activities to ensure that they reflect our Group values and commitments, including the above-mentioned commitment about making climate reductions in line with science. This system is maintained and updated as needed. Our governance framework for public policy engagement is covered by our Corporate Communications Policy, which provides a clear mechanism and principles applicable to our business in every location for approval of: public speaking and engagement activities, including qualified representatives to speak on behalf of the Group; vetting and pre-approval of content for public speaking engagements; approval for our trade association memberships and any other memberships; and media engagement.

We monitor this governance framework on an annual basis and make any updates as appropriate. Any misalignment between the climate change policy positions of a trade association to which we belong and our own aforementioned commitment would result in our making efforts to remedy the misalignment, and in the absence of such a remedy, our departure from the association. We have expanded on our commitment to reducing our carbon emissions in line with science through our SBTi-validated targets, our support for ULI Greenprint’s net zero carbon operations goal, the Climate Resilience chapter of this report, and “Our Journey to Net Zero” paper. Our Deputy Director – Sustainability is also Co-Chair of the ULI Asia Pacific Net Zero Council.

The following table summarizes our memberships and charters participated, as well as external recognitions received in 2025.

List of Major ESG Membership

Organization	Membership
Environmental	
Business Environment Council	Council Member
GRESB	Participant Member
Hong Kong Green Building Council	Platinum Patron Member
Hong Kong Green Finance Association	Corporate Member
Taskforce on Nature-related Financial Disclosures (TNFD)	TNFD Forum Member
The Climate Group	SteelZero and RE100 Member
Urban Land Institute	Asia Pacific Corporate Partnership and Greenprint Programs
Social	
Agency For Volunteer Service	Group Member
Asia Society	Asia Corporate Member
Business for Societal Impact (B4SI)	Corporate Member
CareER Association	Corporate Member
Employers' Federation of Hong Kong	Corporate Member
Hong Kong Institute of Human Resource Management	Corporate Member
United Nations Global Compact (UNGC)	Participant

Organization	Membership
Industry and Professional	
The Chamber of Hong Kong Listed Companies	Full Member
The Hong Kong Association of Property Management Companies	Full Member
Hong Kong Public Relations Professionals' Association	Corporate Member
The Hong Kong General Chamber of Commerce	Full Member
The Hong Kong Management Association	Charter Member
The Real Estate Developers Association of Hong Kong	Corporate Member

List of Major ESG External Charters

Name of External Charter	Organization	Participating Entity/Properties
Environmental		
Carbon Neutrality Partnership	Environment and Ecology Bureau	Hang Lung Properties Limited
Charter on External Lighting	Environment and Ecology Bureau	Amoy Plaza Fashion Walk Gala Place Grand Plaza Hang Lung Centre Kornhill Plaza Peak Galleria Standard Chartered Bank Building
Energy Saving Charter and 4T Charter	Environment and Ecology Bureau and Electrical and Mechanical Services Department	<u>Shopping Mall:</u> Amoy Plaza Fashion Walk Grand Plaza Hollywood Plaza Kornhill Plaza Peak Galleria <u>Office Building/Commercial Building/Industrial Building:</u> 1 Duddell Street 228 Electric Road 9 Wing Hong Street Baskerville House Gala Place Grand Centre Grand Plaza Office Tower One & Two Hanford Commercial Centre Hang Lung Centre Hollywood Plaza Kornhill Plaza Office Tower

		Printing House Standard Chartered Bank Building
Food Wise Charter	Environment and Ecology Bureau	Hang Lung Properties Limited
Glass Container Recycling Charter	Environmental Protection Department	Amoy Plaza Fashion Walk Grand Plaza Kornhill Plaza Hollywood Plaza
BEC Net-zero Carbon Charter: Science-aligned Signatory	Business Environment Council	Hang Lung Properties Limited
Power Up Coalition Member	Business Environment Council	Hang Lung Properties Limited
No Shark Fin Corporate Pledge	WWF-Hong Kong	Hang Lung Properties Limited
Waste Reduction and Recycling Charter	Environmental Protection Department	Hang Lung Property Management Limited: Amoy Gardens Phase 1 to Phase 4
Carbon Neutrality (Waste Reduction) Charter	30 • 50 FoodSmart Partnership Programme	Hang Lung Management Services (HK) Ltd.

Name of External Charter	Organization	Participating Entity/Properties
Social		
Heart Caring Charter	Occupational Safety and Health Council	• Hang Lung (Administration) Limited • Hang Lung Management Services (HK) Limited • Hang Lung Property Management Limited
Joyful@Healthy Workplace Charter	Department of Health and Occupational Safety and Health Council	• Hang Lung Properties Limited • Hang Lung Property Management Limited • Hang Lung Management Services (HK) Limited
Mental Health Workplace Charter	Department of Health, Labour Department and Occupational Safety and Health Council	• Hang Lung (Administration) Limited • Hang Lung Management Services (HK) Limited • Hang Lung Properties Limited • Hang Lung Property Management Limited
Talent-Wise Employment Charter	Labour and Welfare Bureau	Hang Lung Properties Limited
Charter for Age-Friendly Shopping Malls of Jockey Club Age-Friendly City Project	The Hong Kong Jockey Club Charities Trust	Peak Galleria
Sustainable Procurement Charter – Established Members	Green Council	Hang Lung Properties Limited
Racial Diversity and Inclusion Charter for Employers	Equal Opportunities Commission	Hang Lung Properties Limited

List of Major ESG External Recognitions Received

Name of Award/ Certification	Award Organization	Participating Entity/Properties
Environmental Awards		
2024 ESG Model Enterprise Award	14 th China Philanthropy Festival	Hang Lung Properties Limited
2024 Green Development Model Award	14 th China Philanthropy Festival	Hang Lung Properties Limited
HKQAA Hong Kong Green and Sustainability Contribution Awards 2025: Outstanding Contribution to Sustainable Property Development Award (Real Estate) - Promoting Green Environmental Protection	Hong Kong Quality Assurance Agency	Hang Lung Properties Limited
3 rd China Corporate Carbon Neutrality Performance Ranking - Energy Saving and Carbon Reduction Award	Yicai	Hang Lung Properties Limited
ESG Good Practices of Year 2025 - Prospective Case	Center for Environmental Education and Communications of Ministry of Ecology and Environment	Hang Lung Management (China) Ltd.
iRecycle Sustainability Award - Gold	iRecycle Charity Foundation	Hang Lung Properties Limited
Green Building Award 2025 - Grand Award for Existing Buildings (Interiors)	Hong Kong Green Building Council	Hang Lung Properties Limited

Name of Award/ Certification	Award Organization	Participating Entity/Properties
RE100 Leadership Awards 2025 - Winner - Best newcomer	Climate Group - RE100	Hang Lung Properties Limited
Environmental Certifications		
HKQAA Hong Kong Green and Sustainability Contribution Awards 2025: Gold Seal for Contribution to Sustainable Property—Promote Environmental Protection	Hong Kong Quality Assurance Agency	Amoy Plaza Grand Plaza Office Tower Two Baskerville House Standard Chartered Bank Building Hang Lung Centre 1 Duddell Street Gala Place Grand Centre Printing House Hanford Commercial Centre 9 Wing Hong Street Peak Galleria Fashion Walk Kornhill Plaza Hollywood Plaza Burnside Villa The Long Beach Plaza Grand Plaza Grand Plaza Officer Tower One 228 Electric Road
Energywise	Hong Kong Green Organisation	<u>Excellent Level</u> : 228 Electric Road, Amoy Plaza, Gala Place, Hang Lung Centre, Hollywood Plaza, One Grand Tower, Two Grand Tower, Standard Chartered Bank Building <u>Good Level</u> : Peak Galleria, 1 Duddell Street, Burnside Villa, Fashion Walk, Hanford Commercial Centre, Kornhill Apartments, Kornhill Plaza, Printing House, The Long Beach



Name of Award/ Certification	Award Organization	Participating Entity/Properties
		<u>Basic Level</u> : 9 Wing Hong Street, AquaMarine, Canton Road Carpark, Grand Centre, Kornhill Recreational Club
Wastewiše	Hong Kong Green Organisation	<u>Excellent Level</u> : Amoy Plaza <u>Good Level</u> : 228 Electric Road; 1 Duddell Street; 9 Wing Hong Street; Amoy Gardens; Baskerville House; Burnside Villa; Fashion Walk; Gala Place; Grand Centre; Grand Plaza; Hanford Commercial Centre; Hang Lung Centre; Hollywood Plaza; Kornhill Apartments; Kornhill Plaza; Peak Galleria; Printing House; Standard Chartered Bank Building; Summit <u>Basic Level</u> : Kornhill Recreation Club
Quality Water Supply Scheme for Buildings – Fresh Water (Management System) Certification	Water Supplies Department	<u>Gold Certificate (Comply scheme standard > 6 years)</u> : Hanford Commercial Centre; Kornhill Plaza; Standard Chartered Bank Building; Summit; Gala Place; Hollywood Plaza; Grand Plaza Office Tower One; Grand Plaza Office Tower Two; Grand Centre; Amoy Gardens
Quality Water Supply Scheme for Buildings – Flushing Water Certification	Water Supplies Department	<u>Gold Certificate (Comply scheme standard > 6 years)</u> : Kornhill Plaza; Kornhill Apartments; Amoy Gardens
Indoor Air Quality Certificate	Environmental Protection Department	<u>Good Class</u> : Kornhill Plaza; Fashion Walk; Peak Galleria; Amoy Plaza; Hollywood Plaza; Grand Centre; Hanford Commercial Centre; Grand Plaza Tower 1; Grand Plaza Tower 2; Hang Lung Centre; Standard Chartered Bank Building; 1 Duddell Street; Printing House; Baskerville House; Kornhill Apartments

Name of Award/ Certification	Award Organization	Participating Entity/Properties
Social Awards		
Social Enterprise Supporter Excellence Award	Fullness Social Enterprises Society	Hang Lung Properties Limited
Inclusion & Diversity Award – Corporate Sector	Dialogue in the Dark (HK) Foundation	Hang Lung Properties Limited
2025 Gallup Exceptional Workplace Award	Gallup	Hang Lung Properties Limited
Sustainable Workplace Award (Hong Kong Region)	HR Asia	Hang Lung Properties Limited
Y-Care CSR Scheme - Silver Partner	Chinese YMCA of Hong Kong	Hang Lung Properties Limited
24 th Hong Kong Occupational Safety and Health Award - Bronze Award for the "OSH Report"	Occupational Safety & Health Council	Hang Lung Properties Limited
24 th Hong Kong Occupational Safety and Health Award - Outstanding Award for the "Safety Performance Award (SMEs)"	Occupational Safety & Health Council	Hang Lung Properties Limited
CareER Disability Inclusive Employer Badge	CareER	Hang Lung Properties Limited
Diverse Abilities. Inclusive Workplace Recognition Scheme - "Caring Employer" Medal (Level 2) – Disability-Inclusive Employer	Labour and Welfare Bureau	Hang Lung Properties Limited

Name of Award/ Certification	Award Organization	Participating Entity/Properties
Caring Enterprise for Volunteer Service in Lixia District	Social Work Department of Lixia District	Parc 66
Supporting Organisations Award	Strive and Rise Programme (Cohort 3)	Hang Lung Properties Limited
15 Years Plus Caring Company Logo (Leading Performance)	The Hong Kong Council of Social Service (HKCSS)	Hang Lung Properties Limited
Social Certifications		
2025-2026 Breastfeeding Friendly Workplace	United Nations Children's Fund (UNICEF)	Hang Lung Properties Limited Peak Galleria Kornhill Plaza Amoy Plaza
2025-2026 Breastfeeding Friendly Premises (Gold Label)	United Nations Children's Fund (UNICEF)	Peak Galleria Kornhill Plaza Amoy Plaza

Name of Award/ Certification	Award Organization	Participating Entity/Properties
Governance and Reporting Award		
2025 Best Corporate Governance and ESG Awards – Main Categories - ESG Awards (Special Mention)	Hong Kong Institute of Certified Public Accountants	Hang Lung Properties Limited
2025 Best Corporate Governance and ESG Awards – Elite Past Winners - ESG Awards (Special Mention)	Hong Kong Institute of Certified Public Accountants	Hang Lung Group Limited
2025 Leading ESG Report Award of Foreign-Invested Enterprises in Shanghai (2025 年度上海外商投资企业优秀 ESG 报告)	Shanghai Foreign Investment Association (上海市外商投资协会)	Hang Lung Management (China) Ltd.
Cyber Security Staff Awareness Recognition Scheme 2025/26 – Diamond Tier	Hong Kong Internet Registration Corporation Limited (HKIRC) and ISACA China Hong Kong Chapter (ISACA)	Hang Lung Properties Limited

Selected Sustainability Speaking Engagements in 2025

Organiser	Event	Topic	Date	Format
Hong Kong Science and Technology Parks	Hong Kong Science and Technology Parks Corporation GreenTech Hub Opening Ceremony	Driving Decarbonization: Corporate Strategies for Adopting GreenTech Solutions	March 11, 2025	Panel discussion
Hong Kong Green Finance Association (HKGFA)	HKGFA Transition Planning Webinar Series	Taking Action: Real Economy Implementation and Case Studies	April 24, 2025	Panel discussion
Sustainable Finance Initiative (SFi)	SFi Event with Barclays Private Bank	Sustaining Legacy, Decarbonizing Business: Family Perspectives on Transitions	May 29, 2025	Panel discussion
HSBC	HSBC Built Environment Decarbonization Roundtable	Corporate transition planning case study: Hang Lung's Journey to Net Zero	June 5, 2025	Presentation
SteelZero	SteelZero Forum and Member Spotlighting	Our Journey to Net Zero	June 27, 2025	Presentation
World Steel Association	2025 World Steel Association Life Cycle Assessment and Industrial Chain Collaborative Innovation Development Conference	Low Carbon Emissions Steel Procurement in Real Estate	July 9, 2025	Presentation
Hong Kong Green Finance Association (HKGFA)	2025 HKGFA Annual Forum	Adapting to Shifting Green Supply Chains: Building Resilient Economies	September 8, 2025	Panel discussion
ReThink HK	ReThink HK	Fostering Collaboration in the Construction Material Supply Chain	September 11, 2025	Panel discussion
ReThink HK	ReThink HK	Sustainable Finance in Action: Corporate Transition Planning for a Climate-Resilient Future	September 11, 2025	Panel discussion
ReThink HK	ReThink HK	Pioneering Circular Practices for Sustainable Built Environment	September 11, 2025	Panel discussion
Northeastern University	Intergenerational Leaders Exchange	Sustainability and ESG initiatives in real estate and beyond	October 17, 2025	Fireside chat
LVMH Group	LVMH Exhibition at the 8 th China International Import Expo (CIIE)	Sustainability at LVMH	November 5, 2025	Panel discussion
Institute of Public & Environmental Affairs	2025 Green Supply Chain & Corporate Climate Action Forum	Addressing Key Bottlenecks in Supply Chain Decarbonization to Accelerate Low Carbon Transformation in High Carbon Emission Industries	November 6, 2025	Panel discussion

Appendix 3 – Sustainability Goals, Targets and ESG KPIs

25 x 25 Sustainability Targets

25 x 25 Sustainability Targets	Results
Climate Resilience	
40% cumulative reduction in GHG intensity (kg CO ₂ e/m ²) relative to 2018.	Obtained a 64% reduction in 2025 relative to 2018.
18% cumulative reduction in electricity intensity (kWh/m ²) relative to 2018.	Obtained a 22.4% reduction in 2025 relative to 2018.
25% of our Chinese Mainland portfolio electricity demand met by renewable energy.	71% of our Chinese Mainland portfolio's electricity demand was met by renewable energy in 2025.
Wherever feasible exceed local regulations for the provision of parking spaces installed with EV charging facilities across our portfolio.	All properties meet local regulations; 3 out of 10 Mainland and 8 out of 25 Hong Kong properties exceeded local regulations.
Demonstrate best efforts to achieve at least 10% reduction in embodied carbon intensity (kg CO ₂ e/m ²) for new development project that begin in 2022 or later, compared to typical practice in an equivalent building.	Achieved a 16% reduction in embodied carbon intensity for the Plaza 66 Pavilion extension project.
15% reduction in GHG intensity (kg CO ₂ e/m ²) from tenants' electricity consumption for our properties in Chinese Mainland, relative to 2018.	67.5% reduction in GHG intensity (kg CO ₂ e/m ²) from tenants' electricity consumption for our properties in the Chinese Mainland in 2025, relative to 2018.
Complete technical analysis for climate adaptation measures for all properties.	100% of all core properties and projects completed technical analysis for climate adaptation measures.

25 x 25 Sustainability Targets	Results
Resource Management	
60% of construction waste diverted from landfill for new projects starting in 2022 with maximized recycling.	Achieved a 98% diversion rate in 2025.
Demonstrate best efforts to maximize the use of recycled, reused and bio-based materials on all new projects.	Best efforts included: a new initiative on gypsum board waste recycling with tenants and suppliers; a circularity pilot on waste concrete recycling in Westlake 66; incorporated recycled materials (e.g., furniture, tiles, wood) and completed RESET circularity assessments for our office renovations in Hong Kong, Shanghai, and Hangzhou.
10% reduction in water intensity (m ³ /m ² /year) relative to 2018.	Achieved a 14% reduction in water intensity in 2025 relative to 2018
70% of operational waste diverted from landfill.	Achieved an 86% operational waste diversion rate in 2025.

25 x 25 Sustainability Targets	Results
Wellbeing	
Achieve an employee engagement rating greater than or equal to the 75 th percentile.	Achieved an employee engagement rating in the 81 st percentile in 2025.
Maintain Female-to-Male pay ratio of 1:1.	Maintained a Female-to-Male pay ratio of 1:0.936 in 2025.
Conduct an audit of all our properties and corporate practices on how to enhance wellbeing and opportunities for persons with disabilities.	In 2025, completed internal reviews of the accessibility features of all our properties across Hong Kong and the Chinese Mainland, and since 2022, completed an annual review of our corporate practices through CareER's Disability Inclusion Index
Obtain local or international health and wellness certification for all our existing Mainland properties.	Obtained WELL HSR certificates for all 23 malls, offices, residential towers, and serviced apartments in the Chinese Mainland, as well as for 15 properties in Hong Kong.
Obtain WELL Gold certificate or equivalent for at least one new property in Hong Kong and Chinese Mainland.	Obtained WELL Gold certification for 228 Electric Road, and Westlake 66 has obtained pre-certification from WELL with a target final rating of Platinum.
Deliver priority ESG training targeted to all departments and seniority levels.	Between 2022 and 2024, we delivered a minimum of 500 hours of targeted ESG training annually. In 2025, we delivered 797 hours of targeted ESG training to employees across various departments and seniority levels.
Maintain a Lost Time Injury Rate of 1.5 or below for employees.	Achieved a lost time injury rate of 0.75 in 2025.
Maintain zero work-related fatalities for employees and contractors.	Maintained zero work-related fatalities for both employee and contractors.

25 x 25 Sustainability Targets	Results
Work with youth on wellbeing community initiatives at all properties by 2025.	Nearly 180 female university students participated in the Hang Lung Future Women Leaders Program between 2022 and 2023. In 2024, the Hang Lung As One volunteer team organized 67 youth-related activities, serving over 17,600 beneficiaries, including Nationwide Volunteer Day 2024, which was themed "Working with Youth for Community Wellbeing." We continued to work with youth through ongoing volunteering activities in 2025.
Sustainable Transactions	
Embrace technology to build a robust digital platform for assessing suppliers' ESG performance.	Leveraged platform provided by Sedex to assess suppliers' ESG performance and gain insights into potential improvements.
100% of marketing events evaluated for their sustainability impacts.	In 2025, 100% of our central-led marketing events were evaluated for their sustainability impacts.
100% of leases incorporate sustainability provisions.	A Sustainability Addendum was incorporated into our standard lease template for new and renewal leases in Chinese Mainland in January 2025, and in Hong Kong in June 2025.
50% of total debts and available facilities from sustainable finance.	Achieved 60% of total debts and available facilities from sustainable finance as of December 2025.
100% of potential asset acquisitions include ESG due diligence.	A due diligence framework has been integrated into our asset acquisition process in both Chinese Mainland and Hong Kong.

2025 Strategic ESG KPIs

2025 KPIs	Results
Climate Resilience	
Conduct asset-level energy use intensity benchmarking for our Chinese Mainland and Hong Kong properties wherever feasible.	Completed asset-level energy use intensity benchmarking studies for both Chinese Mainland and Hong Kong properties in 2025.
Develop a case study on embodied carbon reduction from Plaza 66 Pavilion Extension project.	Completed a case study for internal reference.
Implement energy management platform and start benchmarking tenants' electricity consumption.	Invited tenants to join our energy management platform and completed a study benchmarking tenants' electricity consumption in Chinese Mainland.
Complete a climate value at risk study that incorporates building resilience principles and practices.	Completed a climate value at risk study incorporating building resilience principles and practices including four Chinese Mainland and two Hong Kong properties.

2025 KPIs	Results
Resource Management	
Explore local governments' water savings / recycling incentive programs and pursue opportunities where appropriate.	Across our operating locations, we identified three cities with government incentive programs offering monetary rewards for water-saving performance in commercial buildings. After evaluating threshold requirements and our properties' performance, we have decided to pursue one incentive program.
Pilot water footprint accounting for key construction materials (including steel, concrete, aluminum), paving the way for value chain water accounting.	We initiated a pioneering study to analyze the embodied water of key construction materials used at Westlake 66 and the Plaza 66 Pavilion Extension. Following EN 15804 standards, we assessed the cradle-to-gate water footprint of concrete, brick, steel rebar, aluminum, gypsum board, and light steel keel.
Implement recommendations from at least one study to improve waste management and recycling in Hong Kong.	Implemented a digital weighing scale at Standard Chartered Bank Building to measure waste by weight following a waste density study conducted in 2025, improving the accuracy of waste and recycling data for Hong Kong operations
Conduct first pilot study of biodiversity net gain in at least one of our properties.	Conducted first pilot study of biodiversity net gain at our Plaza 66 Pavilion Extension project. Have deployed. Have deployed satellite-based remote habitat assessments to measure ecological value and connectivity for the pre-renovation measurement and will conduct a post-completion measurement in 2026 to validate the BNG achievement.

2025 KPIs	Results
Wellbeing	
Deliver at least 500 hours of priority ESG training targeted to all departments and seniority levels.	Delivered 797 hours of priority ESG training targeted to all departments and seniority levels.
Develop guidelines on how to minimize or avoid Red List chemicals in our operations and new projects.	Developed a draft guideline leveraging data from four office renovation projects.
Provide health and safety training to 100% of employees in Chinese Mainland and Hong Kong.	Provided health and safety training to 100% of employees in Chinese Mainland and Hong Kong.
Provide health and safety training to 100% of main contractors in Chinese Mainland and Hong Kong, including through Safe Production Month in Chinese Mainland.	Provided health and safety training to 100% of main contractors in Chinese Mainland and Hong Kong. Additional safety meetings and sharings have been provided during safe production month in June 2025.
Refine our community investment strategy to enhance our social impact.	Launched an enhanced community investment strategy in 2025 including a standardized methodology for quantifying social impact

2025 KPIs	Results
Sustainable Transactions	
Continue engagement with key suppliers including a workshop on sustainable and responsible procurement practices and best practice sharing.	Convened an online capacity-building workshop attended by over 100 participants including 48 suppliers in December 2025. The session focused on our supplier ESG program and supplier management and procurement targets for 2030. We also shared best practices for sustainable procurement and for improving ESG performance, including buyer–supplier collaboration, compliance, and operational efficiency.
Deepen ESG performance evaluation of selected key suppliers through on-site audits.	Two suppliers—one from operations and one from construction—underwent on-site audits conducted by an independent, accredited third-party audit firm in line with Sedex Members Ethical Trade Audit (SMETA) guidelines. Neither audit found a major actual or potential negative supply chain impact. To support continual improvement, each audit resulted in a report and a corrective action plan.
Collaborate on sustainability with at least 40 tenants across our portfolio through our Changemakers Program.	Collaborated on sustainability with 48 tenants across our portfolio through our Changemakers Program in 2025.

2026 Strategic ESG KPIs

2026 KPIS	
Climate Resilience	Resource Management
28.1% per m ² reduction in scope 1, 2 and 3 in-use operational GHG emissions of owned and leased buildings from a 2023 base year.	Formulate a detailed plan to achieve the 10% reduction target and aim for a 2% reduction in the landlord's energy use intensity from a 2023 base year.
18% reduction in upfront embodied emissions from a 2023 base year.	Formulate a detailed plan to achieve the 35% recycling target and aim for 31% recycling in 2026.
Conduct renewable energy tenders covering 100% of our Mainland portfolio by Q1 2026.	Formulate a detailed plan to achieve the 90% recycling target and aim for 86% recycling in 2026.
Implement at least 10 adaptation measures across our portfolio.	Formulate a detailed plan to achieve the 8% reduction target and aim for a 2% reduction in 2026.
	Complete our first before-and-after biodiversity net gain assessment for our Plaza 66 Pavilion Extension project.
Wellbeing	Sustainable Transactions
Advance the safety culture for both employees and contractors by implementing at least three safety enhancements across the organization.	Provide electricity intensity benchmarking for 100% of Changemaker tenants located in Mainland, and formulate a plan to achieve the 10% reduction target.
Expand real-time indoor air quality measurement in at least one location, and formulate a plan to expand such measurements across the portfolio.	Tenants representing 21% of our leased floor area in applicable Mainland and Hong Kong properties participate in our tenant partnerships program.
Identify and implement employee engagement actions across 100% of operating properties and departments, using the 2025 employee engagement survey results.	Formulate a plan to improve our approach to supplier screening and identification criteria for significant suppliers and provide ESG assessments for suppliers covering 35% of spending.
Develop strategic partnerships with local organizations across 100% of operating properties to identify talent with diverse backgrounds.	Formulate a plan to achieve the 15% target including specifications for sustainable procurement tailored to key sectors and guidance to key user departments.
Provide diversity and inclusion training to 100% of employees in Chinese Mainland and Hong Kong.	Publish a white paper advancing standards development in circularity.
Formulate a methodology to measure the social impact of key projects across the Chinese Mainland and Hong Kong, converting outcomes into validated Social Return On Investment (SROI).	

Appendix 4 – List of Sustainable Building Certificates

Hong Kong Portfolio

Existing Buildings			
Property	Scope	Type of Certification	Rating
Standard Chartered Bank Building	Entire Property	BEAM Plus Existing Building V2.0	Platinum
		WELL Health-Safety Rating	-
Peak Galleria	Entire Property	BEAM Plus Existing Building V2.0	Platinum
		WELL Health-Safety Rating	-
Grand Plaza	Shopping Mall	BEAM Plus Existing Building V2.1 (Selective scheme)	Energy Excellent
	Office Tower 2	BEAM Plus Existing Building V2.1 (Selective scheme)	Energy Excellent
	Entire Property	WELL Health-Safety Rating	-
228 Electric Road	Entire Property	LEED BD+C: Core and Shell v4	Platinum
		WELL V2 Core	Gold
		BEAM Plus New Building V1.2	Platinum
Baskerville House	Entire Property	BEAM Plus Existing Building V2.1 (Selective scheme)	Energy Excellent
	Entire Property	WELL Health-Safety Rating	-
The Aperture	Residential Tower	BEAM Plus New Building V1.2	Gold
Fashion Walk	Shopping Mall	WELL Health-Safety Rating	-
Amoy Plaza	Shopping Mall	WELL Health-Safety Rating	-

Property	Scope	Type of Certification	Rating
Gala Place	Entire Property	EDGE	EDGE Certified
		WELL Health-Safety Rating	-
Hollywood Plaza	Entire Property	WELL Health-Safety Rating	-
Grand Centre	Entire Property	WELL Health-Safety Rating	-
Kornhill Plaza	Entire Property	WELL Health-Safety Rating	-
Kornhill Apartments	Entire Property	WELL Health-Safety Rating	-
Hanford Commercial Centre	Entire Property	WELL Health-Safety Rating	-
Hang Lung Centre	Entire Property	WELL Health-Safety Rating	-
1 Duddell Street	Entire Property	WELL Health-Safety Rating	-
Printing House	Entire Property	WELL Health-Safety Rating	-

Mainland Portfolio

Existing Buildings			
Property	Scope	Type of Certification	Rating
Plaza 66, Shanghai	Entire Portfolio (Shopping Mall, Office Tower 1, Office Tower 2)	LEED O+M V4	Platinum
		WELL V2 Core	Platinum
		WELL Health-Safety Rating	-
	Office Tower 1	LEED BD+C: Core and Shell v3	Gold
	Office Tower 2	LEED BD+C: Core and Shell v3	Gold
Grand Gateway 66, Shanghai	Shopping Mall, Office Tower 1	LEED O+M V4	Platinum
	Office Tower 1	LEED BD+C: Core and Shell v3	Gold
	Entire Portfolio (Shopping Mall, Office Tower 1 and 2, Residential Tower 1 and 2)	WELL Health-Safety Rating	-
Palace 66, Shenyang	Entire Property	LEED BD+C: Core and Shell v2	Gold
		WELL Health-Safety Rating	-
Forum 66, Shenyang	Shopping Mall	LEED BD+C: Core and Shell v2	Gold
	Office Tower 1	LEED BD+C: Core and Shell v2	Gold
	Entire Portfolio	WELL Health-Safety Rating	-

Property	Scope	Type of Certification	Rating
Parc 66, Jinan	Entire Property	LEED BD+C: Core and Shell v2	Gold
		WELL Health-Safety Rating	-
Center 66 (Phase 1), Wuxi	Shopping Mall	LEED BD+C: Core and Shell v2	Gold
Center 66 (Phase 1), Wuxi	Office Tower 1	LEED BD+C: Core and Shell v2	Gold
	Office Tower 2	LEED BD+C: Core and Shell v3	Gold
	Entire Portfolio	WELL Health-Safety Rating	-
Riverside 66, Tianjin	Entire Property	LEED BD+C: Core and Shell v2	Gold
	Entire Portfolio	WELL Health-Safety Rating	-
Olympia 66, Dalian	Entire Property	LEED BD+C: Core and Shell v3	Gold
	Entire Portfolio	WELL Health-Safety Rating	-
Spring City 66, Kunming	Shopping Mall	LEED BD+C: Core and Shell v3	Gold
	Office Tower 1	LEED BD+C: Core and Shell v3	Gold
	Hotel / Serviced Apartment	LEED BD+C: Core and Shell v3	Gold
	Entire Portfolio	WELL Health-Safety Rating	-

Property	Scope	Type of Certification	Rating
Heartland 66, Wuhan	Shopping Mall	LEED BD+C: Core and Shell v3	Gold
	Office Tower 1	LEED BD+C: Core and Shell v3	Gold
	Serviced Apartment 1	LEED BD+C: Core and Shell v3	Gold
	Serviced Apartment 2	LEED BD+C: Core and Shell v3	Gold
	Serviced Apartment 3	LEED BD+C: Core and Shell v3	Gold
	Shopping Mall, Office Tower 1	WELL Health-Safety Rating	-

Projects under Development

Property	Scope	Type of Certification	Rating
Center 66 (Phase 2), Wuxi	Serviced Apartment Tower 1	LEED BD+C: Core and Shell v4	Gold (Pre-certification)
	Serviced Apartment Tower 2	LEED BD+C: Core and Shell v4	Gold (Pre-certification)
	Hotel	LEED BD+C: Core and Shell v4	Gold (Pre-certification)
	Entire Portfolio	China Green Building Design Label	2-star
Westlake 66, Hangzhou	Shopping Mall	LEED BD+C: Core and Shell v4	Gold
	Office Tower B	LEED BD+C: Core and Shell v4	Platinum (Pre-certification)
	Office Tower A	LEED BD+C: Core and Shell v4	Platinum (Pre-certification)

Property	Scope	Type of Certification	Rating
	Office Tower C	LEED BD+C: Core and Shell v4	Gold
	Office Tower D	LEED BD+C: Core and Shell v4	Gold
	Office Tower E	LEED BD+C: Core and Shell v4	Gold
	Hotel	LEED BD+C: Core and Shell v4	Gold (Pre-certification)
	Entire Portfolio	China Green Building Design Label	3-star
	Shopping Mall, Office Tower A-E	BREEAM	Excellent (Pre-certification)
Plaza 66, Shanghai	Pavillion Mall	LEED BD+C: Core and Shell v4	Platinum (Pre-certification)

Appendix 5 – Climate-Related Financial Disclosures

We recognize climate change as both a material financial risk and a strategic business driver. We are committed to transparency in how we identify, assess, and manage climate-change risks to ensure the long-term resilience of our portfolio.

This appendix consolidates our climate-related disclosures in accordance with the International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures and the HKEX ESG Reporting Code. It outlines our governance, strategy, risk management, and metrics and targets.

Governance

We have established a robust governance framework in which climate-related risks and opportunities are integrated into the Group's strategic decision-making and overseen at the highest level. This structure ensures that climate resilience is not treated as a standalone compliance issue but is embedded within our core business strategy, financial planning, and enterprise risk management protocols.

Board Oversight

Ultimate responsibility: The Board of Directors holds overall responsibility for the Group's ESG strategy, risk management, and reporting, which includes climate resilience. This accountability is formalized in the Board's "Joint Statement on Oversight and Management of Environmental, Social, and Governance Issues," under which the Board reviews and approves the Sustainability Framework and its associated long-term goals, including our net zero 2050 commitment, and the refreshed 2030 goals and targets.

Risk oversight and competency: The Board exercises oversight of climate-related risks through semiannual reporting by the Sustainability Team to the Board as a whole, through further oversight from the Chair, and through the regular work of the Audit Committee.

The Board has primary responsibility for risk management, assessing and determining the nature and extent of significant risks it is willing to take to meet the Group's strategic objectives. To ensure the Board possesses the necessary information and competence to oversee climate strategies, the following measures are in place:

- **Regular reporting:** The Board receives reports from the Sustainability Team on the Group's climate resilience strategy, including emerging climate risks and decarbonization progress, at least twice per year.
- **Ongoing engagement:** The Chair of the Board receives monthly updates on the Group's climate resilience strategy, ensuring continual high-level engagement beyond scheduled Board meetings.
- **Audit Committee:** The Audit Committee supports the Board in monitoring the ongoing effectiveness of the Group's enterprise risk management (ERM) system, which treats climate change as a principal risk.

Management's Role

The Board delegates the execution and monitoring of climate strategies to specific management-level committees and working groups to ensure cross-functional accountability.

Sustainability Steering Committee (SSC): Chaired by the Chair of the Board and comprising senior executives from key functional units (Project Management, Operations, and Finance), the SSC meets at least semiannually. Its specific climate-related responsibilities include:

- Formulating, coordinating, and implementing climate resilience strategies.
- Reviewing climate-related risks and opportunities in detail, including specific focus areas such as embodied carbon reduction, energy efficiency, and the effectiveness of internal carbon pricing.
- Translating climate targets into annual Strategic ESG KPIs and reviewing the Group's performance against these targets.

Enterprise Risk Management (ERM) Working Group: Chaired by the Chief Executive Officer and reporting quarterly to the Audit Committee, this group coordinates the identification and mitigation of enterprise-level risks. The ERM Working Group explicitly oversees the physical risks of climate change and the risks associated with the transition to a low-carbon economy.

To ensure clear ownership, the Deputy Director – Sustainability (the executive leading the Sustainability Team) serves as the designated risk owner for physical and transition climate risks.

Sustainability Team and financial integration: The Sustainability Team drives the day-to-day execution of climate strategies and ESG KPIs, and supports scenario analysis. This team integrates climate considerations into the annual budgeting exercise for capital expenditures (CAPEX) and operating expenditures (OPEX).

Strategy

Our strategy is anchored in the "Climate Resilience" pillar of our Sustainability Framework. We utilize quantitative and qualitative scenario analysis to stress-test our business model against plausible climate futures, ensuring our portfolio remains resilient to both acute physical shocks and long-term pressures.

Climate-Related Risks and Opportunities¹

In 2025, we continued to identify and manage climate issues relevant to our business. The table below summarizes climate-related risks and opportunities, potential consequences for our business, and how we are managing these potential business impacts.

Climate-Related Risks

Climate-related risks	Time frame	Potential non-financial impact	Potential financial impact	Our responses	
Physical risks refer to the potential adverse impacts of climate change on an organization's operations, assets, and supply chains. These include risks from extreme weather events (e.g., floods, typhoons) and risks from long-term climate changes (e.g., rising sea levels, temperature increase).					
Acute physical changes, such as increased severity and frequency of extreme weather events, e.g., typhoons, intense precipitation, flooding, and extreme temperatures	Short-term	Increased health and safety hazards	- Increased operating and maintenance costs - Reduced revenue due to business disruptions - Increased insurance premiums	- Undertook detailed physical risk analyses at 35 properties and projects across the Chinese Mainland and Hong Kong to examine their exposure, sensitivity and adaptive capacity to hazards - Conducted four deep-dive analyses and on-site inspections for three Mainland properties (Riverside 66, Heartland 66, Grand Gateway 66) and one Hong Kong property (Standard Chartered Bank Building) to enhance the adaptive capacity of these properties - Installed floodgates, sump pumps, sandbags and water pumps at selected properties to reduce flood risks - Undertaking regular checks and maintenance of curtain wall systems, signage and glazed doors to prevent any potential physical risks caused by strong winds and heavy rain (e.g., typhoons, flooding, storms) - At Center 66 (Phase 2), we implemented precautionary measures for heavy rain and storms by installing flood gates, a wind gate at the car ramp, and waterproofing works for all roof areas and major electrical and mechanical (E&M) plant rooms - At Westlake 66, the HVAC systems feature enhanced temperature buffers designed to maintain cooling capacity under the extreme heat projections of the SSP5-8.5 scenario through 2100 - Improving crisis response plans at all our properties to align with international standards	
Chronic physical changes such as changes in precipitation and weather patterns, mean temperature	Long-term	- Reduced workforce productivity - Increased health and safety risks for outdoor workers	- Increased operating and maintenance costs - Reduced revenue due to business disruptions - Increased capital expenditure	- Optimizing the operating efficiency of heating, ventilation and air conditioning (HVAC) systems to reduce electricity consumption despite rising temperatures - Incorporating climate resilient features into the building design of our new projects. For instance, in several new projects we are including overflow pipes on the roof and lowest floor, and a reserve floodgate for car ramp entrances	

¹ Our definitions of "short-term," "medium-term," and "long-term":

- Short term: 2-5 years – Under our sustainability framework and governance, we see the 2-5 year horizon as a short-term horizon. We set strategic ESG KPIs annually and review them regularly over the year, with adjustments as needed the following year to ensure that we are making progress in attaining our medium term targets.
- Medium term: 6-15 years – We have defined a set of 4 goals and 20 targets for 2030 under our sustainability framework to support our long term vision.
- Long term: 16-25 years – We have defined our long term vision beyond a 15 year horizon: we have set a target to reach net zero value chain emissions by 2050.

Climate-related risks	Time frame	Potential non-financial impact	Potential financial impact	Our responses	
increase, and sea level rise		Increased potential exposure to and incidence of infectious diseases		- Strengthening flood mitigation measures on construction sites, e.g., mechanical, electrical and plumbing (MEP) equipment elevation or anchoring - Vigilance in our health and safety systems and policies	
Transition risks refer to the potential challenges and financial impacts that organizations face as the world transitions to a low-carbon economy.					
More ambitious climate policies and regulations to support international decarbonization efforts	Short-term	Reputational risks for failing to develop credible transition plans in line with more ambitious policies and regulations	- Increased compliance costs - Increased operating costs - Increased capital expenditure	- Continued commitment to achieving greenhouse gas reductions in line with climate science - Conducted a carbon pricing analysis to understand our potential exposure to external carbon price risk up to 2050 - Piloting the use of an internal carbon price to inform decision making on selected projects, and to help speed our preparation for external carbon pricing - Developed detailed decarbonization scenarios to 2050 in Our Journey to Net Zero paper - Regular monitoring of changes in laws, policies and regulations to ensure compliance and readiness	
Changing investor sentiment favoring increased climate advocacy or divesting from businesses that fail to implement effective measures to manage climate risks	Short-term	- More stringent reporting obligations - Investor pressure - Investors divesting - Reputational damage	Reduced availability of capital	- Maintain high transparency on ESG issues to build trust and confidence among our investors - Report against globally recognized frameworks such as IFRS, CDP and GRI to facilitate a clear assessment of our climate performance	
Growing stakeholder preference for companies and properties that are more prepared for climate change	Short-term	- Reputational risks for failing to be among the companies that are (and that are perceived to be) better prepared - Less attractive employer for talent and new hires	- Reduced revenue - Property devaluation	- Regularly analyze emerging industry trends - Maintain close communication with stakeholders to understand their concerns and expectations - Ensure that we effectively communicate our comprehensive climate resilience efforts among stakeholders through annual reporting, investor meetings, speaking engagements, etc.	

Climate-Related Opportunities

Climate-related opportunities	Time frame	Potential non-financial impact	Potential financial impact	Our responses
Opportunities				
Economic or policy incentives that support the transition to a low-carbon economy	Short-term	Enhanced relationship with policymakers by piloting or supporting key initiatives	- Reduced operating costs - Potential subsidies	- Studying demand response programs and incentives in the Chinese Mainland - Applying for subsidy schemes in Hong Kong and Chinese Mainland to fund energy efficiency projects - Raised funds to finance environmental projects under our Sustainable Finance Framework and Sustainability-Linked Loans - Monitor policies for notable developments
Higher building energy efficiency and better operational management	Short-term	- Reduced exposure to transition risks for assets - More efficient assets are better equipped to handle increased cooling demand from higher temperatures and heat waves - Discovery and use of innovative technologies, some of which may bring other benefits (e.g. process improvements)	- Change in operating costs - Increased capital expenditure	Investment Plan - Conducted energy retrofits of building facilities to enhance building energy efficiency, such as optimization of HVAC and lighting systems in most Hong Kong and the Chinese Mainland properties, with lift modernization and upgrading works in three properties in Hong Kong - Refining our formulation of the business case for energy efficiency-related projects and investments, and will complete a five-year capital expenditure plan (2026-2030) in 2026 Operational management - Installed smart energy meters at our Hong Kong and Chinese Mainland properties to optimize energy management - Leveraged smart digital data collection and analysis platform to enhance data accuracy, reporting effectiveness and working efficiency - Piloted an artificial intelligence technology at our headquarters in the Standard Chartered Bank Building to support energy efficiency improvements
On-site renewable electricity generation at our properties and offsite renewable electricity procurement	Short-term	- More attractive offering for tenants, customers and employees. - Enhanced credibility and reputational benefits by showing support for government's decarbonization and electricity market reform policies	- Reduced electricity costs - Increased asset value (for on-site renewable energy)	- Procured renewable energy for 100% of our electricity needs at Parc 66 in Jinan, Spring City 66 in Kunming, Plaza 66 and Grand Gateway 66 in Shanghai, Center 66 in Wuxi, Olympia 66 in Dalian and Palace 66 and Forum 66 in Shenyang - Installed on-site solar panels at eight properties in Mainland and Amoy Plaza and Hang Lung Centre in Hong Kong, which generate around 600 MWh of renewable energy annually

Climate-related opportunities	Time frame	Potential non-financial impact	Potential financial impact	Our responses
Collaboration with peers and industry associations to drive a faster transition to a low-carbon economy	Short-term	- Partnerships can help build the business case for action and accelerate adoption of good practices - Reputational benefits from collaboration and accelerated progress	- Savings in the cost of scaling low carbon technologies - Savings from the adoption of innovative technologies introduced by peers or associations	- Collaborating with business communities to combat climate change. We are a member of the Hong Kong Green Building Council, and one of the signatories of the Business Environment Council (BEC) Net-Zero Charter, the first business-led carbon reduction initiative in Hong Kong - We are also a member of the Urban Land Institute's (ULI's) Greenprint initiative and our Deputy Director – Sustainability is Co-Chair of ULI's APAC Net Zero Council - Supporting local and international climate-related initiatives, such as receiving validation from SBTi for our 2030 and 2050 net zero targets across our value chain in alignment with its latest Buildings Criteria - Joined other leading real estate companies, steel manufacturers, and industry organizations in endorsing a Collaboration Statement on Low Carbon Emissions Steel for Real Estate in China and supporting an initiative jointly convened by China Iron and Steel Association, Urban Land Institute and World Steel Association
Growing stakeholder preference for companies and properties that are more prepared for climate change	Medium-term	- Attract high value tenants - Attract and retain talent - Higher marketability	- Leasing revenue - More access to capital and lower cost of capital	- Obtaining green building certifications for all new projects - Demonstrating how we are preparing for and responding to climate change, including by completing technical analysis for climate adaptation measures at all properties by 2025, and "Our Journey to Net Zero" paper - Highlighting our sustainability commitments and progress in our recruiting efforts - Collaborating with our tenants on sustainability initiatives, including through Changemakers, our tenant sustainability partnerships program, which includes actions related to energy efficiency and embodied carbon

Climate Hazard and Vulnerability Assessment

Since 2021, we have conducted comprehensive climate hazard and vulnerability assessments for our properties through several phases. As of December 2025, 100% of our core existing properties and construction projects (by floor area) have completed these technical assessments. The process involves two levels of analysis: an exposure assessment, which evaluates the climate exposure hazards of each property, including flooding, heatwaves, cold spells, typhoons, extreme rainfall, earthquakes, and landslides, and an adaptive capacity analysis, which assesses the climate sensitivity and ability of each property to adapt to these risks.

A summary of residual risks for each property, which considers both exposure and adaptive capacity, is provided in the table below. The residual risks were determined with reference to the IPCC’s SSP5-8.5 scenario. The analysis covers multiple timeframes, including mid-century (2041-2070) and end-of-century (2071-2100), with a focus on potential impacts between now and mid-century.

Summary Table of Residual Climate Risks¹

Property Name	Flooding	Heat Wave	Cold Spell	Typhoon & Extreme Rain	Earthquake	Landslide
Hong Kong						
1 Duddell Street	Low to Medium	High	N/A	Low to Medium	N/A	Not assessed
228 Electric Road	Medium	Low	N/A	Medium	N/A	Not assessed
9 Wing Hong Street	Low	Medium	N/A	High	N/A	Low
Amoy Plaza	High	Medium	N/A	Medium	N/A	Low
Baskerville House	Low to Medium	High	N/A	Low to Medium	N/A	Not assessed
Burnside Villa	Low	Low	N/A	Medium	N/A	Medium
Fashion Walk	High	Medium	N/A	Medium	N/A	Not assessed
Gala Place	Medium	Medium	N/A	Medium	N/A	Low
Grand Plaza	Medium	Medium	N/A	Medium	N/A	Not assessed
Hang Lung Centre	High	Low	N/A	Medium	N/A	Low
Hollywood Plaza	Medium	Low	N/A	High	N/A	Low
Kornhill Apartments	Low to Medium	Low	N/A	Low to Medium	N/A	Not assessed
Kornhill Plaza	Medium	Low	N/A	Medium	N/A	Low
Peak Galleria	Medium	Low	N/A	Medium	N/A	Low
Printing House	Low to Medium	High	N/A	Medium	N/A	Not assessed

¹ Some of our properties are working on climate adaptation measures and the risk levels may be revised as the adaptation actions develop further.

Property Name	Flooding	Heat Wave	Cold Spell	Typhoon & Extreme Rain	Earthquake	Landslide
Standard Chartered Bank Building	High	Low	N/A	High	N/A	Low
Summit	Low	Low	N/A	Medium	N/A	Medium
Shouson Hill Road Redevelopment*	Medium	Low	N/A	Medium	N/A	High
Chinese Mainland						
Center 66, Wuxi	Medium	Medium	N/A	Medium	Not assessed	N/A
Forum 66, Shenyang	Medium	Low	Medium	Low	Medium	N/A
Grand Gateway 66, Shanghai	High	Medium	N/A	Medium	Low	N/A
Heartland 66, Wuhan	Medium	Low	N/A	N/A	Low	N/A
Olympia 66, Dalian	Medium	Medium	N/A	Low	Medium	N/A
Palace 66, Shenyang	Medium	Low	Medium	Low	Medium	N/A
Parc 66, Jinan	High	Low	N/A	Low	Low	N/A
Plaza 66, Shanghai	Medium	Medium	N/A	Medium	Not assessed	N/A
Riverside 66, Tianjin	High	Medium	N/A	Medium	Not assessed	N/A
Spring City 66, Kunming	High	Low	N/A	N/A	Medium	N/A
Center 66 Phase 2, Wuxi*	Medium	Low	N/A	N/A	Low	N/A
Westlake 66, Hangzhou*	Medium	Low	N/A	N/A	Low	N/A

* Projects under development

Climate Value at Risk Assessment

We initiated a Climate Value at Risk (CvaR) assessment to evaluate potential financial losses associated with climate impacts in 2024. The assessment focuses on six existing properties in Hong Kong and Chinese Mainland and considers our exposure to various types of climate-related financial risks including physical damage, business interruption, and productivity losses. The assessment considered a high-warming scenario (RCP 8.5) and a low-warming scenario (RCP 2.6). We are making efforts to understand our CvaR from three perspectives: without taking into account our property-specific adaptation measures; after adjusting the risks for adaptation measures we have already implemented; and then after adjusting the risks again for other measures we could potentially implement at the six properties. The primary perils have been assessed to be flood risks

and heat stress, with extreme wind risk exposure increasing only slightly even under a high-warming scenario. Forest fire and freeze thaw were modelled to be of nil risk to all modelled assets. The Group has a 2030 target to reduce its CvaR by 10%. To support the target, the Group will be testing and refining methodologies to assess CvaR performance on applied measures over time.

Financial Impact Assessment

The magnitude of climate risks and opportunities impact over time remains uncertain. In 2025, we have conducted scenario analysis encompassing various climate scenarios. This analysis aims to assess the financial impacts associated with both physical and transition risks as summarized below.

Scenario	Physical Risk	Transition Risk
Reference scenarios	IPCC AR6 SSP5-8.5: The scenario represents a higher emission pathway, with more severe and frequent extreme weather events. Physical risks are more prominent under this scenario. IPCC AR6 SSP1-2.6: This scenario represents a lower emission pathway with significant efforts to reduce GHG emission. Less severe weather events are anticipated.	NGFS Below 2°C. This pathway assumes that climate policies are introduced immediately and become progressively more stringent, though not to the level required to achieve net zero emissions by 2050. NGFS Net Zero 2050: This scenario assumes that ambitious climate policies are introduced immediately. This pathway limits global warming to 1.5°C through stringent climate policies and innovation; global net zero CO₂ emissions will be achieved around 2050.

Physical risks

We modelled three physical climate hazards – typhoons, heatwaves, and flooding – using the IPCC AR6 SSP1-2.6 and SSP5-8.5 scenarios, and we have assessed the financial impact of these hazards on our business. Based on these assessments, two potentially material financial impacts were identified, including an increase in operating expenditure (OPEX) for repairing damaged properties and reduced sales rent due to business disruptions.

Under both SSP1-2.6 and SSP5-8.5 scenarios, the potential financial impact due to physical damage and business disruption arising from typhoon and heatwaves are immaterial. Flooding presents more significant potential financial impacts compared with other hazards through potential physical damage. The estimated ranges for physical damage from flooding under the SSP1-2.6 and SSP5-8.5 scenarios (in HKD), are summarized below. The estimated financial impact from business disruption from flooding is immaterial to 2050.

Climate Risk Driver	Financial Impacts	2030	2040	2050	Explanation and Assumptions
Physical asset damage arose from flooding	Increased OPEX for repairing damaged properties	4M – 8M	8M – 16M	10M – 21M	- The low estimated impact is derived from the SSP1-2.6 scenario and the high impact is from SSP5-8.5 scenario - The potential loss calculation considers factors such as increased frequency and intensity of perils, severity of damage across varying return period and their probabilities, residual vulnerability of our properties post-mitigation, and replacement costs of our properties - Our properties are fully insured, and the potential losses are presented before accounting for the impact of insurance - Recent physical losses have been observed to be minimal, with potential losses calibrated based on actual recent loss levels - Projected financial impacts exclude inflation effects

As there is uncertainty regarding future insurance terms, coverage levels, and premium structures, it is challenging to estimate the extent of insurance recoverability over extended time horizons. The above estimations of potential physical asset damage from flooding, therefore, are pre-insurance loss estimates.

While a substantial portion of these losses is expected to be covered by existing insurance arrangements in the short to medium term, longer-term potential losses may not be fully recoverable, resulting in higher residual exposure. Assuming that the extent of our future insurance coverage is comparable to extent of our current insurance coverage, our post-insurance losses will remain immaterial into the longer term. If more severe and frequent extreme weather events significantly impact insurance market coverage, specific assets could face higher post-insurance losses.

Transition risks

We have modelled transition risk under the scenarios published by the Network for Greening the Financial Systems (NGFS). Among NGFS' seven available scenarios, we have focused on the "Below 2 °C" and "Net Zero 2050" scenarios, as they will require more ambitious transitions and

therefore help highlight significant transition risks and opportunities for the Group. We disclose in the table below direct and indirect financial impacts related to carbon pricing. We also see potential opportunities arising from managing transition risk, particularly in advancing our work in energy efficiency and renewable energy.

Climate Risk Driver	Financial Impacts	2030	2040	2050	Explanation and Assumptions
	Increased OPEX for carbon emissions from energy due to carbon tax imposed by government	23 – 84M	24 – 112M	34 – 90M	- The low estimated impact is derived from the Below 2 °C scenario and the high impact is from Net Zero 2050 scenario - Assumes that carbon costs are fully passed through to the Group by energy suppliers - Applies to purchased electricity in Hong Kong, purchased steam, purchased hot water, natural gas for heating and cooking, diesel, petrol, and refrigerants. - All Chinese Mainland properties are assumed to be powered by renewable electricity by 2030, resulting in minimal direct exposure to carbon price in this respect. - The potential impact of this driver also takes into account our energy efficiency plans and targets
Policy and legal risk: Implementation of carbon price	Increased construction material unit costs due to carbon cost pass-through from upstream companies from purchasing conventional steel (unit cost increase per tonne)	+6 – 34%	+1 – 9%	Nil – +8%	- The cost pass-through impact will be lower under the Below 2 °C scenario in the short-term; in the long-term, the technology improvement will result in a lower cost pass-through impact under the Net Zero 2050 scenario compared to the Below 2 °C scenario - Conventional material here refers to materials produced using established industrial methods (which has historically included fossil fuels) - We assume that suppliers will wherever possible pass along the increase in unit material costs driven by rising carbon prices, but the extent of the pass through is not yet clear. In our assessment, we assume a 50% carbon cost pass-through rate. - Higher construction material costs may increase overall development costs for both investment properties, hotels and properties for sale, but the Group's exposure will be reduced through our V.3 strategy (see earlier discussions in this report) - For real estate applications, aluminium produced by renewable energy is already widely available at equivalent cost to conventional aluminium and the supply of such aluminium is likely to expand further in the coming decades. Therefore, the financial impact of aluminium is not discussed.
	Increased construction material unit costs due to carbon cost pass-through from upstream companies from purchasing conventional concrete (unit cost increase per tonne)	+5 – 17%	+12 – 28%	+14 – 20%	

The Group is developing a carbon reduction investment plan through 2030, including key opportunities related to key energy efficiency and on-site renewable energy. We will share highlights of this plan in our Sustainability Report 2026.

Risk Management

Climate risk is not treated in isolation but is fully integrated into our Enterprise Risk Management (ERM) framework.

Identification and Assessment Process

- **Integrated screening:** We conduct an annual materiality assessment to identify emerging ESG issues. Climate risks are assessed using the technical scenario analysis described above to determine exposure and vulnerability.
- **Prioritization:** Climate risks are ranked according to their potential financial impact (e.g., asset value write-downs, revenue loss) and likelihood.

Management and Integration

- **Risk ownership:** The Deputy Director – Sustainability is the risk owner for both physical and transition risks of climate change within our Enterprise Risk Management (ERM) framework.
- **Mitigation and monitoring:** The ERM Working Group reviews the effectiveness of mitigation controls annually. Risk mitigation plans (e.g., flood protection upgrades) are tracked to completion.
- **Incentivization:** The management of climate risks is directly linked to remuneration. Annual Strategic ESG KPIs, including climate resilience and emissions-reduction targets, are tied to the performance appraisals and

variable compensation for the CEO and relevant department heads.

- **Transition to 2030:** We are enhancing our risk management maturity by operationalizing our CVaR metric. By 2030, we aim to achieve a 10% reduction in CVaR, effectively transitioning our risk management approach from qualitative assessment to quantitative financial performance management.

Metrics and Targets

We utilize a robust set of climate-related metrics and targets to monitor our decarbonization performance, drive strategic accountability, and provide transparent disclosure to investors.

Key Climate-Related Metrics

We report greenhouse gas (GHG) emissions using the operational control approach. This boundary ensures we account for 100% of the emissions from properties where we have the full authority to implement operating policies.

- **Greenhouse gas emissions:** We disclose absolute Scope 1, Scope 2, and Scope 3 emissions in accordance with the GHG Protocol.
 - **Scope 1 & 2:** Disclosed for the consolidated group.
 - **Scope 3:** Includes material categories such as Category 13 (Downstream Leased Assets) and Category 1 (Purchased

Goods and Services – Embodied Carbon), reflecting the full value chain impact.

Please refer to the [Climate Resilience](#) section and [Appendix 6 – Performance Tables – Environmental](#) on GHG emissions disclosure.

Internal carbon price: We are piloting shadow carbon pricing in investment decision-making to internalize the future cost of carbon and prioritize low-carbon design options.

Capital deployment: We track the amount of CAPEX and OPEX deployed to climate-related risks and opportunities (e.g., energy efficiency upgrades and renewable energy procurement) in our annual financial reporting.

Remuneration: Adjustments, if any, to the remuneration of Executive Directors linked to climate-related considerations are at the discretion of the Nomination and Remuneration Committee and adjustments, if any, to the remuneration of other executives linked to climate-related considerations are at the discretion of the Executive Directors.

Climate-Related Targets

In 2025, through our subsidiary Hang Lung Properties, we revalidated our climate targets to align with the latest SBTi Buildings Criteria. Our transition pathway is defined by the following milestones:

- **Overall Net-Zero Target:** Hang Lung Properties commits to reach net-zero

greenhouse emissions across the value chain by 2050.

- **Near-Term Targets:** Hang Lung Properties commits to reduce scopes 1, 2 and 3 in-use operational GHG emissions of owned and leased buildings, covering downstream leased assets, 56.1% per m² by 2030 from a 2023 base year. Hang Lung Properties also commits to reduce absolute scope 3 GHG emissions from purchased goods and services 42.0% within the same timeframe. Hang Lung Properties commits to install no new fossil fuel equipment that is owned or financially controlled by the company in its buildings portfolios from January 01, 2030.
- **Long-Term Targets:** Hang Lung Properties commits to reduce scopes 1, 2 and 3 in-use operational GHG emissions of owned and leased buildings, covering downstream leased assets, 98.8% per m² by 2050 from a 2023 base year. Hang Lung Properties also commits to reduce absolute scope 3 GHG emissions from purchased goods and services 90.0% within the same timeframe. Hang Lung Properties further commits to reduce absolute scope 3 GHG emissions from purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting and investments 90.0% within the same timeframe.

Appendix 6 – Performance Tables

List of Major Properties Covered in the Environmental KPIs^{1,2}

Hong Kong			
Amoy Plaza	Gala Place	Hang Tung Building	Printing House
AquaMarine	Grand Centre	Hollywood Plaza	Standard Chartered Bank Building
Baskerville House	Grand Plaza (Tower 1)	Kornhill Apartments	Tai Hing Garden
Burnside Villa	Grand Plaza (Tower 2)	Kornhill Plaza	The Long Beach
1 Duddell Street	Hanford Commercial Centre	Kornhill Recreation Club	Summit ⁽¹⁾
Fashion Walk	Hang Lung Centre	Peak Galleria	9 Wing Hong Street
228 Electric Road	The Aperture		

Notes:

(1) Summit has no resource consumption data available due to ongoing renovations that began in September 2023.

¹ To ensure the disclosed data reflects normal operating conditions, unless otherwise specified, the reported environmental KPIs exclude new properties that have been operated by the Group for less than one year.

² The sustainability disclosures in this Report cover entities under the Group's operational control, representing 98% of the Group's total revenue.

Chinese Mainland			
Center 66 (Mall, Office Tower 1 and Office Tower 2), Wuxi	Heartland 66 (Mall and Office Tower 1), Wuhan	Plaza 66 (Mall, Office Tower 1 and Office Tower 2), Shanghai	Spring City 66 (Mall and Office Tower 1, Hotel ⁽¹⁾), Kunming
Forum 66 (Mall and Office Tower of Phase 1, Hotel ⁽¹⁾), Shenyang	Parc 66, Jinan	Olympia 66, Dalian	
Grand Gateway 66 (Mall, Office Tower 1 and Office Tower 2, Residential Tower 1 and Residential Tower 2), Shanghai	Palace 66, Shenyang	Riverside 66, Tianjin	

Notes:

(1) Included in Scope 3 Category 13 Downstream Leased Assets calculation.

List of Project Sites Covered in the Environmental KPIs

Hong Kong			
Summit	Shouson Hill Road Redevelopment	Wilson Road Redevelopment	
Chinese Mainland			
Westlake 66, Hangzhou	Center 66 Phase 2, Wuxi	Pavilion extension at Plaza 66, Shanghai	The remaining phases of Forum 66, Shenyang
Hotel renovation at Grand Gateway 66, Shanghai			

List of Sold Properties Covered in the Environmental KPIs

Hong Kong	
The Aperture	Summit
Chinese Mainland	
Heartland Residences	Grand Hyatt Residences Kunming

Scope 3 Emissions Data Reporting Methodology

Scope 3 reporting is based on estimated emissions reflecting the methodologies, boundaries and sources outlined in the table below.

No.	Scope 3 Category	Applicability	Methodology / Exclusion Statement	Calculation Method	Emission Factor Data Source
1a.	Purchased goods and services (product)	Yes	This category includes all upstream emissions from the production of construction materials purchased or acquired by Hang Lung Group (embodied carbon from development projects). The calculation follows Life Cycle Assessment (LCA) modelling analysis. The emissions from energy consumption during the construction process are also included in this category.	Material emission = Purchased amount × Emission factor of purchased material Construction emissions = Fuel/energy consumption × Full lifecycle emission factor	• Verified product carbon footprints from suppliers • GBT 51366-2019 建筑碳排放计算标准 GB/T 51366-2019 Standard for Building Carbon Emission Calculation • 中国产品全生命周期温室气体排放系数集 (2022) China Products Carbon Footprint Factors Database (2022) • 中国产品全生命周期温室气体排放系数库 (CPCD) China Products Carbon Footprint Factors Database The fuel and energy related factors are derived from: • Implementation Guidance for Climate Disclosures under HKEX ESG reporting framework • How to prepare an ESG Report? Appendix 2: Reporting Guidance on Environmental KPIs (HKEX) • UK Government GHG Conversion Factors for Company Reporting (DEFRA, 2025) • 2024 年全国电力碳足迹因子 (中国生态环保部) National electricity carbon footprint factor of 2024 from the Ministry of Ecology and Environment of the People's Republic of China • 2020-2024 年度上海市公共电网电力、热力二氧化碳排放因子 (上海市生态环境局 上海市统计局) Shanghai Public Grid Electricity and Heat Carbon Dioxide Emission Factors for 2020-2024 • Hong Kong's local utility companies' emission intensity were adopted, together with Life Cycle Upstream Emission Factors from IEA (2023).
1b.	Purchased goods and services (non-product)	Yes	The emissions include extraction, production and transportation of goods and services purchased or acquired by Hang Lung Group that are not directly related to products (excluding embodied carbon).	Financial spend × USEEIO Emission factor	US Environmentally-Extended Input-Output (USEEIO) Models

No.	Scope 3 Category	Applicability	Methodology / Exclusion Statement	Calculation Method	Emission Factor Data Source
2	Capital goods	Yes	The emissions are mainly from capital goods expenditure including extraction, production and transportation of goods of high value purchased or acquired by Hang Lung Group.	Financial spend × USEEIO Emission factor	US Environmentally-Extended Input-Output (USEEIO) Models
3	Fuel and energy related activities	Yes	The category includes extraction, production and transportation of fuels and energy purchased or acquired by Hang Lung Group, not already accounted for in Scope 1 or Scope 2 reporting.	Fuel/Energy consumption × Upstream emission factor	- UK Government GHG Conversion Factors for Company Reporting (DEFRA, 2025) - IEA (2023), Life Cycle Upstream Emission Factors
4	Upstream transportation & distribution	Yes	The category includes the transportation and distribution emissions related to building products and materials.	Weight of purchased material × transport distance × Emission factor of the transportation type	GBT 51366-2019 建筑碳排放计算标准 GB/T 51366-2019 Standard for Building Carbon Emission Calculation
5	Waste generated in operations	Yes	The category includes emissions from the disposal and treatment of waste generated from operations and construction of projects.	Waste amount × Emission factor by waste type and waste treatment method	UK Government GHG Conversion Factors for Company Reporting (DEFRA, 2025)
6	Business travel	Yes	The category includes business air travel related emissions (calculated based on travel distance), and non-air travel emissions including taxis, cars and accommodation (calculated based on financial spend).	1. Air travel: Travel distance × Full lifecycle emission factor 2. Other travel: Financial spend × USEEIO Emission factor	- UK Government GHG Conversion Factors for Company Reporting (DEFRA, 2025) - US Environmentally-Extended Input-Output (USEEIO) Models
7	Employee commuting	Yes	Emissions from transportation of all employees between their homes and their worksites were included in this category. An online survey was carried out with all staff to collect accurate data.	Number of total employees × % of employee using mode of transport × Commuting days × commuting distance × emission factor of transportation mode	UK Government GHG Conversion Factors for Company Reporting (DEFRA, 2025)
8	Upstream leased assets	No	Category excluded. As Hang Lung Group has operational control of our upstream leased assets, the emissions have been included in Scope 1&2.	NA	NA
9	Downstream transportation & distribution	No	Category excluded. Hang Lung Group's business mode does not involve the distribution of raw materials or finished products to end customers.	N/A	N/A

No.	Scope 3 Category	Applicability	Methodology / Exclusion Statement	Calculation Method	Emission Factor Data Source
10	Processing of sold products	No	Category excluded. There is no further processing of sold products by Hang Lung Group. Refurbishment activities by third party owners of any sold products are excluded.	N/A	N/A
11	Use of sold products	Yes	This category includes the lifetime emissions from the use of properties sold by Hang Lung Group in the reporting year.	Annual fuel/energy consumption of the sold properties x Designed lifetime (Year) x Relevant emission factor	- For Chinese Mainland, the National Grid Emission Factors from the Ministry of Ecology and Environment of the People's Republic of China was adopted. The fuel emission factors were from the Guidelines on GHG Accounting Methodology and Reporting for Enterprises Operating Public Buildings (Trial) released by the Chinese government. - For Hong Kong, local utility companies' emissions factors were adopted. - When calculating forward looking location-based emissions from electricity use during the whole lifecycle of the sold building, the grid decarbonization is considered.
12	End-of-life treatment of sold products	Yes	This category includes the emissions from waste disposal and treatment of products sold by Hang Lung Group in the reporting year at the end of their life.	Sold CFA x Emission intensity of end-of-life stage of buildings	Zujian Huang, Hao Zhou, Zhijian Miao, Hao Tang, Borong Lin, Weimin Zhuang. Life-Cycle Carbon Emissions (LCCE) of Buildings: Implications, Calculations, and Reductions. Engineering, Volume 35, 2024, Pages 115-139, ISSN 2095-8099
13	Downstream leased assets	Yes	Operation of assets owned by Hang Lung Group and leased to other entities. This category of data includes electricity and energy usage from our tenants' operations. When there is no actual data received from tenants, emissions are calculated based on the total leased area of tenant space by a local appropriate energy use benchmark.	Electricity consumption x Lifecycle Emission factor	- For Chinese Mainland, the National Grid Emission Factors from the Ministry of Ecology and Environment of the People's Republic of China were adopted. - For Hong Kong, local utility companies' emissions factors and government's specific energy use benchmarks were adopted as proxy estimations. - Upstream emission factors were from IEA (2023), Life Cycle Upstream Emission Factors.
14	Franchises	No	Not applicable to Hang Lung Group's operations	N/A	N/A
15	Investments	Yes	This category includes operation of investments (including equity and debt investment and project finance) by Hang Lung Group in the reporting year.	Revenue of investee appointed to Hang Lung x USEEIO Emission factor	US Environmentally-Extended Input-Output (USEEIO) Models

List of Power Purchased Agreements (PPA) for our Mainland Properties in 2025¹

Property Name	City	RE Contract duration in 2025	Contract Bundled % ⁽¹⁾	Contract Unbundled %
Center 66	Jiangsu	01.01-12.31	98%	2%
Forum 66	Shenyang	05.01-12.31	95%	5%
Grand Gateway 66	Shanghai	01.01-12.31	95%	5%
Heartland 66	Wuhan	---	0%	0%
Olympia 66	Dalian	05.01-12.31	95%	5%
Palace 66	Shenyang	05.01-12.31	95%	5%
Parc 66	Jinan	01.01-12.31	46% ⁽²⁾	54% ⁽²⁾
Plaza 66	Shanghai	01.01-12.31	95%	5%
Riverside 66	Tianjin	---	0%	0%
Spring City 66	Kunming	01.01-12.31	100%	0%

Notes:

- (1) A bundled PPA means the electrons and associated green attributes are both from the same power sources. Where we cannot fully obtain 100% green electricity for a property through a PPA, we obtain unbundled or separate green attributes to supplement the (small) proportion of remaining non-renewable electricity.
- (2) For Parc 66, due to an unforeseen and significant decline in local renewable energy supply starting in June 2025, the Group adjusted the proportion of bundled green electricity we procured for the year from 100% to 46%. The supply decline arose primarily from Shandong Province's issuance of transitional documents and implementation

of relevant policies in response to the "Notice on Deepening the Market-oriented Reform of New Energy Feed-in Tariff to Promote the High-Quality Development of New Energy" (NDRC Price [2025] No. 136), jointly issued by the National Development and Reform Commission and the National Energy Administration in February 2025. This national policy established a price settlement mechanism for the sustainable development of renewable energy, thereby temporarily affecting the local supply of renewable energy.

¹ The final proportions of bundled and unbundled renewable electricity in each location may vary from the contractual terms. We will provide a summary of the final proportions for 2025 once this information becomes available.

Economic

Indicator	Unit	Hong Kong			Chinese Mainland			Total			
		2023	2024	2025	2023	2024	2025	2023	2024	2025	
Economic value generated											
Revenue (including property sales revenue)	HK\$ million	3,482	4,664	3,301	7,399	7,096	7,113	10,881	11,760	10,414	
Interest Income		N/A	N/A	N/A	N/A	N/A	N/A	N/A	102	60	41
Economic value distributed											
Operating costs ⁽¹⁾	HK\$ million	N/A	N/A	N/A	N/A	N/A	N/A	2,195	4,045	2,721	
Employee wages and benefits		N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,873	1,860	1,805
Total borrowing costs		N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,987	2,130	1,975
Dividends paid		N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,171	1,171	1,171
Dividends paid to non-controlling interests		N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,832	1,711	1,327
Income taxes to government		298	265	253	1,104	1,084	1,048	1,402	1,349	1,301	
Community investments		N/A	N/A	N/A	N/A	N/A	N/A	N/A	12	5	20
Number of cities of operation	Number	1	1	1	9	9	9	10	10	10	
Economic value retained or invested											
Economic value retained or invested	HK\$ million	N/A	N/A	N/A	N/A	N/A	N/A	511	(451)	135	

Notes:

(1) Operating costs exclude: (1) employee wages and benefits; and (2) community investments.

Environmental

Indicator	Unit	Hong Kong			Chinese Mainland			Total		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Greenhouse Gas (GHG) Emissions ^{(1), (2), (3), (4), (5), (6)}										
Total GHG Emissions (Scope 1 & 2)										
Total emissions (Scope 1 and 2) - location-based ⁽⁷⁾	Tonnes CO ₂ e	38,765	35,684	30,820	151,266	139,646	137,384	190,031	175,330	168,204
Carbon emission intensity (Scope 1 and 2) - location-based	kg CO ₂ e/m ² /year	53.7	48.6	40.7	41.7	38.5	37.9	43.7	40.2	38.4
Total emissions (Scope 1 and 2) - market based ⁽⁸⁾	Tonnes CO ₂ e	38,765	35,684	30,820	125,600	93,676	62,935	164,365	129,360	93,755
Carbon emission intensity (Scope 1 and 2) - market-based	kg CO ₂ e/m ² /year	53.7	48.6	40.7	34.6	25.8	17.4	37.8	29.7	21.4
GHG Emissions (Scope 1 & 2) - building operations only										
Total emissions (Scope 1 and 2) - location-based ⁽⁷⁾	Tonnes CO ₂ e	38,704	35,634	30,780	151,126	139,536	137,284	189,830	175,170	168,064
Carbon emission intensity (Scope 1 and 2) - location-based	Tonnes CO ₂ e/m ² /year	0.0536	0.0485	0.0406	0.0417	0.0385	0.0379	0.0437	0.0402	0.0383
Total emissions (Scope 1 and 2) - market based ⁽⁸⁾	Tonnes CO ₂ e	38,704	35,634	30,780	125,460	93,565	62,835	164,164	129,199	93,616
Carbon emission intensity (Scope 1 and 2) - market-based	Tonnes CO ₂ e/m ² /year	0.0536	0.0485	0.0406	0.0346	0.0258	0.0173	0.0377	0.0296	0.0214

Indicator	Unit	Hong Kong			Chinese Mainland			Total		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
GHG Emissions - by scope and type										
Gross direct emission (Scope 1)	Tonnes CO ₂ e	575	50	122	3,459	4,242	6,030	4,034	4,292	6,152
Building operation ⁽⁹⁾	Tonnes CO ₂ e	514	0	82	3,319	4,132	5,930	3,833	4,132	6,012
Company vehicles and vessels ⁽¹⁰⁾	Tonnes CO ₂ e	61	50	40	140	110	100	201	160	140
Gross indirect emission (Scope 2) - location-based ⁽⁷⁾	Tonnes CO ₂ e	38,190	35,634	30,697	147,807	135,403	131,354	185,997	171,037	162,051
Building operation	Tonnes CO ₂ e	38,190	35,634	30,697	147,807	135,403	131,354	185,997	171,037	162,051
Gross indirect emission (Scope 2) - market-based ⁽⁸⁾	Tonnes CO ₂ e	38,190	35,634	30,697	122,141	89,433	56,906	160,331	125,067	87,603
Building operation	Tonnes CO ₂ e	38,190	35,634	30,697	122,141	89,433	56,906	160,331	125,067	87,603
Gross indirect emission (Scope 3)	Tonnes CO ₂ e	107,074	137,849	97,158	716,928	306,887	250,958	842,002	444,736	348,116
Purchased goods & services (Cat 1)	Tonnes CO ₂ e	21,748	51,615	16,798	558,443	182,726	169,881	580,191	234,340	186,679
1a. Product	Tonnes CO ₂ e	5,783	18,324	126	528,264	156,860	144,491	534,047	175,184	144,617
1b. Non-product	Tonnes CO ₂ e	15,965	33,290	16,672	30,179	25,866	25,391	46,144	59,156	42,062
Capital goods (Cat 2)	Tonnes CO ₂ e	1,293	1,123	772	4,323	11,623	5,195	5,616	12,746	5,967
Fuel and energy related activities (Cat 3)	Tonnes CO ₂ e	10,937	10,439	9,997	30,473	19,236	14,105	41,410	29,675	24,103
Upstream transportation and distribution (Cat 4)	Tonnes CO ₂ e	1,178	151	0	9,932	1,767	6,579	11,110	1,918	6,579
Waste generated in operations (Cat 5)	Tonnes CO ₂ e	7,311	7,773	2,196	6,076	1,694	846	13,387	9,467	3,042
Business travel (Cat 6)	Tonnes CO ₂ e	937	775	605	942	875	709	1,879	1,650	1,313

Indicator	Unit	Hong Kong			Chinese Mainland			Total		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Employee commuting (Cat 7)	Tonnes CO ₂ e	472	444	417	1,123	1,078	1,210	1,595	1,522	1,627
Upstream leased assets (Cat 8)	Tonnes CO ₂ e	0	0	0	172	157	0	172	157	0
Use of sold products (Cat 11)	Tonnes CO ₂ e	0	5,173	732	0	2,117	2,509	0	7,290	3,241
End-of-life treatment of sold products (Cat 12)	Tonnes CO ₂ e	0	94	12	0	36	31	0	130	43
Downstream leased assets (Cat 13)	Tonnes CO ₂ e	49,657	50,497	55,691	105,444	85,578	49,893	155,101	136,075	105,584
Investments (Cat 15)	Tonnes CO ₂ e	13,541	9,766	9,938	0	0	0	13,541	9,766	9,938
Energy Consumed and Generated ⁽¹¹⁾										
Total Energy										
Total energy consumed	GJ	252,030	241,900	231,636	1,087,339	1,045,573	1,005,134	1,339,369	1,287,473	1,236,770
Total energy intensity ⁽⁶⁾	MJ/m ² /year	349	329	306	300	288	277	308	295	282
Direct Energy Consumed by type										
Gas and Liquid Fuels										
Total natural gas	GJ	0	0	0	32,743	38,631	45,876	32,743	38,631	45,876
Total liquid fuels		802	641	563	2,139	1,864	1,502	2,941	2,505	2,065
Petrol (for vehicles)		474	417	347	1,726	1,359	1,232	2,200	1,776	1,579
Diesel (for vehicles and vessels)		311	224	159	0	0	0	311	224	159
Diesel (for emergency generators)		17	0	57.0	413	504	270	430	504	327

Indicator	Unit	Hong Kong			Chinese Mainland			Total		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Indirect Energy Consumed by type										
Electricity										
Total electricity consumed	GJ	251,228	241,259	231,073	862,078	824,680	795,187	1,113,306	1,065,939	1,026,260
Total electricity consumed	MWh	69,786	67,016	64,187	239,466	229,078	220,885	309,252	296,094	285,072
Electricity purchased from non-renewable source	MWh	69,786	67,016	64,187	193,826	118,834	64,193	263,612	185,850	128,380
Electricity purchased from renewable source	MWh	0	0	0	45,005	109,644	156,107	45,005	109,644	156,107
Electricity self-generated (solar PV) and consumed	MWh	N/A	N/A	N/A	635	600	585	635	600	585
Electricity self-generated (solar PV) and exported (for Feed-in Tariff)	MWh	18	17	19	N/A	N/A	N/A	18	17	19
Electricity intensity of buildings in use ⁽⁶⁾	kWh/m²/year	96.63	91.28	84.75	65.86	63.17	60.91	70.97	67.90	65.03
District Heating										
Hot water	GJ	N/A	N/A	N/A	157,883	146,839	136,606	157,883	146,839	136,606
Steam	GJ	N/A	N/A	N/A	32,495	33,560	25,962	32,495	33,560	25,962
Water Consumed										
Total Water Consumed										
Total municipal water ^{(12), (13)}	000 m³	502	520	491	1,839	1,734	1,749	2,341	2,254	2,240
Water intensity ⁽⁶⁾	m³/m²/year	0.69	0.71	0.65	0.51	0.48	0.48	0.54	0.52	0.51
Wastewater Reused and Discharged										
Wastewater discharged	000 m³	452	468	442	1,655	1,560	1,574	2,107	2,028	2,016
Wastewater recycled for reuse ⁽¹⁴⁾	m³	N/A	N/A	0	58,665	69,634	83,753	58,665	69,634	83,753

Indicator	Unit	Hong Kong			Chinese Mainland			Total		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Waste Disposal and Recycling										
Total Hazardous Waste										
Total waste collected	tonnes	3.35	13.15	11.83	0.79	0.78	0.80	4.14	13.93	12.62
Hazardous waste intensity ⁽⁶⁾	kg/m²/year	0.0046	0.0179	0.0156	0.0002	0.0002	0.0002	0.0010	0.0032	0.0029
Total Non-Hazardous Waste										
Total waste collected ⁽¹⁵⁾	tonnes	20,413	23,244	6,704	38,275	37,216	39,043	58,688	60,460	45,747
Total waste diverted from landfill ⁽¹⁶⁾	tonnes	385	389	328	38,275	37,216	39,043	38,660	37,605	39,370
Diversion rate (from landfill)	%	2%	2%	5%	100%	100%	100%	66%	62%	86%
Recycling rate	%	2%	2%	5%	30%	33%	32%	20%	21%	28%
Waste intensity ⁽⁶⁾	kg/m²/year	28.3	31.7	8.9	10.6	10.3	10.8	13.5	13.9	10.4
Waste Disposed or Diverted - by type										
Municipal solid waste - Disposed	tonnes	20,029	22,854	6,376	26,738	24,953	26,448	46,767	47,807	32,825
Hazardous waste - Disposed ⁽¹⁷⁾	tonnes	3.35	13.15	11.83	0.79	0.78	0.80	4.14	13.93	12.62
Recycled waste										
Food waste	kg	258,419	249,173	191,644	11,208,469	11,875,481	12,092,830	11,466,888	12,124,654	12,284,474
Paper	kg	110,810	105,724	92,348	234,629	267,091	345,796	345,439	372,815	438,144
Metal	kg	843	335	170	49,293	51,584	75,300	50,136	51,919	75,469
Plastics	kg	1,482	17,848	23,961	25,332	30,437	37,143	26,814	48,285	61,104
Glass	kg	12,241	14,519	19,764	19,986	38,710	43,086	32,227	53,229	62,850
Textiles / Clothing	kg	1,548	1,867	131	156	309	12	1,704	2,176	143
WEEE	pieces	66	25	11	474	1,683	695	540	1,708	706

Indicator	Unit	Hong Kong			Chinese Mainland			Total		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
Floor Area										
Gross Floor Area	m²	554,896	564,651	580,876	2,362,639	2,362,639	2,362,639	2,917,535	2,927,290	2,943,515
Construction Floor Area	m²	722,185	734,185	757,346	3,626,621	3,626,621	3,626,621	4,348,806	4,360,806	4,383,967

Notes:

- (1) Please refer to "Appendix 6 - List of Major Properties Covered in the Environmental KPIs" for the coverage of energy, greenhouse gas emissions, material, water and waste data in 2025.
- (2) Emissions of NO_x, SO_x and other pollutants are considered not significant to our operations. In 2025, the total emissions of NO_x, SO_x and PM from vehicles were estimated to be 24kg, 0.8kg, and 1.8kg respectively.
- (3) We did not have any biogenic CO₂ emissions during the reporting year.
- (4) Calculation standards and methodologies for carbon emissions:
a) Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 edition) published by the Environmental Protection Department (EPD) and the Electrical and Mechanical Services Department (EMSD) of the Hong Kong Government.
b) Emission intensity published by CLP Power Hong Kong Limited in 2026 and Hongkong Electric in 2025
c) 2006 IPCC Guidelines for National Greenhouse Gas Inventories, Chapter 2: Stationary Combustion (Commercial Institutional)
d) National Development and Reform Commission's Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions from Public Building Operating Enterprises (Trial)
e) Emission factors issued by the Ministry of Ecology and Environment and local Regulations issued by local Municipality of Environmental Protection
- (5) Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and hydrofluorocarbons (HFCs) are included in greenhouse gas (GHG) calculations. Perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃) are not applicable.
- (6) The GHG emission, energy, water and waste intensity figures in this table are calculated per unit construction floor area.
- (7) Location-based method is a method to quantify scope 2 GHG emissions based on average energy generation emission factors for defined geographic locations, including local, subnational, or national boundaries.
- (8) Market-based method is a method to quantify the scope 2 GHG emissions of a reporter based on GHG emissions emitted by the generators from which the reporter contractually purchases electricity bundled with contractual instruments, or contractual instruments on their own.
- (9) Although we have not disclosed emissions from HCFCs in the table above as it falls outside our GHG accounting and reporting boundary, the emissions are calculated to be around 53 tCO₂e in 2025.
- (10) This only covers vehicles and vessels that are entirely owned and operated by the Group, excluding any vehicles and vessels operated by our service providers.
- (11) The conversion factors from volumetric units of petrol, diesel and natural gas consumption to energy units are referenced from Technical Note: Conversion of fuel data to MWh published by CDP in 2020.
- (12) This only covers total municipal potable water.
- (13) In December 2024, the water meter at Palace 66 in Shenyang experienced an error, resulting in an incomplete reading of water consumption that was significantly lower than the data recorded during the same period in 2023. The figure presented in the Performance Table reflects the available but incomplete data, as we were unable to retrieve the actual water consumption data for that month. The difference in the water use intensity for 2024 was insignificant, when comparing the use of available recorded data, to the adjusted data, which replicated the December 2023 data.
- (14) This includes grey water, condensation water, fire service water, cooling tower bleed off water, etc.
- (15) Municipal waste data are collected either by volume (litres) or through direct waste weighing, while recycling data are collected through direct waste weighing. In Hong Kong, the reported municipal waste disposed decreased by 71% due to an update to our waste density conversion factor used to convert volume-based data into weight to obtain a more accurate representation of waste generation. We continue to promote waste reduction and recycling at our properties; please refer to the "Waste and Circularity" section under Resource Management for more details.
- (16) Our municipal waste sent to incineration follows the urban domestic waste classification and treatment facilities plan jointly issued by the National Development and Reform Commission and the Ministry of Housing and UrbanRural Development of PRC in 2021.
- (17) Currently, all non-hazardous waste of our Hong Kong portfolio is disposed of offsite at public landfills, while the hazardous waste is diverted from landfill. In Chinese Mainland, our non-hazardous waste is disposed of offsite at incineration facilities, while the hazardous waste is disposed of in compliance with government requirements. The reported quantity of recyclables only reflects those being disposed of directly at our designated collection points. Data on recyclables that have been handled through informal channels, e.g., collected by individual recyclers, cannot be captured. The Group's operations did not involve significant generation of hazardous waste.

Social

		Hong Kong			Chinese Mainland			Total		
Indicator	Unit	2023	2024	2025	2023	2024	2025	2023	2024	2025
Profile of workforce ⁽¹⁾										
Total workforce (employees and supervised workers)	Number	1,017	978	954	3,287	3,125	3,067	4,304	4,103	4,021
Supervised workers ^{(2), (3)}		49	50	42	42	49	43	91	99	85
Employees by gender										
Male	Number (%)	541 (55.9%)	518 (55.8%)	507 (55.6%)	1,923 (59.3%)	1,846 (60.0%)	1,850 (61.2%)	2,464 (58.5%)	2,364 (59.0%)	2,357 (59.9%)
Female		427 (44.1%)	410 (44.2%)	405 (44.4%)	1,322 (40.7%)	1,230 (40.0%)	1,174 (38.8%)	1,749 (41.5%)	1,640 (41.0%)	1,579 (40.1%)
Employees by age group										
Under 30	Number (%)	74 (7.4%)	72 (7.8%)	64 (7.0%)	393 (12.1%)	303 (9.8%)	272 (9.0%)	467 (11.1%)	375 (9.4%)	336 (8.5%)
30 – 50		527 (54.4%)	473 (51.0%)	459 (50.3%)	2,519 (77.6%)	2,447 (79.6%)	2,403 (79.5%)	3,046 (72.3%)	2,920 (72.9%)	2,862 (72.7%)
Over 50		367 (37.9%)	383 (41.3%)	389 (42.7%)	333 (10.3%)	326 (10.6%)	349 (11.5%)	700 (16.6%)	709 (17.7%)	738 (18.8%)
Employees by employment contract										
Permanent Full Time	Number	955	917	899	3,245	3,070	3,018	4,200	3,987	3,917
Male		534	511	499	1,923	1,845	1,849	2,457	2,356	2,348
Female		421	406	400	1,322	1,225	1,169	1,743	1,631	1,569
Permanent Part time		4	3	3	0	0	0	4	3	3
Male		0	0	0	0	0	0	0	0	0
Female		4	3	3	0	0	0	4	3	3

		Hong Kong			Chinese Mainland			Total		
Indicator	Unit	2023	2024	2025	2023	2024	2025	2023	2024	2025
Contract		9	8	10	0	6	6	9	14	16
Male		7	7	8	0	1	1	7	8	9
Female		2	1	2	0	5	5	2	6	7
Employees by employee category										
Executive staff	Number (%)	166 (17.1%)	157 (16.9%)	156 (17.1%)	192 (5.9%)	185 (6.0%)	176 (5.8%)	358 (8.5%)	342 (8.5%)	332 (8.4%)
Administrative staff		386 (39.9%)	369 (39.8%)	359 (39.4%)	1,452 (44.7%)	1,418 (46.1%)	1,346 (44.5%)	1,838 (43.6%)	1,787 (44.6%)	1,705 (43.3%)
Operational staff		416 (43.0%)	402 (43.3%)	397 (43.5%)	1,601 (49.3%)	1,473 (47.9%)	1,502 (49.7%)	2,017 (47.9%)	1,875 (46.8%)	1,899 (48.2%)
Employees by ethnic group ^{(4), (5)}										
Han Chinese	Number (%)	N/A	870 (93.8%)	944 (99.4%)	N/A	2,928 (95.2%)	2,898 (95.7%)	N/A	3,798 (94.9%)	3,842 (96.6%)
Other Chinese		N/A	0 (0%)	0 (0%)	N/A	141 (4.6%)	124 (4.1%)	N/A	141 (3.5%)	124 (3.1%)
Non-Chinese		N/A	58 (6.2%)	6 (0.6%)	N/A	7 (0.2%)	6 (0.2%)	N/A	65 (1.6%)	12 (0.3%)
New hires										
Total number and rate of new hires	Number (%)	144 (14.9%)	123 (13.3%)	153 (16.8%)	360 (11.1%)	247 (8.0%)	311 (10.3%)	504 (12.0%)	370 (9.2%)	464 (11.8%)
Percentage of open positions filled by internal candidates (internal hires) ⁽⁴⁾	%	N/A	0%	0%	N/A	1.2%	2.6%	N/A	0.8%	1.7%
By gender										
Male	Number (%)	74 (13.7%)	67 (12.9%)	78 (15.4%)	181 (9.4%)	139 (7.5%)	179 (9.7%)	255 (10.3%)	206 (8.7%)	257 (10.9%)
Female		70 (16.4%)	56 (13.7%)	75 (18.5%)	179 (13.5%)	108 (8.8%)	132 (11.2%)	249 (12.4%)	164 (10.0%)	207 (13.1%)

		Hong Kong			Chinese Mainland			Total		
Indicator	Unit	2023	2024	2025	2023	2024	2025	2023	2024	2025
By age group										
Under 30	Number (%)	31 (41.9%)	25 (34.7%)	30 (46.9%)	126 (32.1%)	63 (20.8%)	97 (35.7%)	157 (33.6%)	88 (23.5%)	127 (37.8%)
30 – 50		98 (18.6%)	78 (16.5%)	94 (20.5%)	224 (8.9%)	180 (7.4%)	211 (8.8%)	322 (10.6%)	258 (8.8%)	305 (10.7%)
Over 50		15 (4.3%)	20 (5.2%)	29 (7.5%)	10 (3.0%)	4 (1.2%)	3 (0.9%)	25 (3.6%)	24 (3.4%)	32 (4.3%)
Turnover ⁽⁶⁾										
Total number and rate of turnover	Number (%)	237 (24.5%)	204 (22.0%)	223 (24.5%)	384 (11.8%)	448 (14.6%)	425 (14.1%)	621 (14.7%)	652 (16.3%)	648 (16.5%)
By gender										
Male	Number (%)	135 (25.0%)	115 (22.2%)	120 (23.7%)	204 (10.6%)	238 (12.9%)	218 (11.8%)	339 (13.8%)	353 (14.9%)	338 (14.3%)
Female		102 (23.9%)	89 (21.7%)	103 (25.4%)	180 (13.6%)	210 (17.1%)	207 (17.6%)	282 (16.1%)	299 (18.2%)	310 (19.6%)
By age group										
Under 30	Number (%)	37 (50.0%)	20 (27.8%)	37 (57.8%)	89 (22.6%)	62 (20.5%)	68 (25.0%)	126 (27.0%)	82 (21.9%)	105 (31.3%)
30 – 50		127 (24.1%)	116 (24.5%)	107 (23.3%)	248 (9.8%)	315 (12.9%)	300 (12.5%)	375 (12.3%)	431 (14.8%)	407 (14.2%)
Over 50		73 (19.9%)	68 (17.8%)	79 (20.3%)	47 (14.1%)	71 (21.8%)	57 (16.3%)	120 (17.1%)	139 (19.6%)	136 (18.4%)

		Hong Kong			Chinese Mainland			Total		
Indicator	Unit	2023	2024	2025	2023	2024	2025	2023	2024	2025
Diversity										
Gender ratio by employee category										
Executive staff	Number (%) of female	75 (45.2%)	73 (46.5%)	73 (46.8%)	66 (34.4%)	68 (36.8%)	70 (39.8%)	141 (39.4%)	141 (41.2%)	143 (43.1%)
Administrative staff		245 (63.5%)	227 (61.5%)	220 (61.3%)	847 (58.3%)	794 (56.0%)	742 (55.1%)	1,092 (59.4%)	1,021 (57.1%)	962 (56.4%)
Operational staff		107 (25.7%)	110 (27.4%)	112 (28.2%)	409 (25.5%)	368 (25.0%)	362 (24.1%)	516 (25.6%)	478 (25.5%)	474 (25.0%)
Percentage of female in all management positions ⁽⁷⁾	%	N/A	N/A	46.8%	N/A	N/A	39.8%	N/A	N/A	43.1%
Percentage of female in junior management positions ⁽⁴⁾	%	N/A	46.8%	46.8%	N/A	40.1%	40.1%	N/A	43.0%	43.0%
Gender ratio by job function										
STEM-related positions	% of female	38%	28%	25%	16%	15%	14%	24%	19%	17%
Executive staff in revenue-generating functions (e.g., sales, leasing)	% of female	47%	52%	42%	41%	52%	45%	44%	52%	44%
Management positions by ethnic group ⁽⁴⁾										
Han Chinese	% of total management workforce	N/A	92.4%	98.7%	N/A	94.1%	94.9%	N/A	93.3%	96.7%
Other Chinese		N/A	0%	0%	N/A	2.2%	1.7%	N/A	1.2%	0.9%
Non-Chinese		N/A	7.6%	1.9%	N/A	3.8%	3.4%	N/A	5.6%	2.7%
Ratio of basic salary of women to men by employee category										
All staff	Ratio	1:1.015	1:0.96	1:0.94	1:1.009	1:0.949	1:0.925	1:0.977	1:0.957	1:0.936
Executive staff		1:1.238	1:1.126	1:1.09	1:1.229	1:1.152	1:1.261	1:1.182	1:1.137	1:1.16
Administrative staff		1:1.189	1:1.152	1:1.127	1:1.137	1:1.109	1:1.111	1:1.109	1:1.14	1:1.122
Operational staff		1:1.168	1:1.179	1:1.193	1:1.034	1:1.041	1:1.026	1:1.092	1:1.146	1:1.151

Hong Kong					Chinese Mainland			Total		
Indicator	Unit	2023	2024	2025	2023	2024	2025	2023	2024	2025
Ratio of basic salary of women to men by management level ⁽⁴⁾										
Executive level	Ratio	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1:1.125	1:1.151
Management level		N/A	N/A	N/A	N/A	N/A	N/A	N/A	1:1.127	1:1.104
Non-management level		N/A	N/A	N/A	N/A	N/A	N/A	N/A	1:0.911	1:0.918
Ratio of base salary and other cash incentives of women to men by management level ⁽⁴⁾										
Executive level	Ratio	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1:1.165	1:1.164
Management level		N/A	N/A	N/A	N/A	N/A	N/A	N/A	1:1.116	1:1.115
Non-management level		N/A	N/A	N/A	N/A	N/A	N/A	N/A	1:0.917	1:0.926
Parental leave ^{(8), (9)}										
Total number of employees entitled to parental leave	Number	968	928	912	3,245	3,076	3,024	4,213	4,004	3,936
Male	Number	541	518	507	1,923	1,846	1,850	2,464	2,364	2,357
Female		427	410	405	1,322	1,230	1,174	1,749	1,640	1,579
Total number of employees took parental leave	Number	16	20	16	71	72	87	87	92	103
Male	Number	8	8	6	26	28	29	34	36	35
Female		8	12	10	45	44	58	53	56	68
Total number of paid parental leave offered ⁽⁴⁾	Number of weeks	N/A	211	196	N/A	1,536	1,385	N/A	1,746	1,581
Male	Number of weeks	N/A	8	6	N/A	80	99	N/A	88	105
Female		N/A	203	190	N/A	1,456	1,287	N/A	1,658	1,477

		Hong Kong			Chinese Mainland			Total		
Indicator	Unit	2023	2024	2025	2023	2024	2025	2023	2024	2025
Return to work rate by gender ⁽¹⁰⁾										
Male	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Female		100%	100%	100%	100%	98%	100%	100%	100%	100%
Employee training ⁽¹¹⁾										
Total hours of employee training	Hours	16,430	15,948	16,208	110,274	121,049	108,379	126,704	136,997	124,587
Average hours of employee training	Hours per employee	17.0	17.2	17.8	34.0	39.4	35.8	30.1	34.2	31.7
Average amount spent on training and development per employee ⁽⁴⁾	HK\$	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,689 ⁽¹²⁾	1,502
Average training hours by gender										
Male	Hours	15.4	16.0	17.3	32.2	40.1	36.5	28.5	34.8	32.4
Female	Hours	19.0	18.6	18.4	36.6	38.3	34.7	32.3	33.4	30.5
Average training hours by employee category										
Executive staff	Hours	25.8	22.7	23.9	35.2	31.9	29.0	30.9	27.7	26.6
Administrative staff	Hours	18.0	17.1	19.5	28.5	31.0	29.2	26.3	28.1	27.2
Operational staff	Hours	12.5	15.1	13.8	38.8	48.4	42.6	33.4	41.2	36.6
Percentage of employee trained by gender ⁽¹¹⁾										
Male	%	99.3%	99.4%	99.2%	99.7%	99.8%	99.8%	99.6%	99.7%	99.7%
Female	%	99.5%	99.8%	99.3%	99.7%	99.9%	99.8%	99.7%	99.9%	99.7%
Percentage of employee trained by employee category ⁽¹¹⁾										
Executive staff	%	99.4%	99.4%	96.8%	99.0%	100.0%	99.4%	99.2%	99.7%	98.2%
Administrative staff	%	100.0%	99.7%	99.4%	99.8%	99.9%	99.9%	99.8%	99.9%	99.8%
Operational staff	%	98.8%	99.5%	100.0%	99.7%	99.7%	99.8%	99.5%	99.7%	99.8%

		Hong Kong			Chinese Mainland			Total		
Indicator	Unit	2023	2024	2025	2023	2024	2025	2023	2024	2025
Employees covered by collective contracts										
Percentage of total employees	%	0%	0%	0%	39%	38%	36%	N/A	N/A	N/A
Occupational health and safety (employee) ⁽¹⁴⁾										
Total hours worked	Hours	2,380,526	2,141,026	2,094,805	6,553,524	6,468,543	6,119,175	8,934,050	8,609,569	8,213,980
Fatalities ⁽¹⁵⁾	Number	0	0	0	0	0	0	0	0	0
Fatalities rate	%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Work-related injuries	Number	23	14	25	22	23	6	45	37	31
Injury rate (per 100 employees)	N/A	1.93	1.31	2.39	0.67	0.71	0.20	1.01	0.86	0.75
Lost-time work-related injuries	Number	21	14	25	20	20	6	41	34	31
Rate of lost-time work-related injuries / Lost-time injury rate (LTIR) ⁽¹⁶⁾	N/A	1.76	1.31	2.39	0.61	0.62	0.20	0.92	0.79	0.75
Lost-time injury frequency rate (LTIFR)	Number of injuries/ million hours worked	8.82	6.54	11.93	3.05	3.09	0.98	4.59	3.95	3.77
High-consequence work-related injuries ⁽¹⁷⁾	Number	2	0	2	0	2	1	2	2	3
Rate of high-consequence work-related injuries (per 100 employees)	N/A	0.17	0	0.19	0.00	0.06	0.03	0.04	0.05	0.07
Lost days due to work-related injuries	Days	1,040	998	830	402	1,078	322	1,442	2,075	1,152
Lost day rate (per 100 employees)	N/A	87.38	93.18	79.24	12.27	33.33	10.52	32.28	48.21	28.05
Absentee rate ⁽¹⁸⁾	%	2.32%	2.36%	2.18%	1.50%	1.27%	1.13%	1.72%	1.53%	1.40%

		Hong Kong			Chinese Mainland			Total		
Indicator	Unit	2023	2024	2025	2023	2024	2025	2023	2024	2025
Construction health and safety (contractor)										
Number of active construction sites	Number	2	2	2	6	6	6	8	8	8
Total man-hours	Hours	823,830	568,401	273,830	8,747,407	7,798,114	6,488,602	9,571,237	8,366,515	6,762,432
Number of fatalities	Number	0	0	0	0	0	0	0	0	0
Number of accidents	Number	1	0	0	1	0	2	2	0	2
Number of near-misses	Number	2	1	0	4	5	1	6	6	1
Number of lost-time injuries	Number	N/A	0	0	N/A	0	2	N/A	0	2
Number of accidents per 100,000 man-hours	Number of accidents per 100,000 hours worked	0.12	0	0	0.01	0	0.03	0.02	0	0.03
Lost-time injury frequency rate (LTIFR)	Number of injuries/ million hours worked	N/A	0	0	N/A	0	0.31	N/A	0	0.30
Total construction safety training hours	Hours	4,078	5,145	2,545	3,749	451,925	346,092	7,827	457,070	348,637

Notes:

- (1) The profile of workforce data was compiled based on the number of employees and number of workers as of the end of each reporting year, provided by our Human Resources Department. Workforce data in this Report excludes casual workers, unless otherwise specified.
- (2) Supervised workers are workers who are not employees under Hang Lung but whose work is controlled by the organization. The Group does not report data of supervised workers by gender and age. Supervised workers do not cause significant variation in the Group's workforce and activities. Most of the supervised workers are responsible for providing cleaning and security services.
- (3) There was no significant variation in the number of non-supervised workers in the reporting period or between the current and last reporting period.
- (4) We started disclosing this data point in 2024.
- (5) The disclosure scope for this data point includes employees and casual workers.
- (6) The turnover rates cover voluntary resignations, retirements, and involuntary separation during the corresponding reporting periods.
- (7) We started disclosing this data point in 2025.
- (8) We are not reporting the total number of employees that returned to work after parental leave ended and that were still employed 12 months after their return to work as this particular data is not tracked. In the meantime, we do track the number of ex-colleagues who consider "family responsibility" as one of the reasons for resignation.
- (9) For Hong Kong staff, female employees with are entitled to 14 weeks of maternity leave while male employees receive 5 days of paternity leave, which can be taken from 4 weeks before to 14 weeks after the child's birth. For our staff in Chinese Mainland, female employees are entitled to 98 days of maternity leave for a normal birth, with an additional 15 to 90 days depending on local legislation and individual circumstances, while male employees receive 7 to 30 days of paternity leave, varying by location.
- (10) Return to work rate is calculated as the total number of employees who returned to work after parental leave, divided by the total number of employees expected to return to work after parental leave, multiplied by 100%.
- (11) Training categories include: onboarding programs, language skills, customer service, professional development, leadership development, occupational health and safety, and regulatory compliance. All our employees were required to receive either induction or refresher training courses on integrity and crisis management during the

reporting period, and all employees with company email addresses received cybersecurity training. The percentage of employees trained could not reach 100% since some of the employees had long leave or newly joined in the year-end and they could not participate in training.

(12) This data point has been restated to conform to the current year's presentation.

(13) The percentage of employees trained could not reach 100% since some of the employees had long leave or newly joined in the year-end and they could not participate in training.

(14) Our occupational health and safety data reported in the performance table covers our office and frontline operations. This includes our employees and supervised workers. We do not report data on the occupational disease rate as we encounter difficulties in data collection. We do not further break down our occupational health and safety data by gender because we consider such data insignificant for reporting.

(15) Fatalities refer to work-related fatalities of employees as defined by HKEX and GRI.

(16) Lost day injuries are equivalent to recordable work-related injuries as defined by GRI. The injury rates, rates of high-consequence workrelated injuries, rates of recordable work-related injuries and lost day rates were calculated on 200,000 hours worked. The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.

(17) Major work-related hazards that may cause high-consequence work-related injuries include falls, slips and falls at same level, the use of machines with moving parts, hot & electrical work, and manual handling. Major types of injury include scratches, being struck by objects, fractures and cuts.

(18) Absentee days are defined as the sum of non-work-related sick leave (i.e., sick leave not caused by a work-related accident/ injury/ illness).

Appendix 7 – Independent Assurance Opinion Statement



ASSURANCE STATEMENT

SGS HONG KONG'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE HANG LUNG GROUP LIMITED SUSTAINABILITY REPORT 2025

NATURE OF THE ASSURANCE

SGS Hong Kong Limited (hereinafter referred to as SGS) was commissioned by the Hang Lung Group Limited (hereinafter referred to as Hang Lung Group) to conduct an independent assurance of the contents of the *Sustainability Report 2025* (hereinafter referred to as the Report).

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all Hang Lung Group's stakeholders.

RESPONSIBILITIES

The information in the Report and its presentation are the responsibility of Hang Lung Group. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance with the intention to inform all Hang Lung Group's stakeholders.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

SGS performs the engagement based on internationally recognised assurance guidance and standards. The Assurance engagement has been conducted according to the following Assurance Standard.

Assurance Standard	Level of Assurance
ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information	Reasonable

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance data and information included the text and data in accompanying tables contained in the Report. Data and information were included in this assurance process during the period from 1 January 2025 to 31 December 2025.

Reporting Criteria	
1	Appendix C2 Environmental, Social and Governance Reporting Code ("ESG Reporting Code") in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "HKEx Listing Rules")
2	Global Reporting Initiative ("GRI") Sustainability Reporting Standards 2021 (In Accordance with)
3	International Sustainability Standards Board IFRS S2 Climate-related Disclosures (With reference to)

SPECIFIED PERFORMANCE DATA AND INFORMATION INCLUDED IN SCOPE

Environmental Data	Social Data
- Energy consumption - Electricity purchased from renewable source - Electricity use intensity - GHG emission (Scope 1 & 2) - location-based	- Ratio of basic salary of women to men by management level - Ratio of base salary and other cash incentives of women to men by management level



• GHG emission (Scope 1 & 2) - market-based	• Absentee Rate
• GHG (Scope 3) - Category 1 Purchased goods and services	• Fatalities
• GHG (Scope 3) – Category 2 Capital goods	• Lost-Time Injury Frequency Rate (LTIFR)
• GHG (Scope 3) – Category 3 Fuel and energy related activities	• Total number of significant suppliers in Tier-1
• GHG (Scope 3) – Category 4 Upstream transportation and distribution	• Percentage of total spend on significant suppliers in Tier-1
• GHG (Scope 3) – Category 5 Waste generated in operations	• Total number of significant suppliers in non Tier-1
• GHG (Scope 3) – Category 6 Business travel	• Total number of unique suppliers assessed
• GHG (Scope 3) – Category 7 Employee commuting	• Total number of suppliers supported in corrective action plan implementation
• GHG (Scope 3) – Category 8 Upstream leased assets	
• GHG (Scope 3) – Category 11 Use of sold products	• Total number of suppliers in capacity building programs
• GHG (Scope 3) – Category 12 End-of-life treatment of sold products	
• GHG (Scope 3) – Category 13 Downstream leased assets	
• GHG (Scope 3) – Category 15 Investments	
• Water consumption	
• Waste generated	
• Recycled waste	
• Climate-related financial impact figures under IFRS S2 disclosures	

ASSURANCE METHODOLOGY

The assurance comprised a combination of onsite pre-assurance, data sampling, documentation and record review, calculating and reporting the specified performance data and information, verifying the internal control for collection, calculating and reporting the sustainability performance information and validation with external bodies. Raw data and supporting evidence of the specified performance data and information were examined during the verification process.

LIMITATIONS AND MITIGATION

Financial data where applicable drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirms our independence from Hang Lung Group being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors of ISO 37001 & ISO 26000, nominated tutor of GRI Standards and experience of the SRA assurance service provisions.

ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the report content, data and information disclosed included in the scope of assurance is accurate, reliable, has been fairly stated and prepared, in all material respects, in accordance with the above mentioned reporting criteria.

We believe that Hang Lung Group has chosen an appropriate level of assurance for this stage in their reporting.

Signed:

For and on behalf of SGS Hong Kong Limited

Miranda Kwan
Director
Business Assurance
13 March 2026

Appendix 8 – Independent Practitioner’s Assurance Report for Green Bonds and Green Loans



Independent Practitioner’s Assurance Report

To the Board of Directors of Hang Lung Group Limited

We have been engaged to perform a limited assurance engagement on the accompanying selected sustainability information of Green Bonds, Green Loans and the Allocation disclosed on pages 99 to 103 (the “Selected Sustainability Information”) of Hang Lung Group Limited (the “Company”) as at 31 December 2025 (“the 2025 Sustainability Report”).

Selected Sustainability Information

The Selected Sustainability Information disclosed on pages 99 to 103 of the 2025 Sustainability Report is summarised as below:

- amount of Green Loan drawn and allocated to the eligible green projects as at 31 December 2025;
- amount of Green Bond issued and allocated to the eligible green projects as at 31 December 2025;
and
- the amount of Pending for Allocation as at 31 December 2025.

Reporting Criteria

The criteria used by the Company to prepare the Selected Sustainability Information is set out in Appendix I of this report (the “Reporting Criteria”).

The Directors' Responsibilities

The Directors are responsible for the preparation of the Selected Sustainability Information in accordance with the Reporting Criteria as set out in Appendix I of this report. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the Selected Sustainability Information and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management 1 as issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibilities

It is our responsibility to express a conclusion on the Selected Sustainability Information based on our work performed and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our work in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" as issued by the HKICPA. This standard requires that we plan and perform our work to form the conclusion.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The extent of procedures selected depends on the practitioner's judgment and our assessment of the engagement risk. Within the scope of our work we performed amongst others the following procedures:

- made inquiries of the persons responsible for the Selected Sustainability Information;
- understood the process for collecting and reporting the Selected Sustainability Information;
- checked the meeting minutes of the Sustainable Finance Subcommittee under the Sustainability Steering Committee of the Company for the approval of eligible green projects;
- performed limited substantive testing on the allocation of proceeds to eligible green projects, on a sample basis, by examining relevant supporting documents including approval; and
- considered the disclosure and presentation of the Selected Sustainability Information.

Inherent Limitation

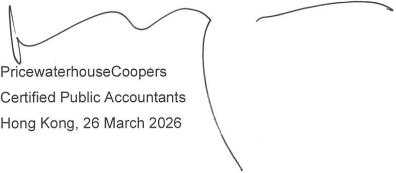
We draw your attention to the fact that the Selected Sustainability Information needs to be read and understood together with the Reporting Criteria, which the Company is solely responsible for selecting and applying. The absence of a significant body of established practice on which to draw to evaluate and measure information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time. The Reporting Criteria used for the reporting for the Selected Sustainability Information are as at 31 December 2025.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Sustainability Information is not prepared, in all material respects, in accordance with the Reporting Criteria as set out in Appendix I of this report.

Restriction on use

Our report has been prepared solely for the board of directors of the Company and is not to be used for any other purpose. We do not assume responsibility towards or accept liability to any other parties for the content of this report.


PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 26 March 2026

Appendix 1 — Reporting Criteria

- A Green Bond is added to the Sustainability Report when it was issued by the Company or its subsidiaries during the reporting period.
- A Green Bond is removed from the Sustainability Report when it has been fully repaid by the Company or its subsidiaries during the reporting period.
- A Green Loan is added to the Sustainability Report when it has been drawn by the Company or its subsidiaries and was still outstanding at the end date of the reporting period.
- A Green Loan is removed from the Sustainability Report when it has been fully repaid by the Company or its subsidiaries during the reporting period.
- The green projects eligible for the use of the green proceeds are approved by the Sustainable Finance Subcommittee under the Sustainability Steering Committee.

Appendix 9 – Content Indices for Reporting Guidelines

HKEX ESG Reporting Code Content Index

Aspects	KPI	Disclosure	Section/ Explanation
Mandatory Disclosure Requirement			
Governance Structure	-	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Our Approach to Sustainability – Governance Structure Joint Statement on Oversight and Management of Environmental, Social and Governance Issues
Reporting Principles	-	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: • Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. • Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. • Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	Our Approach to Sustainability – Material Issues Appendix 1 – About this Report Appendix 6 – Performance Tables
Reporting Boundary	-	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	Appendix 1 – About this Report Appendix 6 – Performance Tables

Aspects	KPI	Disclosure	Section/ Explanation
Part C: “Comply or explain” Provisions			
Environmental			
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Climate Resilience Resource Management There were no significant fines or non-monetary sanctions for non-compliance with environmental laws and regulations that had a significant impact on the Group during the reporting period.
	A1.1	The types of emissions and respective emissions data.	Appendix 6 – Performance Tables – Environmental Air emissions including SOx, NOx and PM are not considered significant in our operations.
	A1.2	[Repealed 1 January 2025]	-
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix 6 – Performance Tables – Environmental
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix 6 – Performance Tables – Environmental
	A1.5	Description of emission target(s) set and steps taken to achieve them.	Climate Resilience – Climate Mitigation
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Resource Management – Waste and Circularity Appendix 6 – Performance Tables – Environmental

Aspects	KPI	Disclosure	Section/ Explanation
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Resource Management Sustainability Policy
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix 6 – Performance Tables – Environmental
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix 6 – Performance Tables – Environmental
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Resource Management – Energy Management
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Resource Management – Water and Circularity During the reporting period, we did not encounter any problems in sourcing water for our operations.
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	This KPI is not applicable to our business.
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Climate Resilience Resource Management
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Climate Resilience Resource Management

Aspects	KPI	Disclosure	Section/ Explanation
Social			
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Wellbeing – Employee Wellbeing There were no confirmed incidents of non-compliance with employment-related laws and regulations that had a significant impact on the Group during the reporting period.
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Appendix 6 – Performance Tables – Social
	B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix 6 – Performance Tables – Social
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Wellbeing – Occupational Health and Safety Health and Safety Policy There were no confirmed incidents of non-compliance with occupational health and safety related laws and regulations that had a significant impact on the Group during the reporting period.
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix 6 – Performance Tables – Social
	B2.2	Lost days due to work injury.	Appendix 6 – Performance Tables – Social
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Wellbeing – Occupational Health and Safety

Aspects	KPI	Disclosure	Section/ Explanation
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Wellbeing – Learning and Talent Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix 6 – Performance Tables – Social
	B3.2	The average training hours completed per employee by gender and employee category.	Appendix 6 – Performance Tables – Social
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Our Approach to Sustainability – Human Rights Wellbeing – Employee Wellbeing Sustainability Policy Our Human Rights Policy in our Sustainability Policy sets out our expectations for respecting and promoting internationally recognized labour rights, including commitments to prohibit forced and child labour, ensure fair and equitable compensation, and conduct appropriate human rights due-diligence across our operations and supply chain. There were no confirmed incidents of non-compliance with laws and regulations relating to child and forced labor that had a significant impact on the Group during the reporting period. We provide employees with an appropriate notice period in compliance with the relevant employment contracts and applicable laws and regulations in the event of any employment changes (including mass terminations).
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Our Approach to Sustainability – Human Rights
	B4.2	Description of steps taken to eliminate such practices when discovered.	Wellbeing – Employee Wellbeing Sustainability Policy We specify in our Code of Conduct for Suppliers and Contractors that we forbid our suppliers or contractors to use child labor and/or forced labor.

Aspects	KPI	Disclosure	Section/ Explanation
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Sustainable Transactions – Suppliers Sustainable Procurement Policy Code of Conduct for Suppliers and Contractors
	B5.1	Number of suppliers by geographical region.	Sustainable Transactions – Suppliers
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Sustainable Transactions – Suppliers
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Sustainable Transactions – Suppliers
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Sustainable Transactions – Suppliers
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	We ensure that our marketing and promotional materials comply with relevant laws and regulations, and avoid making any misrepresentation, exaggeration or overstatement of the Group's capabilities. There were no confirmed incidents of non-compliance with laws and regulations relevant to health and safety, advertising, labelling and privacy matters relating to our products and services that had a significant impact on the Group during the reporting period.
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	This KPI is not applicable to our business.
	B6.2	Number of products and service related complaints received and how they are dealt with.	Sustainable Transactions – Measuring Customer Satisfaction There were no significant complaints received relating to the provision and use of our products and services during the reporting period.
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	We have a relevant policy in place to observe and protect intellectual property rights. Our Staff Handbook provides guidelines on respecting intellectual property rights. Employees using infringing copies of copyright works in the course of their employment may face disciplinary action or summary dismissal.

Aspects	KPI	Disclosure	Section/ Explanation
	B6.4	Description of quality assurance process and recall procedures.	Sustainable Transactions – Maintaining Quality Standards Product recall procedures are not considered as applicable to the Group's operations
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Our Approach to Sustainability – Data Privacy and Cybersecurity Sustainable Transactions – Protecting Customer Data Privacy
B7: Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Our Approach to Sustainability – Ethics and Integrity There were no confirmed incidents of non-compliance with laws and regulations relating to bribery, extortion, fraud, conflicts of interest and money laundering that had a significant impact on the Group during the reporting period.
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	There were no concluded legal cases regarding corrupt practices brought against the Group or its employees during the reporting period.
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Our Approach to Sustainability – Ethics and Integrity Whistleblowing Mechanism
	B7.3	Description of anti-corruption training provided to directors and staff.	Our Approach to Sustainability – Ethics and Integrity Appendix 6 – Performance Tables – Social
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Wellbeing – Community Wellbeing
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Wellbeing – Community Wellbeing
	B8.2	Resources contributed (e.g. money or time) to the focus area.	Wellbeing – Community Wellbeing

Aspects	KPI	Disclosure	Section/ Explanation
Part D: Climate-related Disclosures			
Governance	19 (a)	An issuer shall disclose information about: the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about: (i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities; (iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; (iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35);	Joint Statement on Oversight and Management of Environmental, Social and Governance Issues Our Approach to Sustainability – Governance Structure Wellbeing – ESG-linked Compensation Appendix 5 – Climate-Related Financial Disclosures: Governance
	19 (b)	An issuer shall disclose information about management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Our Approach to Sustainability – Governance Structure Appendix 5 – Climate-Related Financial Disclosures: Governance Terms of Reference of the Sustainability Steering Committee

Aspects	KPI	Disclosure	Section/ Explanation
Strategy	20	Climate-related risks and opportunities An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall: (a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term; (b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk; (c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and (d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	Appendix 5 – Climate-Related Financial Disclosures: Strategy Our definitions of 'short term', 'medium term' and 'long term': • Short term: 2-5 years – Under our sustainability framework and governance, we see the 2-5 year horizon as a short-term horizon. We set strategic ESG KPIs annually and review them regularly over the year, with adjustments as needed the following year to ensure that we are making progress in attaining our medium term targets. • Medium term: 6-15 years – We have defined a set of 4 goals and 20 targets for 2030 under our sustainability framework to support our long term vision. • Long term: 16-25 years – We have defined our long term vision beyond a 15 year horizon: we have set a target to reach net zero value chain emissions by 2050.
	21	Business model and value chain An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose: (a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and (b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Appendix 5 – Climate-Related Financial Disclosures: Strategy

Aspects	KPI	Disclosure	Section/ Explanation
	22	Strategy and decision-making An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose: (a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about: (i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities; (ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect); (iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and (b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	Climate Resilience – Climate Adaptation Climate Resilience – Climate Mitigation Appendix 5 – Climate-related Financial Disclosures: Strategy Our Journey to Net Zero: Our Scenarios and Actions to Reduce Greenhouse Gas Emissions to 2050
	23	An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	Appendix 5 – Climate-related Financial Disclosures: Strategy Climate Resilience – Climate Adaptation Climate Resilience – Climate Mitigation

Aspects	KPI	Disclosure	Section/ Explanation
	24	Financial position, financial performance and cash flows <u>Current financial effect</u> An issuer shall disclose qualitative and quantitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Appendix 5 – Climate-related Financial Disclosures: Strategy The Group has not identified any climate-related risks and opportunities that materially affect its financial position, financial performance or cash flows during the reporting period. In addition, the Group has not identified any climate-related risks and opportunities that would give rise to a significant risk of a material adjustment to the carrying amounts of assets or liabilities within the next annual reporting period.
	25	<u>Anticipated financial effect</u> The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Appendix 5 – Climate-related Financial Disclosures: Strategy
	26 (a)	Climate resilience An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose: (a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:	Appendix 5 – Climate-related Financial Disclosures: Strategy Our Journey to Net Zero: Our Scenarios and Actions to Reduce Greenhouse Gas Emissions to 2050

Aspects	KPI	Disclosure	Section/ Explanation
		(i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	
26 (b)		How and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out.	Appendix 5 – Climate-related Financial Disclosures: Strategy

Aspects	KPI	Disclosure	Section/ Explanation
Risk Management	27 (a)	An issuer shall disclose information about: the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about: (i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	Appendix 5 – Climate-related Financial Disclosures: Strategy Appendix 5 – Climate-related Financial Disclosures: Risk Management
	27 (b)	the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	Appendix 5 – Climate-related Financial Disclosures: Risk Management
	27 (c)	the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	Appendix 5 – Climate-related Financial Disclosures: Risk Management
Metrics and Targets	28	Greenhouse gas emissions An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	Appendix 6 – Performance Tables – Environmental

Aspects	KPI	Disclosure	Section/ Explanation
	29	An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	Climate Resilience – Climate Mitigation Appendix 1 – About this Report Appendix 6 – Performance Tables – Environmental Our methodology for calculating GHG emissions is in accordance with the Greenhouse Gas Protocol. We use the operational control approach to measure and account for our greenhouse gas emissions. For the details of the methodology, please refer to the footnote of our Performance Tables. For further information on our measurement approach, inputs and assumptions for measuring our scope 3 emissions, please see Performance Tables - Scope 3 Emissions Data Reporting Methodology. In 2025, we procured renewable electricity for both the landlord and tenant areas at Spring City 66 in Kunming, Parc 66 in Jinan, Center 66 in Wuxi, Plaza 66 and Grand Gateway 66 in Shanghai, Palace 66 and Forum 66 in Shenyang and Olympia 66 in Dalian through PPAs. For a summary of the PPA contracts for each property, see the table in Appendix 6.
	30	Climate-related transition risks An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Appendix 5 – Climate-Related Financial Disclosures: Strategy Our key areas for exposure for climate-related transition risks are: potential carbon cost pass-through from construction and operations; the absence of a clear pathway for green power procurement for our Hong Kong assets; and potential misalignment between specific assets and energy use intensity pathways. The Group is implementing measures to manage such climate-related transition risks, including reducing greenhouse gas emissions by lowering our reliance on resource-intensive construction activities through our V.3 strategy, energy-efficiency projects and renewable energy procurement. For details, please refer to the Climate Resilience section.

Aspects	KPI	Disclosure	Section/ Explanation
			We are studying how best to quantify our vulnerability to these risks in a manner that takes into account our mitigation measures and plans, and will endeavor to provide additional details in subsequent disclosures.
31		Climate-related physical risks An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Appendix 5 – Climate-Related Financial Disclosures: Strategy Flooding has been identified as a financially material physical climate risk based on the results of the Group's financial impact analysis, with potential for direct physical damage to assets and related financial impacts. Of the 30 properties assessed, eight were rated as having high flooding risk, with a detailed risk assessment disclosed in Appendix 5. The Group has complemented its portfolio-wide desktop climate hazard and vulnerability assessment with on-site visits for selected higher risk assets, namely, Grand Gateway 66 (Shanghai), Heartland 66 (Wuhan), Riverside 66 (Tianjin), and Standard Chartered Bank Building (Hong Kong). These assessments generated over 200 site-specific recommendations, primarily focused on enhancing resilience to flooding and heat stress. Key measures identified include the installation of demountable flood protection, upgrading drainage capacity, and improvements to building envelopes.
32		Climate-related opportunities An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	Appendix 5 – Climate-Related Financial Disclosures: Strategy The Group has identified and pursued a significant climate-related opportunity in the form of renewable energy. It has procured renewable energy in the form of PPAs for eight out of ten of its operating assets in Chinese Mainland, and is studying the potential to expand this opportunity to its other assets in Chinese Mainland and Hong Kong. The Group is also pursuing other climate-related opportunities as disclosed in Appendix 5 .
33		Capital deployment An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	A quantitative disclosure of climate-related capital deployment has not been provided as the Group is currently developing its five-year climate investment plan. The Group will endeavor to provide additional details of capital deployment in subsequent disclosures.

Aspects	KPI	Disclosure	Section/ Explanation
	34	Internal carbon prices An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	Climate Resilience – Climate Mitigation Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets
	35	Remuneration An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	Wellbeing – ESG-linked compensation Appendix 5 – Climate-related Financial Disclosures: Metrics and Targets Annual Report 2025 P.106 (Corporate Governance Report – Nomination and Remuneration Committee) The Group sets goals, targets and KPIs related to climate resilience, such as GHG emissions reduction, electricity intensity reduction, and conducting climate adaptation technical analysis. These ESG KPIs are directly incorporated into our annual appraisal process for departments and individual employees, including our CEO.
	36	Industry-based metrics An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	SASB Content Index

Aspects	KPI	Disclosure	Section/ Explanation
	37	Climate-related targets An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Our Approach to Sustainability – Our Sustainability Goals, Targets and KPIs Climate Resilience – Climate Mitigation Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets Our SBTs cover the entire Group. We committed to achieving net zero value chain emissions by 2050. Our near- and long-term net zero targets are endorsed under SBTi's Buildings Criteria framework, which is in line with the 1.5°C trajectory. We also set annual strategic ESG KPIs and 2025 targets to monitor our progress towards the 2030 and 2050 SBTs. Please refer to the Climate Resilience chapter for the KPI and target progress.

Aspects	KPI	Disclosure	Section/ Explanation
	38	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions.	Our Approach to Sustainability – Our Sustainability Goals, Targets and KPIs Climate Resilience – Climate Mitigation Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets Our near-term and long-term GHG emissions reduction targets are approved by SBTi. We review the need for updating the targets by monitoring changes in our target boundary, and the developments of GHG emissions accounting methodologies and target setting guidance, such as the GHG Protocol and SBTi's sector guidance. In 2025, we have revalidated our near- and long-term net zero targets under SBTi's Buildings Criteria framework, which is in line with the 1.5°C trajectory. We also set annual strategic ESG KPIs and 2025 targets to monitor our progress towards the 2030 and 2050 SBTs. Please refer to the Climate Resilience chapter for the KPI and target progress.
	39	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	Climate Resilience – Climate Mitigation

Aspects	KPI	Disclosure	Section/ Explanation
	40	For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose: (a) which greenhouse gases are covered by the target; (b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; (c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target; (d) whether the target was derived using a sectoral decarbonisation approach; and (e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	Climate Resilience – Climate Mitigation Appendix 5 – Climate-related Financial Disclosures: Metrics and Targets Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and hydrofluorocarbons (HFCs) are included in greenhouse gas (GHG) calculations. Perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃) are not applicable. Our GHG emissions targets covers Scope 1, 2 and 3 emissions and are gross greenhouse gas emissions targets. Our in-use operational emissions target is set using a sectoral decarbonization approach. The Group currently does not have any plan to purchase carbon credits to offset GHG emissions. Our priority is to maximize emission reductions through energy efficiency, renewable energy, and by working with other stakeholders to accelerate the development and availability of lower-carbon building materials through collective action and system-level changes.

GRI Content Index

Hang Lung Group has reported in accordance with the GRI Standards for the period January 1, 2025 to December 31, 2025.

GRI Standard	GRI	Disclosure	Section/ Explanation
GRI 1: Foundation 2021			
Reporting in accordance to the GRI Standards	1-R7	Publish a GRI content index	Appendix 9 – Content Indices for Reporting Guidelines
	1-R8	Provide a statement of use	Hang Lung Group has reported in accordance with the GRI Standards for the period January 1, 2025 to December 31, 2025.
GRI 2: General Disclosures 2021			
The organization and its reporting practices	2-1	Organizational details	About Hang Lung Group Appendix 1 – About this Report
	2-2	Entities included in the organization's sustainability reporting	Appendix 1 – About this Report We report on our principal subsidiaries in our Annual Report as required by the Listing Rules. A list of our principal subsidiaries is outlined in the Annual Report 2025 (P.208-213).
	2-3	Reporting period, frequency and contact point	Appendix 1 – About this Report This Report was published in March 2026.
	2-4	Restatements of information	Appendix 6 – Performance Tables
	2-5	External assurance	Appendix 1 – About this Report Appendix 7 – Independent Assurance Opinion Statement
Activities and workers	2-6	Activities, value chain and other business relationships	About Hang Lung Group Our Approach to Sustainability Annual Report 2025 P.1, 18-61 (Corporate Profile, Review of Operations) There were no significant changes in the Group's business activities, its value chain, or its business relationships compared to the previous reporting period.

GRI Standard	GRI	Disclosure	Section/ Explanation
	2-7	Employees	Appendix 6 – Performance Tables – Social
	2-8	Workers who are not employees	Appendix 6 – Performance Tables – Social
Governance	2-9	Governance structure and composition	Our Approach to Sustainability – Governance Structure Annual Report 2025 P.90-132 (Corporate Governance Report, Profile of the Directors)
	2-10	Nomination and selection of the highest governance body	Annual Report 2025 P.105-106 (Corporate Governance Report – (II) Delegation by the Board - Nomination and Remuneration Committee)
	2-11	Chair of the highest governance body	Our Approach to Sustainability – Governance Structure Annual Report 2025 P.100-101
	2-12	Role of the highest governance body in overseeing the management of impacts	Our Approach to Sustainability – Governance Structure Joint Statement on Oversight and Management of Environmental, Social and Governance Issues
	2-13	Delegation of responsibility for managing impacts	Our Approach to Sustainability – Governance Structure Annual Report 2025 P.120 (Corporate Governance Report – Code of Conduct)
	2-14	Role of the highest governance body in sustainability reporting	Our Approach to Sustainability – Material Issues
	2-15	Conflicts of interest	Our Approach to Sustainability – Ethics and Integrity Annual Report 2025 P.120 (Corporate Governance Report – Code of Conduct)
	2-16	Communication of critical concerns	Our Approach to Sustainability – Ethics and Integrity Annual Report 2025 P.120 (Corporate Governance Report – Code of Conduct)
	2-17	Collective knowledge of the highest governance body	Annual Report 2025 P.93-100 (Corporate Governance Report – Effective and Qualified Board)
	2-18	Evaluation of the performance of the highest governance body	Annual Report 2025 P.93-100 (Corporate Governance Report – Effective and Qualified Board)
	2-19	Remuneration policies	Wellbeing - Employee Wellbeing

GRI Standard	GRI	Disclosure	Section/ Explanation
			Annual Report 2025 P.105-106 (Corporate Governance Report)
			Annual Report 2025 P.172-173 (Notes to the Financial Statement – Emoluments of Directors and Senior Management)
			Terms of Reference of Nomination and Remuneration Committee
	2-20	Process to determine remuneration	Annual Report 2025 P.105-106 (Corporate Governance Report - Nomination and Remuneration Committee)
	2-21	Annual total compensation ratio	Annual Report 2025 P.172-173 (Emoluments of Directors and Senior Management)
			We do not disclose the annual total compensation ratio due to confidentiality constraints. The Group will consider disclosing relevant figures in the future.
Strategy, policies and practices	2-22	Statement on sustainable development strategy	Our Sustainability Strategy
	2-23	Policy commitments	Our Approach to Sustainability – Sustainability Policies
	2-24	Embedding policy commitments	Our Approach to Sustainability – Sustainability Policies Sustainability Policy
	2-25	Processes to remediate negative impacts	Our Approach to Sustainability – Ethics and Integrity Whistleblowing Mechanism
	2-26	Mechanisms for seeking advice and raising concerns	Our Approach to Sustainability – Ethics and Integrity Whistleblowing Mechanism
	2-27	Compliance with laws and regulations	There were no significant fines or non-monetary sanctions for non-compliance with environmental laws and/or regulations, or laws and/or regulations in the social and economic area, that had a significant impact on the Group during the reporting period.
	2-28	Membership associations	Appendix 2 – Memberships, Charters and External Recognition

GRI Standard	GRI	Disclosure	Section/ Explanation
Stakeholder engagement	2-29	Approach to stakeholder engagement	Our Approach to Sustainability – Stakeholder Engagement
	2-30	Collective bargaining agreements	The Group does not have a formal collective bargaining agreement in place. In Chinese Mainland, 36% of our employees were represented by trade unions in 2025, which have established collective contracts on behalf of the staff with the Group. Group representatives meet regularly with the trade union representatives to discuss working conditions. In Hong Kong, we respect the rights and freedom of all employees to form and join trade unions. Our Code of Conduct for Suppliers and Contractors sets out our expectations for suppliers in relation to association. The contractors are expected to respect all rights of their employees to associate, organize and bargain collectively in a lawful and peaceful manner, without penalty or interference.
GRI 3: Material Topics 2021			
Materiality assessment	3-1	Process to determine material topics	Our Approach to Sustainability – Material Issues
	3-2	List of material topics	Our Approach to Sustainability – Material Issues
Material Topics (Economic)			
Risk and Crisis Management			
Economic Performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Message from the Chair Our Approach to Sustainability – Material Issues Annual Report 2025 P.12-15 (Chair's Letter to Shareholders)
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Appendix 6 – Performance Tables – Economic
	201-2	Financial implications and other risks and opportunities due to climate change	Climate Resilience
	201-3	Defined benefit plan obligations and other retirement plans	Annual Report 2025 P.168, 193-197 (Notes to the Financial Statements – Employee Benefits)

GRI Standard	GRI	Disclosure	Section/ Explanation
Ethics and Integrity			
Anti-corruption			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report
			Our Approach to Sustainability – Material Issues
			Our Approach to Sustainability – Ethics and Integrity
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Our Approach to Sustainability – Governance Structure
			Our Approach to Sustainability – Ethics and Integrity
			Our Approach to Sustainability – Human Rights
			Our Approach to Sustainability – ESG Risk Management
	205-2	Communication and training about anti-corruption policies and procedures	Our Approach to Sustainability – Ethics and Integrity Appendix 6 – Performance Tables – Social
	205-3	Confirmed incidents of corruption and actions taken	There were no concluded legal cases regarding corrupt practices brought against the Group or its employees during the reporting period.

GRI Standard	GRI	Disclosure	Section/ Explanation
Material Topics (Environmental)			
Energy Management and Decarbonization			
Energy			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Resource Management – Energy Management Sustainability Policy
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Resource Management – Energy Management Appendix 6 – Performance Tables – Environmental
	302-2	Energy consumption outside of the organization	We disclose energy consumption outside the organization through our Scope 3 calculation and relevant figures are disclosed in Performance Table – Environmental .
	302-3	Energy intensity	Appendix 6 – Performance Tables – Environmental
	302-4	Reduction of energy consumption	Appendix 6 – Performance Tables – Environmental Resource Management – Energy Management
Emissions			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Climate Resilience – Climate Mitigation Sustainability Policy

GRI Standard	GRI	Disclosure	Section/ Explanation
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Appendix 6 – Performance Tables – Environmental
	305-2	Energy indirect (Scope 2) GHG emissions	Appendix 6 – Performance Tables – Environmental
	305-3	Other indirect (Scope 3) GHG emissions	Appendix 6 – Performance Tables – Environmental
	305-4	GHG emissions intensity	Appendix 6 – Performance Tables – Environmental
	305-5	Reduction of GHG emissions	Climate Resilience – Climate Mitigation
Resources and Circularity			
Waste			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Resource Management – Waste and Circularity Sustainability Policy
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Resource Management – Waste and Circularity
	306-2	Management of significant waste-related impacts	Resource Management – Waste and Circularity
	306-3	Waste generated	Appendix 6 – Performance Tables – Environmental
	306-4	Waste diverted from disposal	Appendix 6 – Performance Tables – Environmental
	306-5	Waste directed to disposal	Appendix 6 – Performance Tables – Environmental

GRI Standard	GRI	Disclosure	Section/ Explanation
Material Topics (Social)			
Talent Development and Attraction			
Employment			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Wellbeing – Employee Wellbeing
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Appendix 6 – Performance Tables – Social
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Wellbeing – Employee Wellbeing
	401-3	Parental leave	Appendix 6 – Performance Tables – Social
Training and Education			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Wellbeing – Learning and Talent Development
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Appendix 6 – Performance Tables – Social
	404-2	Programs for upgrading employee skills and transition assistance programs	Wellbeing – Learning and Talent Development We have a guideline in place for providing support to employees who are retiring, including the option of continued employment beyond retirement age of 60, subject to mutual agreement. Our Employee Assistance Program (EAP) includes a counselling service which also cover leaving employees within 3 months after their termination of employment.
	404-3	Percentage of employees receiving regular performance and career development reviews	Appendix 6 – Performance Tables – Social

GRI Standard	GRI	Disclosure	Section/ Explanation
Diversity and Equal Opportunity			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Wellbeing – Employee Wellbeing Sustainability Policy
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Appendix 6 – Performance Tables – Social Annual Report 2025 P.94-96 (Corporate Governance Report – (I) Effective and Qualified Board – Board Diversity)
	405-2	Ratio of basic salary and remuneration of women to men	Appendix 6 – Performance Tables – Social
Non-discrimination			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Sustainability Policy
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	There were no confirmed incidents of non-compliance with the laws and regulations relating to discrimination that had a significant impact on the Group during the reporting period.
Employee Wellbeing, Health and Safety			
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Wellbeing – Occupational Health and Safety Our Approach to Sustainability – Project Excellence Health and Safety Policy

GRI Standard	GRI	Disclosure	Section/ Explanation
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Wellbeing – Occupational Health and Safety Our Approach to Sustainability – Project Excellence
	403-2	Hazard identification, risk assessment, and incident investigation	Wellbeing – Occupational Health and Safety Our Approach to Sustainability – Project Excellence
	403-3	Occupational health services	Wellbeing – Occupational Health and Safety Our Approach to Sustainability – Project Excellence
	403-4	Worker participation, consultation, and communication on occupational health and safety	Our Approach to Sustainability – Governance Structure Wellbeing – Occupational Health and Safety Our Approach to Sustainability – Project Excellence
	403-5	Worker training on occupational health and safety	Wellbeing – Occupational Health and Safety Our Approach to Sustainability – Project Excellence
	403-6	Promotion of worker health	Wellbeing – Occupational Health and Safety Our Approach to Sustainability – Project Excellence
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Wellbeing – Occupational Health and Safety Our Approach to Sustainability – Project Excellence
	403-8	Workers covered by an occupational health and safety management system	Wellbeing – Occupational Health and Safety Our Approach to Sustainability – Project Excellence
	403-9	Work-related injuries	Appendix 6 – Performance Tables – Social
	403-10	Work-related ill health	Appendix 6 – Performance Tables – Social

GRI Standard	GRI	Disclosure	Section/ Explanation
Customer Wellbeing, Health and Safety			
Customer Health and Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Our Approach to Sustainability – Sustainable Building Design Our Approach to Sustainability – Operational Excellence
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Our Approach to Sustainability – Sustainable Building Design Our Approach to Sustainability – Operational Excellence
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no confirmed incidents of non-compliance with laws and regulations relevant to health and safety matters relating to our products and services that had a significant impact on the Group during the reporting period.
Cybersecurity and Information Privacy			
Customer Privacy			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Our Approach to Sustainability – Data Privacy and Cybersecurity Sustainable Transactions – Protecting Customer Data Privacy
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainable Transactions – Protecting Customer Data Privacy

GRI Standard	GRI	Disclosure	Section/ Explanation
Other Sustainability Topics			
Procurement Practices			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Sustainable Transactions – Suppliers Sustainable Procurement Policy
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Sustainable Transactions – Suppliers
Water and Effluents			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Resource Management – Water and Circularity Sustainability Policy
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Resource Management – Water and Circularity All of our properties are located in prime locations in cities. The Group's operations involve the use of municipal water.
	303-2	Management of water discharge-related impacts	Resource Management – Water and Circularity We comply with local laws and regulations in effluent discharge.
	303-3	Water withdrawal	Appendix 6 – Performance Tables – Environmental
	303-4	Water discharge	Appendix 6 – Performance Tables – Environmental Water discharged from our operations is transported to local municipal wastewater systems for treatment. We have adopted various measures in our operations, including water-efficient fixtures and water recycling to enhance our water management and help reduce wastewater discharged.

GRI Standard	GRI	Disclosure	Section/ Explanation
	303-5	Water consumption	Appendix 6 – Performance Tables – Environmental
Biodiversity			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Resource Management – Biodiversity and Nature Sustainability Policy
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Resource Management – Biodiversity and Nature All our properties are located in prime locations in cities. Although we expect our operations to have a limited impact on natural ecosystems and biodiversity, in our Sustainability Policy we set out our commitments to biodiversity conservation, such as avoiding the development of projects and operational activities in ecologically sensitive and nationally protected sites deemed critical for biodiversity.
	304-2	Significant impacts of activities, products and services on biodiversity	
	304-3	Habitats protected or restored	
Supplier Environmental Assessment			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report Our Approach to Sustainability – Material Issues Sustainable Transactions – Suppliers Sustainable Procurement Policy
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Sustainable Transactions – Suppliers
	308-2	Negative environmental impacts in the supply chain and actions taken	Sustainable Transactions – Suppliers

GRI Standard	GRI	Disclosure	Section/ Explanation
Local Communities			
GRI 3: Material Topics 2021	3-3	Management of material topics	Appendix 1 – About this Report
			Our Approach to Sustainability – Material Issues
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Our Approach to Sustainability – Stakeholder Engagement
			Stakeholder Engagement Policy
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Our Approach to Sustainability – Stakeholder Engagement
			Wellbeing – Community Wellbeing
GRI 413: Local Communities 2016	413-2	Operations with significant actual and potential negative impacts on local communities	The Group does not conduct social impact assessments to measure its impact to the local communities at this moment.
			Our Approach to Sustainability – Project Excellence
GRI 413: Local Communities 2016	413-2	Operations with significant actual and potential negative impacts on local communities	The Group conducts media searches regularly to identify any actual and potential negative impacts on the local community. We are not aware of any significant negative impacts on local communities.

IFRS S1 and S2 Content Index

Starting in 2019, we have disclosed our approach to addressing climate-related issues in alignment with the Task Force on Climate-related Financial Disclosures’ (TCFD) recommendations. Following the International Financial Reporting Standards (IFRS) Foundation’s International Sustainability Standards Board (ISSB) issuing sustainability standards in June 2023, we have disclosed our climate-related financial information with reference to the recommendations of ISSB in our Sustainability Report 2023 and then again in this report.

We also actively monitor developments in sustainability-related reporting requirements, including the HKFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and S2 Climate-related Disclosures published by the Hong Kong Institute of Public Accountants, which are fully converged with IFRS S1 and IFRS S2. We welcome stakeholder feedback and look forward to improving our disclosures in the years ahead.

IFRS S1 General Requirements for the Disclosure of Sustainability-related Financial Information Content Index

Reference Paragraph	Disclosure Description	Reference and/or Response
Governance		
26	The objective of sustainability-related financial disclosures on governance is to enable users of general purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee sustainability-related risks and opportunities.	-
27	To achieve this objective, an entity shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about (i) how responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s); (ii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability-related risks and opportunities; (iii) how and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities; (iv) how the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing the entity’s strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and (v) how the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.	Joint Statement on Oversight and Management of Environmental, Social and Governance Issues Our Approach to Sustainability – Governance Structure Wellbeing – ESG-linked Compensation Appendix 5 – Climate-Related Financial Disclosures: Governance

Reference Paragraph	Disclosure Description	Reference and/or Response
	(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Our Approach to Sustainability – Governance Structure Appendix 5 – Climate-Related Financial Disclosures: Governance Terms of Reference of the Sustainability Steering Committee
Strategy		
28	The objective of sustainability-related financial disclosures on strategy is to enable users of general purpose financial reports to understand an entity's strategy for managing sustainability-related risks and opportunities.	-
29	Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand:	Our Approach to Sustainability – ESG Risk Management
	(a) the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	Appendix 5 – Climate-Related Financial Disclosures: Strategy
	(b) the current and anticipated effects of those sustainability-related risks and opportunities on the entity's business model and value chain;	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy
	(c) the effects of those sustainability-related risks and opportunities on the entity's strategy and decision-making;	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy
	(d) the effects of those sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those sustainability-related risks and opportunities have been factored into the entity's financial planning; and	Appendix 5 – Climate-Related Financial Disclosures: Strategy
	(e) the resilience of the entity's strategy and its business model to those sustainability-related risks.	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy

Reference Paragraph	Disclosure Description	Reference and/or Response
Sustainability-related risks and opportunities		
30	An entity shall disclose information that enables users of general purpose financial reports to understand the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall: (a) describe sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects; (b) specify the time horizons—short, medium or long term—over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur; and (c) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy • Short term: 2-5 years – Under our sustainability framework and governance, we see the 2-5 year horizon as a short-term horizon. We set strategic ESG KPIs annually and review them regularly over the year, with adjustments as needed the following year to ensure that we are making progress in attaining our medium term targets. • Medium term: 6-15 years – We have defined a set of 4 goals and 20 targets for 2030 under our sustainability framework to support our long term vision. • Long term: 16-25 years – We have defined our long term vision beyond a 15 year horizon: we have set a target to reach net zero value chain emissions by 2050.
Business model and value chain		
32	An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of sustainability-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose: (a) a description of the current and anticipated effects of sustainability-related risks and opportunities on the entity's business model and value chain; and (b) a description of where in the entity's business model and value chain sustainability-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy

Reference Paragraph	Disclosure Description	Reference and/or Response
Strategy and decision-making		
33	An entity shall disclose information that enables users of general purpose financial reports to understand the effects of sustainability-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose information about: (a) how the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making; (b) the progress against plans the entity has disclosed in previous reporting periods, including quantitative and qualitative information; and (c) trade-offs between sustainability-related risks and opportunities that the entity considered (for example, in making a decision on the location of new operations, an entity might have considered the environmental impacts of those operations and the employment opportunities they would create in a community).	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy Appendix 3 – Sustainability Goals, Targets and ESG KPIs Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy
Financial position, financial performance and cash flows		
34	An entity shall disclose information that enables users of general purpose financial reports to understand: (a) the effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects); and (b) the anticipated effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how sustainability-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy
35	Specifically, an entity shall disclose quantitative and qualitative information about: (a) how sustainability-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; (b) the sustainability-related risks and opportunities identified in paragraph 35(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy

Reference Paragraph	Disclosure Description	Reference and/or Response
	(c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration: (i) its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to; and (ii) its planned sources of funding to implement its strategy; and	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy
	(d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities.	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy
Resilience		
41	An entity shall disclose information that enables users of general purpose financial reports to understand its capacity to adjust to the uncertainties arising from sustainability-related risks. An entity shall disclose a qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon. When providing quantitative information, an entity may disclose a single amount or a range.	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Strategy
Risk Management		
43	The objective of sustainability-related financial disclosures on risk management is to enable users of general purpose financial reports: (a) to understand an entity's processes to identify, assess, prioritise and monitor sustainability-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process; and	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Risk Management Annual Report 2025 P.108-119 (Corporate Governance Report – Risk Management and Internal Controls)
	(b) to assess the entity's overall risk profile and its overall risk management process.	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Risk Management Annual Report 2025 P.108-119 (Corporate Governance Report – Risk Management and Internal Controls)

Reference Paragraph	Disclosure Description	Reference and/or Response
44	To achieve this objective, an entity shall disclose information about: (a) the processes and related policies the entity uses to identify, assess, prioritise and monitor sustainability-related risks, including information about: (i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the entity uses scenario analysis to inform its identification of sustainability-related risks; (iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the entity prioritises sustainability-related risks relative to other types of risk; (v) how the entity monitors sustainability-related risks; and (vi) whether and how the entity has changed the processes it uses compared with the previous reporting period; (b) the processes the entity uses to identify, assess, prioritise and monitor sustainability-related opportunities; and (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring sustainability-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Risk Management Annual Report 2025 P.108-119 (Corporate Governance Report – Risk Management and Internal Controls) Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Risk Management Annual Report 2025 P.108-119 (Corporate Governance Report – Risk Management and Internal Controls) Our Approach to Sustainability – ESG Risk Management Appendix 5 – Climate-Related Financial Disclosures: Risk Management Annual Report 2025 P.108-119 (Corporate Governance Report – Risk Management and Internal Controls)
Metrics and targets		
45	The objective of sustainability-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its sustainability-related risks and opportunities, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	-

Reference Paragraph	Disclosure Description	Reference and/or Response
46	An entity shall disclose, for each sustainability-related risk and opportunity that could reasonably be expected to affect the entity's prospects: (a) metrics required by an applicable IFRS Sustainability Disclosure Standard; and (b) metrics the entity uses to measure and monitor: (i) that sustainability-related risk or opportunity; and (ii) its performance in relation to that sustainability-related risk or opportunity, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	SASB Content Index Our Approach to Sustainability – Our Sustainability Goals, Targets and KPIs Appendix 3 – Sustainability Goals, Targets and ESG KPIs
51	An entity shall disclose information about the targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation. For each target, the entity shall disclose: (a) the metric used to set the target and to monitor progress towards reaching the target; (b) the specific quantitative or qualitative target the entity has set or is required to meet; (c) the period over which the target applies; (d) the base period from which progress is measured; (e) any milestones and interim targets; (f) performance against each target and an analysis of trends or changes in the entity's performance; and (g) any revisions to the target and an explanation for those revisions.	Our Approach to Sustainability – Our Sustainability Goals, Targets and KPIs Appendix 3 – Sustainability Goals, Targets and ESG KPIs Our Approach to Sustainability – Our Sustainability Goals, Targets and KPIs Appendix 3 – Sustainability Goals, Targets and ESG KPIs Our Approach to Sustainability – Our Sustainability Goals, Targets and KPIs Appendix 3 – Sustainability Goals, Targets and ESG KPIs Our Approach to Sustainability – Our Sustainability Goals, Targets and KPIs Appendix 3 – Sustainability Goals, Targets and ESG KPIs We disclose the progress of our 25 x 25 Sustainability Targets and results achieved in the Appendix 3 – Sustainability Goals, Targets and ESG KPIs. -

IFRS S2 Climate-related Disclosures Content Index

Reference Paragraph	Disclosure Description	Reference and/or Response
Governance		
5	The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities.	-
6	To achieve this objective, an entity shall disclose information about: (a) The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about: (i) how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s); (ii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (iii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities; (iv) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and (v) how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets including whether and how related performance metrics are included in remuneration policies	Joint Statement on Oversight and Management of Environmental, Social and Governance Issues Our Approach to Sustainability – Governance Structure Wellbeing – ESG-linked Compensation Appendix 5 – Climate-Related Financial Disclosures: Governance

Reference Paragraph	Disclosure Description	Reference and/or Response
	(b) Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Our Approach to Sustainability – Governance Structure Appendix 5 – Climate-Related Financial Disclosures: Governance Terms of Reference of the Sustainability Steering Committee
Strategy		
8	The objective of climate-related financial disclosures on strategy is to enable users of general purpose financial reports to understand an entity's strategy for managing climate-related risks and opportunities	-
9	Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand:	Appendix 5 – Climate-Related Financial Disclosures: Strategy
	(a) the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	
	(b) the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain	Appendix 5 – Climate-Related Financial Disclosures: Strategy
	(c) the effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan	Appendix 5 – Climate-Related Financial Disclosures: Strategy
	(d) the effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning	Appendix 5 – Climate-Related Financial Disclosures: Strategy
	(e) the climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities	Appendix 5 – Climate-Related Financial Disclosures: Strategy

Reference Paragraph	Disclosure Description	Reference and/or Response
Climate-related risks and opportunities		
10	An entity shall disclose information that enables users of general purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall: (a) describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects; (b) explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk; (c) specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term— the effects of each climate-related risk and opportunity could reasonably be expected to occur; and (d) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	Appendix 5 – Climate-Related Financial Disclosures: Strategy Appendix 5 – Climate-Related Financial Disclosures: Strategy Appendix 5 – Climate-Related Financial Disclosures: Strategy • Short term: 2-5 years – Under our sustainability framework and governance, we see the 2-5 year horizon as a short-term horizon. We set strategic ESG KPIs annually and review them regularly over the year, with adjustments as needed the following year to ensure that we are making progress in attaining our medium term targets. • Medium term: 6-15 years – We have defined a set of 4 goals and 20 targets for 2030 under our sustainability framework to support our long term vision. • Long term: 16-25 years – We have defined our long term vision beyond a 15 year horizon: we have set a target to reach net zero value chain emissions by 2050.
Business model and value chain		
13	An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose: (a) a description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain (b) a description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated	Appendix 5 – Climate-Related Financial Disclosures: Strategy Appendix 5 – Climate-Related Financial Disclosures: Strategy

Reference Paragraph	Disclosure Description	Reference and/or Response
Strategy and decision-making		
14	An entity shall disclose information that enables users of general purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose (a) information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about: (i) current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments); (ii) current and anticipated direct mitigation and adaptation efforts; (iii) current and anticipated indirect mitigation and adaptation efforts; (iv) any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and (v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets.	Appendix 5 – Climate-Related Financial Disclosures: Strategy Climate Resilience – Climate Adaptation Climate Resilience – Climate Mitigation Our Journey to Net Zero: Our Scenarios and Actions to Reduce Greenhouse Gas Emissions to 2050
	(b) information about how the entity is resourcing, and plans to resource, the activities disclosed.	Appendix 5 – Climate-Related Financial Disclosures: Strategy Climate Resilience – Climate Adaptation Climate Resilience – Climate Mitigation
	(c) quantitative and qualitative information about the progress of plans disclosed in previous reporting periods.	Appendix 5 – Climate-Related Financial Disclosures: Strategy Climate Resilience – Climate Adaptation Climate Resilience – Climate Mitigation

Reference Paragraph	Disclosure Description	Reference and/or Response
Financial position, financial performance and cash flows		
15	An entity shall disclose information that enables users of general purpose financial reports to understand: (a) the effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period; and	Appendix 5 – Climate-Related Financial Disclosures: Strategy The Group has not identified any climate-related risks and opportunities that materially affect its financial position, financial performance or cash flows during the reporting period.
	(b) the anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning.	Appendix 5 – Climate-Related Financial Disclosures: Strategy
16	Specifically, an entity shall disclose quantitative and qualitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	Appendix 5 – Climate-Related Financial Disclosures: Strategy
	(b) the climate-related risks and opportunities identified for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	Appendix 5 – Climate-Related Financial Disclosures: Strategy
	(c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans, including plans the entity is not contractually committed to; and (ii) its planned sources of funding to implement its strategy; and	Appendix 5 – Climate-Related Financial Disclosures: Strategy
	(d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Appendix 5 – Climate-Related Financial Disclosures: Strategy

Reference Paragraph	Disclosure Description	Reference and/or Response
Climate Resilience		
22	An entity shall disclose information that enables users of general purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances. In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose: (a) the entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand: (i) the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the entity's assessment of its climate resilience; (iii) the entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including: (1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities; (2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and (3) the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience	Appendix 5 – Climate-Related Financial Disclosures: Strategy Our Journey to Net Zero: Our Scenarios and Actions to Reduce Greenhouse Gas Emissions to 2050

Reference Paragraph	Disclosure Description	Reference and/or Response
	(b) how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs the entity used, including: (1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) the time horizons the entity used in the analysis; and (7) what scope of operations the entity used in the analysis; (ii) the key assumptions the entity made in the analysis, including assumptions about: (1) climate-related policies in the jurisdictions in which the entity operates; (2) macroeconomic trends; (3) national- or regional-level variables; (4) energy usage and mix; and (5) developments in technology; and (iii) the reporting period in which the climate-related scenario analysis was carried out	Appendix 5 – Climate-Related Financial Disclosures: Strategy

Reference Paragraph	Disclosure Description	Reference and/or Response
Risk Management		
24	The objective of climate-related financial disclosures on risk management is to enable users of general purpose financial reports to understand an entity's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.	-
25	To achieve this objective, an entity shall disclose information about: (a) the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about: (i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the entity prioritises climate-related risks relative to other types of risk; (v) how the entity monitors climate-related risks; and (vi) whether and how the entity has changed the processes it uses compared with the previous reporting period; (b) the processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	- Appendix 5 – Climate-Related Financial Disclosures: Strategy Appendix 5 – Climate-Related Financial Disclosures: Risk Management Appendix 5 – Climate-Related Financial Disclosures: Risk Management

Reference Paragraph	Disclosure Description	Reference and/or Response
Metrics and targets		
27	The objective of climate-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.	-
28	To achieve this objective, an entity shall disclose:	-
	(a) information relevant to the cross-industry metric categories	SASB Content Index
	(b) industry-based metrics that are associated with particular business models, activities or other common features that characterize participation in an industry	SASB Content Index
	(c) targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets	Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets
Climate-related metrics		
29	An entity shall disclose information relevant to the cross-industry metric categories of:	-
	(a) greenhouse gases—the entity shall:	Appendix 6 – Performance Tables – Environmental
	(i) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO ₂ equivalent, classified as:	
	(1) Scope 1 greenhouse gas emissions;	
	(2) Scope 2 greenhouse gas emissions; and	
	(3) Scope 3 greenhouse gas emissions;	
	(ii) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions;	Our methodology for calculating GHG emissions is in accordance with the Greenhouse Gas Protocol.

Reference Paragraph	Disclosure Description	Reference and/or Response
	(iii) disclose the approach it uses to measure its greenhouse gas emissions including: (1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions; (2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	Appendix 1 – About this Report Appendix 6 – Performance Tables – Environmental We use the operational control approach to measure and account for our greenhouse gas emissions. For the details of the methodology, please refer to the footnote of our Performance Tables. For further information on our measurement approach, inputs and assumptions for measuring our scope 3 emissions, please see Performance Tables - Scope 3 Emissions Data Reporting Methodology.
	(iv) for Scope 1 and Scope 2 greenhouse gas emissions disclosed, disaggregate emissions between: (i) the consolidated accounting group; and (ii) other investees;	The reporting boundary of our scope 1 and 2 emissions includes the properties under our operational control. The Group will review the feasibility of disaggregating the greenhouse gas emissions of our associates and joint ventures for future reporting.
	(v) for Scope 2 greenhouse gas emissions disclosed, disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions; and	Appendix 6 – Performance Tables – Environmental In 2025, we procured renewable electricity for both the landlord and tenant areas at Spring City 66 in Kunming, Parc 66 in Jinan, Center 66 in Wuxi, Plaza 66 and Grand Gateway 66 in Shanghai, Palace 66 and Forum 66 in Jinan and Olympia 66 in Dalian through PPAs. For a summary of the PPA contracts for each property, see the table in Appendix 6.
	(vi) for Scope 3 greenhouse gas emissions disclosed, disclose: (i) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and (ii) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance;	Performance Tables – Scope 3 Emissions Data Reporting Methodology Appendix 6 – Performance Tables – Environmental

Reference Paragraph	Disclosure Description	Reference and/or Response
	(b) climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	Appendix 5 – Climate-Related Financial Disclosures: Strategy Our key areas for exposure for climate-related transition risks are: potential carbon cost pass-through from construction and operations; the absence of a clear pathway for green power procurement for our Hong Kong assets; and potential misalignment between specific assets and energy use intensity pathways. The Group is implementing measures to manage such climate-related transition risks, including reducing greenhouse gas emissions by lowering our reliance on resource-intensive construction activities through our V.3 strategy, energy-efficiency projects and renewable energy procurement. For details, please refer to the Climate Resilience section. We are studying how best to quantify our vulnerability to these risks in a manner that takes into account our mitigation measures and plans, and will endeavor to provide additional details in subsequent disclosures.
	(c) climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	Appendix 5 – Climate-Related Financial Disclosures: Strategy Flooding has been identified as a financially material physical climate risk based on the results of the Group's financial impact analysis, with potential for direct physical damage to assets and related financial impacts. Of the 30 properties assessed, eight were rated as having high flooding risk, with a detailed risk assessment disclosed in Appendix 5. The Group has complemented its portfolio-wide desktop climate hazard and vulnerability assessment with on-site visits for selected higher risk assets, namely, Grand Gateway 66 (Shanghai), Heartland 66 (Wuhan), Riverside 66 (Tianjin), and Standard Chartered Bank Building (Hong Kong). These assessments generated over 200 site-specific recommendations, primarily focused on enhancing resilience to flooding and heat stress. Key measures identified include the installation of demountable flood protection, upgrading drainage capacity, and improvements to building envelopes.
	(d) climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities;	Appendix 5 – Climate-Related Financial Disclosures: Strategy The Group has identified and pursued a significant climate-related opportunity in the form of renewable energy. It has procured renewable energy in the form of PPAs for eight out of ten of its operating assets in Chinese Mainland, and is studying the potential to expand this opportunity to its other assets in Chinese Mainland and Hong Kong. The Group is also pursuing other climate-related opportunities as disclosed in Appendix 5.

Reference Paragraph	Disclosure Description	Reference and/or Response
	(e) capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	A quantitative disclosure of climate-related capital deployment has not been provided as the Group is currently developing its five-year climate investment plan. The Group will endeavor to provide additional details of capital deployment in subsequent disclosures.
	(f) internal carbon prices—the entity shall disclose:	Climate Resilience – Climate Mitigation
	(i) an explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis); and	Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets
	(ii) the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions;	
	(g) remuneration—the entity shall disclose:	Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets
	(i) a description of whether and how climate-related considerations are factored into executive remuneration and	Wellbeing – ESG-linked compensation
	(ii) the percentage of executive management remuneration recognised in the current period that is linked to climate related considerations	The Group sets goals, targets and KPIs related to climate resilience, such as GHG emissions reduction, electricity intensity reduction, and conducting climate adaptation technical analysis. These ESG KPIs are directly incorporated into our annual appraisal process for departments and individual employees, including our CEO.
32	An entity shall disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry.	SASB Content Index
Climate-related targets		
33	An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets
	(a) the metric used to set the target;	Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets
	(b) the objective of the target;	Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets
	(c) the part of the entity to which the target applies;	Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets
		Our SBTs cover the entire Group.

Reference Paragraph	Disclosure Description	Reference and/or Response
	(d) the period over which the target applies;	Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets
	(e) the base period from which progress is measured;	Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets
	(f) any milestones and interim targets;	Climate Resilience – Climate Mitigation Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets We also set annual strategic ESG KPIs and 2025 targets to monitor our progress towards the 2030 and 2050 SBTs. Please refer to the Climate Resilience chapter for the KPI and target progress.
	(g) if the target is quantitative, whether it is an absolute target or an intensity target; and	Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets
	(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target	We committed to achieving net zero value chain emissions by 2050. Our near- and long-term net zero targets are endorsed under SBTi's Buildings Criteria framework, which is in line with the 1.5°C trajectory.
34	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	-
	(a) whether the target and the methodology for setting the target has been validated by a third party;	Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets Our near-term and long-term GHG emissions reduction targets are approved by SBTi.
	(b) the entity's processes for reviewing the target;	We review the need for updating the targets by monitoring changes in our target boundary, and the developments of GHG emissions accounting methodologies and target setting guidance, such as the GHG Protocol and SBTi's sector guidance.
	(c) the metrics used to monitor progress towards reaching the target; and	Appendix 5 – Climate-Related Financial Disclosures: Metrics and Targets We also set annual strategic ESG KPIs and 2025 targets to monitor our progress towards the 2030 and 2050 SBTs. Please refer to the Climate Resilience chapter for the KPI and target progress.
	(d) any revisions to the target and an explanation for those revisions.	No revision has been made.

Reference Paragraph	Disclosure Description	Reference and/or Response
35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	Climate Resilience – Climate Mitigation
36	For each greenhouse gas emissions target disclosed, an entity shall disclose:	-
	(a) which greenhouse gases are covered by the target.	Carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O) and hydrofluorocarbons (HFCs) are included in greenhouse gas (GHG) calculations. Perfluorocarbons (PFCs), sulphur hexafluoride (SF ₆) and nitrogen trifluoride (NF ₃) are not applicable.
	(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	Appendix 6 – Performance Tables – Environmental Our GHG emissions target covers Scope 1, 2 and 3 emissions.
	(c) whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target	Our targets are gross greenhouse gas emissions targets.
	(d) whether the target was derived using a sectoral decarbonization approach.	Yes, our in-use operational emissions target is set using a sectoral decarbonization approach.
	(e) the entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including:	The Group currently does not have any plan to purchase carbon credits to offset GHG emissions. Our priority is to maximize emission reductions through energy efficiency, renewable energy, and by working with other stakeholders to accelerate the development and availability of lower-carbon building materials through collective action and system-level changes
	(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	
	(ii) which third-party scheme(s) will verify or certify the carbon credits;	
	(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	
	(iv) any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).	

SASB Content Index

Topic	Code	Accounting Metric	Section/Explanation
Energy Management	IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property subsector	100%
	IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage	Appendix 6 – Performance Tables – Environmental
		(2) percentage grid electricity	37%
		(3) percentage renewable, by property subsector	46%
	IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Appendix 6 – Performance Tables – Environmental
	IF-RE-130a.4	Percentage of eligible portfolio that has an energy rating	Appendix 2 – Memberships, Charters and External Recognition
		Percentage of eligible portfolio that is certified to ENERGY STAR, by property subsector	Not applicable to Hong Kong and Chinese Mainland.
	IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Resource Management – Energy Management
Water Management	IF-RE-140a.1	Water withdrawal data coverage as a percentage of total floor area, by property subsector	100%
		Water withdrawal data coverage as a percentage of floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	100%
	IF-RE-140a.2	Total water withdrawn by portfolio area with data coverage, by property subsector	100%
		Total water withdrawn by percentage in regions with High or Extremely High Baseline Water Stress, by property subsector (%)	41%
	IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	Appendix 6 – Performance Tables – Environmental
	IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	Resource Management – Water and Circularity

Topic	Code	Accounting Metric	Section/Explanation
Management of Tenant Sustainability Impacts	IF-RE-410a.1	Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements, by property subsector	We have the capacity to add such a clause through our Sustainability Addendum and are in exploratory discussions with selected tenants.
		associated leased floor area, by property subsector	
	IF-RE-410a.2	Percentage of tenants that are separately metered or sub-metered for grid electricity consumption	77%
		Percentage of tenants that are separately metered or sub-metered for water withdrawals, by property subsector	Not currently tracked.
	IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	Sustainable Transactions - Tenants
Climate Change Adaptation	IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector	Climate Resilience – Climate Adaptation
	IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Climate Resilience – Climate Adaptation
Code	Activity Metric		Section/ Explanation
IF-RE-000.A	Number of assets, by property subsector		About Hang Lung Group
IF-RE-000.B	Leasable floor area, by property subsector		Nil
IF-RE-000.C	Percentage of indirectly managed assets, by property subsector		Nil
IF-RE-000.D	Average occupancy rate, by property subsector		Annual Report 2025 P:28-50

Note: The Group discloses against the SASB criteria on a voluntary basis only and the disclosed metrics are not verified by any external party.

TNFD Content Index

We have disclosed our nature-related risks and opportunities with reference to the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) since our Sustainability Report 2024.

TNFD's Core element	Recommended disclosure	The Group's Approach	Addressed in Sustainability Report 2025
Governance	(a) Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities.	As indicated in the Board's "Joint Statement on Oversight and Management of Environmental, Social and Governance Issues," the Board has overall responsibility for the Group's ESG strategy and reporting, including oversight of nature-related dependencies, impacts, risks, and opportunities. The Board approved the Sustainability Framework and the long-term sustainability goals and targets under the Sustainability Framework, and provides ongoing oversight of the framework's implementation. The Group addresses nature-related issues primarily under these two priorities under the Sustainability Framework, which are Climate Resilience and Resource Management. The Board review progress towards sustainability goals and targets related to Climate Resilience and Resource Management – including the Group's 2025, 2030 and 2050 goals and targets – principally through regular reporting of the Sustainability Team to the Board (at least twice a year). In addition, the Sustainability Team reports monthly to the Chair of the Board, and from time to time this agenda includes reporting on nature-related dependencies, impacts, risks and opportunities across Hang Lung's direct operations and in the value chain. The Sustainability Team regularly tracks progress against nature-related goals and targets to inform detailed strategy development and the execution and evaluation of nature-related action plans and initiatives. More generally, the Board has overall responsibility for risk management, evaluating and determining the nature and extent of significant risks it is willing to take to achieve the Group's strategic objectives. The Audit Committee is delegated by the Board to oversee the ongoing effectiveness of the Group's risk management system, including nature-related risks.	Our Approach to Sustainability

TNFD's Core element	Recommended disclosure	The Group's Approach	Addressed in Sustainability Report 2025
	(b) Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.	Role of the Sustainability Steering Committee (SSC): The SSC, chaired by the Chair of the Board and comprising senior representatives from a cross-section of departments, formulates, coordinates and implements resource management strategies, and ensures that our nature-related targets are translated into annual ESG KPIs. The SSC reviews the Group's progress against specific nature-related targets and annual ESG KPIs in detail in regular meetings (at least twice a year). The SSC also discusses nature-related risks and opportunities, including issues related to water efficiency, waste reduction, biodiversity, physical risks from climate change, and other relevant issues. Role of the Sustainability Team: The Sustainability Team provides regular updates to the Board (at least twice a year), and to the Chair (at least monthly), including regular updates on resource management issues, and supports the detailed strategy development and execution of ESG KPIs. The Team also presents and reports to the CEO on the sustainability-related spending (both CAPEX and OPEX) in the annual budgeting exercise, which includes spending related to resource management. Role of the Enterprise Risk Management (ERM) Working Group: The ERM Working Group, chaired by the Chief Executive Officer and reporting quarterly to the Audit Committee, is responsible for coordinating and overseeing the Group's risk management activities. Climate risk is one of the enterprise-level risks managed through the Group's ERM process, and climate risks intersect with nature-related impacts and dependencies in complex ways, including through issues related to ecosystem changes, water use changes, GHG emissions, and biodiversity loss. In addition, some physical risks related to nature are managed at the operating level. The Group will review nature-related risks more comprehensively in the coming years, including reviewing potential risks of a transition to a nature-positive economy, and consider potential changes to its enterprise-level risk management framework.	Our Approach to Sustainability

TNFD's Core element	Recommended disclosure	The Group's Approach	Addressed in Sustainability Report 2025
	(c) Describe the organization's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organization's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.	Our approach to stakeholder engagement ensures a good understanding of the views and expectations that help define our current and future sustainability strategies. In Hong Kong and nine cities in Chinese Mainland, Hang Lung Group operates in regions without impacting human rights of any groups of indigenous peoples as defined by the UN Declaration on the Rights of Indigenous Peoples. Our Human Rights Policy (within our Sustainability Policy), Stakeholder Engagement Policy, and stakeholder engagement activities are therefore focused on our broader stakeholder groups, including our employees, investors, customers, tenants, suppliers, contractors, and others. We also engage with various external groups and experts for guidance on our focus areas as well as with those whose interests intersect with our business interests in various ways, such as local communities, NGO partners, government bodies, academia, media, and industry associations. As indicated in Hang Lung's Sustainability Policy, we are committed to complying with all applicable laws and regulations in relevant jurisdictions relevant to wellbeing, including those related to human rights, labor, health, and safety. We also are committed to respecting internationally recognized human rights principles as set out in the International Labour Organization (ILO)'s Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights. We are a participant to the United Nations Global Compact (UNGC) and are committed to aligning our operations and strategies with ten principles in the UNGC.	Our Approach to Sustainability – Stakeholder Engagement Sustainable Transactions – Tenants Sustainable Transactions – Customers Sustainable Transactions – Suppliers Wellbeing – Community Wellbeing

TNFD's Core element	Recommended disclosure	The Group's Approach	Addressed in Sustainability Report 2025																																												
Strategy	(a) Describe the nature-related dependencies, impacts, risks and opportunities the organization has identified over the short, medium, and long term.	A stakeholder materiality assessment is conducted annually by independent third-party consultants to identify material ESG issues for the business. Waste disposal and recycling, water, land and air contamination, climate adaptation and resilience, and nature and biodiversity have been among the Group's top material topics in recent years. The nature-related dependencies and impacts are mostly drawn from our recent stakeholder materiality assessment, as well as ENCORE Partnership's ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool. <table><tr><th>Type</th><th>Category</th><th>Materiality rating</th><th>Business activities</th></tr><tr><td rowspan="6">Impacts</td><td>Terrestrial ecosystem use</td><td>Very high</td><td>New development & maintenance</td></tr><tr><td>GHG emissions</td><td>High</td><td>New development & maintenance; Management of properties</td></tr><tr><td>Solid waste</td><td>High</td><td>Management of properties; Tenants' operations</td></tr><tr><td>Non-GHG air pollutant</td><td>Medium</td><td>New development & maintenance</td></tr><tr><td>Water pollutant</td><td>Medium</td><td>New development & maintenance; Management of properties; Tenants' operations</td></tr><tr><td>Soil pollutant</td><td>Medium</td><td>New development & maintenance;</td></tr><tr><td rowspan="2">Dependencies</td><td>Surface water use</td><td>High</td><td>Management of properties; Tenants' operations</td></tr><tr><td>Ground water use</td><td>Medium</td><td>Management of properties; Tenants' operations</td></tr></table> We are aware that these issues may affect our business in different ways over the short, medium and long term and may occur over varying timelines in various locations. <table><tr><th>Type</th><th>Category</th><th>Time-horizon</th></tr><tr><td rowspan="3">Risks</td><td>Physical risks</td><td>Operational disruption and reduced revenue</td></tr><tr><td rowspan="2">Transition risks</td><td>Increased cost of water and raw materials</td></tr><tr><td>Reputational damage</td></tr><tr><td rowspan="2">Opportunities</td><td>Increased resource efficiency</td><td>Short-term and medium-term</td></tr><tr><td>Reputational capital</td><td>Medium-term and long-term</td></tr></table>	Type	Category	Materiality rating	Business activities	Impacts	Terrestrial ecosystem use	Very high	New development & maintenance	GHG emissions	High	New development & maintenance; Management of properties	Solid waste	High	Management of properties; Tenants' operations	Non-GHG air pollutant	Medium	New development & maintenance	Water pollutant	Medium	New development & maintenance; Management of properties; Tenants' operations	Soil pollutant	Medium	New development & maintenance;	Dependencies	Surface water use	High	Management of properties; Tenants' operations	Ground water use	Medium	Management of properties; Tenants' operations	Type	Category	Time-horizon	Risks	Physical risks	Operational disruption and reduced revenue	Transition risks	Increased cost of water and raw materials	Reputational damage	Opportunities	Increased resource efficiency	Short-term and medium-term	Reputational capital	Medium-term and long-term	Our Approach to Sustainability
Type	Category	Materiality rating	Business activities																																												
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TNFD's Core element	Recommended disclosure	The Group's Approach	Addressed in Sustainability Report 2025
	(b) Describe the effect of nature-related dependencies, impacts, risks and opportunities have had on the organization's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.	The identified nature-related risks could lead to operational interruptions, reduced revenue, and increased costs for natural inputs like water and raw materials. Inappropriate or insufficient measures taken to mitigate the risks could also cause reputational damage, which could result in loss of business earnings, legal costs from legal cases brought against the Group, and/or reduced access to capital or increases in the cost of capital. Conversely, nature-related opportunities could increase our resource efficiency and may also generate reputational benefits, as well as increase access to or reduce the cost of capital. We are vigilant about ecosystem threats including habitat loss, invasive species and pollution in the environment. We are aware of the identified nature-related dependencies, impacts, and risks. We recognize the need to pursue a more circular approach in the design, construction, operation and disassembly of our buildings and cities. The transition to a circular built environment and a circular economy will require collaboration with like-minded stakeholders. We have initiated multiple initiatives for the management of our resources during project development and operations. We have wrapped up our 2025 targets (25 x 25 Sustainability Targets) and have refreshed 2030 targets that build on our success in achieving our 2025 targets. The 20 refreshed targets for 2030 will help us continue to navigate our sustainability ambitions, including refreshed targets under Climate Resilience and Resource Management. We have updated our quantitative targets related to operational waste, construction waste, and operational water (please see here for more details). In addition, we have also for the first time introduced a quantitative target for biodiversity to support urban ecosystems and enhancing green spaces – namely, to achieve biodiversity net gain (10%) on all new development projects and major renovations.	Our Approach to Sustainability Climate Resilience Resource Management

TNFD's Core element	Recommended disclosure	The Group's Approach	Addressed in Sustainability Report 2025
	(c) Describe the resilience of the organization's strategy to nature-related risks and opportunities, taking into consideration different scenarios.	Nature risks and opportunities are integrated into the Group's overall governance process and ongoing management considerations. The Climate Resilience section and the Resource Management section of this report disclose initiatives for the management of the Group's resources during project development and operations and how the Group achieves selected annual ESG KPIs through innovative solutions and partnerships with value chain stakeholders.	Our Approach to Sustainability Climate Resilience Resource Management
	(d) Disclose the locations of assets and/or activities in the organization's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.	Following the LEAP (Locate, Evaluate, Assess and Prepare) approach recommended by TNFD, the Locate phase has been applied to all properties—including both operational properties and properties under development—over which we have direct operational control. Data from our supply chain (e.g., main material/production equipment suppliers/location) has not yet been included in this report, though work has begun internally to assess upstream and downstream value chain dependency, impact, risk and opportunity as covered in Risk and Impact Management (a)2 below. For example, in 2025, we initiated a pioneering study to analyze the embodied water of key construction materials used at Westlake 66 and the Plaza 66 Pavilion Extension (see Water and Circularity for details). In Chinese Mainland, all state-owned land use is controlled and allocated by the Ministry of Natural Resources of the PRC (MNR), to ensure scientific promotion of land agglomeration development, classified protection, and comprehensive rectification, so as to achieve optimized development patterns, improved development quality, and a standardized development order conducive to forming land with aesthetic appeal that is safe, harmonious, open, coordinated, competitive, and sustainable. All the Group's properties in Chinese Mainland are within the land allocated by the MNR for commercial use; none is located within a protected area. In the Hong Kong SAR, a similar practice is followed and none of the Group's properties in Hong Kong is located within protected areas. We have identified that Spring City 66 (located in Kunming), Westlake 66 (located in Hangzhou, under development), and all Hong Kong properties should be prioritized when planning nature-related works. Since Spring City 66, Westlake 66, and Hong Kong properties are within close proximity of protected areas/key biodiversity areas – respectively, Dianchi, the Hangzhou Xixi Wetlands, and Hong Kong Island and Associated Islands – they will be prioritized for ongoing biodiversity protection and nature-based solution implementation works. In 2025, we launched a specialized biodiversity baseline survey for Spring City 66. The scope extends to the adjacent Pan Long and Ming Tong Rivers, to map the property's interactions with the broader watershed ecosystem. We are expecting the survey results in 2026 and the improvement opportunities would need to be undertaken together with other stakeholders.	Our Approach to Sustainability Climate Resilience Resource Management

TNFD's Core element	Recommended disclosure	The Group's Approach	Addressed in Sustainability Report 2025
Risk and Impact Management	(a1). Describe the organization's processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its direct operations	The Group performed an analysis to identify and assess specific nature-related dependencies, impacts, risks, and opportunities in our direct operations. The LEAP approach was adopted along with other relevant tools such as IBAT's Integrated Biodiversity Assessment Tool ("IBAT"), ENCORE Partnership's Exploring Natural Capital Opportunities, Risks and Exposure ("ENCORE"), the World Resource Institute's (WRI's) Aqueduct Water Risk Atlas, and the World Wildlife Fund (WWF's) Risk Filter Suite. We will continue to assess new tools as they become available for in-depth analysis of material sites.	Our Approach to Sustainability Climate Resilience Resource Management
	(a2). Describe the organization's processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain	The Group conducts a materiality assessment annually to identify material ESG issues that are relevant to our business. We also consult regularly with stakeholders on scientific, policy, technology and regulatory risks, and participate in numerous industry platforms, benchmarks and indices in Hong Kong and Chinese Mainland, the Asia-Pacific region, and internationally, to benchmark ourselves against our peers and identify emerging trends. We have also started to conduct initial research to identify and assess nature-related dependencies, impacts, risks and opportunities in our value chain. We conducted qualitative research on value chain water materiality mapping in 2024. Based on our finding that construction materials like steel, concrete, and cement contribute a large proportion of the water footprint in our value chain, we initiated a pioneering study to analyze the product water footprint of several key construction materials used at Westlake 66 and the Plaza 66 Pavilion Extension (see Water and Circularity section for details) in 2025.	
	(b) Describe the organization's processes for managing nature-related dependencies, impacts, risks and opportunities.	Nature-related dependencies, impacts, risks and opportunities are managed through: • Monthly tracking of resource consumption at portfolio-level for operational properties; • Quarterly tracking of resource consumption at portfolio-level for development projects; • Monthly reporting of the Sustainability Team to top management; • Regular meetings of our Enterprise Risk Management Working Group; • Regular meetings of our Sustainability Steering Committee; • Annual Strategic ESG KPIs related to Climate Resilience and Resource Management; • Working groups dedicated to implementing specific nature-related KPIs; and • Collaboration with external experts, such as universities and NGOs, on specific nature-related projects and pilot initiatives, e.g. at Spring City 66, Peak Galleria, and Westlake 66.	Our Approach to Sustainability Climate Resilience Resource Management

TNFD's Core element	Recommended disclosure	The Group's Approach	Addressed in Sustainability Report 2025
	(c) Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organization's overall risk management processes.	Climate risk is one of the enterprise-level risks in the ERM process overseen by our ERM Working Group, and review of this risk includes consideration of some nature-related risks. The executive leading the Sustainability Team, as the dedicated risk owner for climate risk, reports to the ERM Working Group regularly on the status of some nature-related risks, to ensure adequate control measures are in place. We also manage nature-related risks by establishing and reviewing progress against targets and annual Strategic ESG KPIs related to Resource Management. These Strategic KPIs are tied to biannual performance reviews for relevant departments and individuals, including the CEO in his reporting to the Board. Please refer to the Corporate Governance section of our Annual Report for detailed information on the overall risk management approach of the Group.	Our Approach to Sustainability
Metrics and Targets	(a) Disclose the metrics used by the organization to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.	We track our use of resources across the portfolio monthly at operational properties and quarterly at development projects, to help monitor and manage relevant nature-related risks and opportunities. We also report quarterly to top management on our progress with emissions reductions. Key nature-related metrics that we use to assess and manage material risks and opportunities include use of water and natural resources such as water consumed, wastewater recycled and discharged, waste disposal and recycling, the unit cost change of consuming or procuring water and natural resources, and capital expenditure towards nature-related opportunities.	Climate Resilience Resource Management Appendix 6 – Performance Table – Environment
	(b) Disclose the metrics used by the organization to assess and manage dependencies and impacts on nature	The Group's waste generation and disposal, water withdrawal and water discharged and Scope 1, 2 and 3 GHG emissions are disclosed in the Performance Table – Environment, in this Report. For additional nature-related metrics we note the following (all data for 2025): • Water withdrawal from areas of water scarcity (four out of 10 cities where we have assets, which are Shenyang, Dalian, Tianjin, Jinan): 616,000 m³ • The quantity of high impact commodities usage: - Steel: 21,373 tonnes - Concrete: 11,583 tonnes	Appendix 6 – Performance Table – Environment Climate Resilience Resource Management
	(c) Describes the targets and goals used by the organization to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.	We have wrapped up our 2025 targets (25 x 25 Sustainability Targets) and have refreshed 2030 targets that build on our success in achieving our 2025 targets. Some of our 2030 targets will help support our 2030 goal to reduce our carbon footprint and adapt to a changing climate, while other targets will support another 2030 goal to support more circular and regenerative practices. There are also annual Strategic ESG KPIs set for Climate Resilience and Resource Management, in support of our 2030 Goals and Targets, and we report on our progress against our 2025 ESG KPIs in Appendix 3 of this report. We are also reviewing the feasibility of setting corporate Science Based Targets Network (SBTN) targets.	Our Approach to Sustainability Appendix 3 – Sustainability Goals, Targets and ESG KPIs

Ten Principles of the United Nations Global Compact

Through our subsidiary Hang Lung Properties, we joined as a participant of the United Nations Global Compact (UNGC) in July 2022 and committed to upholding its Ten Principles covering human rights, labour, the environment and anti-corruption. The following section outlines our actions and progress in integrating these principles into our strategies, operations and corporate culture.

Areas	Principles	Section/Explanation
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	Our Approach to Sustainability – Human Rights
	Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	Our Human Rights Policy in our Sustainability Policy sets out our expectations for respecting and promoting internationally recognized labour rights, including commitments to prohibit forced and child labour, ensure fair and equitable compensation, and conduct appropriate human rights due diligence across our operations and supply chain.
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Wellbeing
	Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.	Our internal policies, including our Human Rights Policy and employment practices, reinforce these commitments by prohibiting child and forced labour and promoting fair and inclusive workplace practices. During the reporting period, there were no confirmed incidents of non-compliance with laws and regulations relating to child or forced labour that had a significant impact on the Group.
	Principle 5: Businesses should uphold the effective abolition of child labour.	To extend these standards across our value chain, we require all suppliers and contractors to comply with our Code of Conduct for Suppliers and Contractors, which explicitly forbids the use of child labour and any form of forced or compulsory labour. Through these expectations, we seek to promote responsible labour practices, enhance human rights due diligence, and contribute to the broader advancement of labour rights across our supply chain.
	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.	
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges.	Climate Resilience Resource Management
	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	We adopt a precautionary approach to environmental management by proactively identifying and mitigating potential environmental impacts across our operations. We seek to go beyond statutory requirements by integrating sustainability considerations into building design, construction, and property management. This approach includes advancing decarbonization and energy efficiency in line with the Group's long-term climate goals and its commitment to reducing greenhouse gas emissions in line with climate science. We continue to optimize the use of natural resources, support waste reduction and circularity, and promote water efficiency as set out in the Group's sustainability priorities. To further enhance environmental performance, we also explore and leverage innovative and low-carbon technologies, including the adoption of low carbon emissions steel in our development projects in Shanghai and Hangzhou.
	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	

Areas	Principles	Section/Explanation
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Our Approach to Sustainability – Ethics and Integrity We uphold a zero-tolerance stance toward all forms of corruption, including bribery, extortion, fraud, and conflicts of interest, and comply with all applicable anti-corruption laws in the jurisdictions where we operate. Our Anti-Corruption Policy, Code of Conduct, and Code of Conduct for Suppliers and Contractors set clear expectations for ethical behavior and responsible business practices across our operations and value chain. To support effective implementation, all employees are required to complete annual integrity training and make regular conflict of interest declarations, while suppliers and contractors are required to comply with our integrity standards. We maintain robust oversight through due diligence processes, whistleblowing mechanisms, and transparent financial controls. Regular audits, along with ongoing risk assessments under our Enterprise Risk Management framework, ensure that our anti-corruption controls remain effective.

STOCK CODE

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We welcome your feedback on our sustainability report and sustainability performance.
Please share your views with us at Sustainability@HangLung.com.