

HANG LUNG'S SUSTAINABILITY POLICY

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1 INTRODUCTION

Hang Lung Group Limited and Hang Lung Properties Limited, collectively, “Hang Lung” or the “Group,” aspires to become one of the most sustainable real estate companies in the world. The Hang Lung Sustainability Policy (the “Policy”) outlines the principles, commitments and governance by which we aim to make positive impact on all our stakeholders and society.

The Group elaborates further on relevant sustainability commitments and principles through other specific policies and guidelines enacted by the Group from time to time including the following:

- Joint Statement on Oversight and Management of Environmental, Social and Governance Issues
- Board Diversity Policy
- Health and Safety Policy
- Whistleblowing Policy
- Competition Law Policy
- Code of Conduct
- Staff Handbook
- Employee Cybersecurity Policy
- Policy on Offering Advantages and Entertainment
- Code of Conduct for Contractors
- Sustainable Procurement Policy
- Hang Lung Group Sustainable Finance Framework
- Sustainable Event Guideline
- Project Management Manual
- Operating Manual and Procedures

For the most updated list of sustainability-related policies, please see Sustainability section of our Group’s website.

GOVERNANCE

The Group has developed principles, processes and structures and allocated resources to ensure effective implementation of the Policy, including the following:

- The **Boards** and **Boards Executive Committee** of the Group provide oversight of Group's sustainability performance and progress towards achieving its Goals and Targets, principally through regular reporting of the Group's **Sustainability Team**.
- The **Sustainability Steering Committee** ("SSC") of the Group reviews the Group's sustainability vision, and performance, and monitors and ensures the Group's progress in implementing action plans. The SSC may also establish subcommittees, e.g., the **Sustainable Finance Subcommittee** and **Health and Safety Subcommittee**.
- The Sustainability Team of the Group together with the Chair of the SSC will develop annual Environmental, Social and Governance Key Performance Indicators ("**Strategic ESG KPIs**") in support of the Group's sustainability leadership goals, targets and major initiatives.

To strengthen accountability, progress against our ESG KPIs is reviewed by the SSC and Boards at least two times a year. We also disclose in our Sustainability Report our plans and progress on Strategic ESG KPIs from year to year. We also conduct periodic reviews, risk assessments and audits of various kinds to support compliance and continual improvement.

- **To build capacity**, we deliver corporate-wide ESG training as well as targeted ESG training to specific departments and seniority levels, and we are strengthening our competence in providing Board and top management oversight of ESG issues.

To strengthen impact, we are making various and ongoing efforts to communicate principles under this Policy with our stakeholders including our suppliers/contractors, tenants, investors, customers and local communities with the aim of finding ways to deepen and broaden sustainability collaboration with such stakeholders. This Policy applies universally across our portfolio, extending across share our commitments and adhere to similar standards in their operations.

2 SUSTAINABILITY FRAMEWORK

The Group's sustainability framework provides direction for our employees to create sustainable value for our stakeholders. The framework comprises four **Priorities**.

The four **Priorities** identify the top four material sustainability issues where the Group aims to make significant progress and support its leadership ambitions in the next decade:

- **Climate Resilience**: Reduce carbon footprint in line with science and adapt to a changing climate

- **Resource Management:** Drive efficient and circular use of natural resources and help regenerate nature
- **Wellbeing:** Foster safe, inclusive and healthy spaces that enhance quality of life for all stakeholders
- **Sustainable Transactions:** Collaborate with key stakeholders across our value chain to advance our sustainability priorities.

3 PRINCIPLES AND COMMITMENTS

Hang Lung is committed to abiding by all relevant laws and regulations in the jurisdictions where we operate. In addition, in support of accelerating sustainability progress and our aspiration to make a positive impact on all our stakeholders and society, we are committed to various policies and to upholding the principles under such policies wherever reasonably practicable:

3.1 Environmental Policy

As a leading developer, owner, and operator of world-class commercial and mixed-use properties across mainland China and Hong Kong, Hang Lung is committed to environmental stewardship. We recognize the importance of protecting the environment and our responsibility in building sustainable cities and communities, and are dedicated to identifying, managing, and reducing the environmental risks and impacts associated with our business operations, while striving to meet or exceed legal requirements and industry best practices.

This policy outlines our core commitments to environmental sustainability, climate action, and continuous improvement. We are committed to:

- operating a structured environmental management system (EMS) in line with international standards such as ISO 14001 to manage, monitor, and continuously improve environmental performance across our properties and development projects.
- conducting regular internal and third-party audits to evaluate the effectiveness of our EMS and identify opportunities for improvement.
- assessing environmental risks and opportunities across the full lifecycle of our assets, from planning and design to construction, operation, and redevelopment
- give consideration to brownfield redevelopment in project selection and conducting community consultations to align regeneration with local needs.
- actively working to prevent pollution, mitigate adverse environmental impacts, and safeguard the natural environment in all areas of our operation.
- complying with all applicable environmental regulations, and wherever possible, exceeding these requirements by integrating industry-leading practices.
- educating and empowering our employees to adopt environmentally responsible behaviors and contribute to achieving the Group's environmental goals.

- promoting environmental responsibility among all stakeholders, and fostering a culture of sustainability across our value chain—from design teams to building users.
- performing due diligence at the investment stage of new assets by conducting social risk assessments, initial environmental audits, and setting baseline environmental performance when applicable.
- obtaining LEED Gold or equivalent green building certifications for 100% of our wholly-owned development projects.
- incorporating environmental criteria into procurement practices and supplier/contractor selection processes, encouraging our partners to uphold high environmental standards.
- supporting the use of sustainable materials and environmentally friendly technologies in the design, construction, operation, and maintenance of our buildings.
- collaborating with financial institutions through sustainable financial instruments to advance common sustainability priorities.
- monitoring key environmental performance indicators, including energy and water consumption, carbon emissions, and waste diversion rates.
- setting targets to continually improve our environmental performance, and allocating necessary financial, technical, and human resources to support the setting, monitoring, and reviewing of environmental objectives and targets.
- disclosing our environmental policies, strategies, and performance to stakeholders, including employees, tenants, contractors, suppliers, customers, and joint venture partners, through regular reports and communications.
- publishing our environmental performance in our annual Sustainability Report, which is prepared in accordance with global reporting standards including GRI and HKEX ESG Reporting Code.
- maintaining open dialogues with key stakeholders to understand their concerns and expectations regarding environmental matters, incorporating their insights into our policies and practices with revisions from time to time.

3.2 Climate Resilience Policy

Hang Lung is committed to addressing the challenges of climate change and contributing to a sustainable, low-carbon future. We aim to mitigate our greenhouse gas (GHG) emissions, adapt to climate-related risks and opportunities, and build climate resilience across our operations and value chain in support of a global transition to a net-zero emissions economy by 2050.

We are committed to aligning our targets with the Science-Based Targets initiative (SBTi).

To mitigate greenhouse gas emissions impacts, we are committed to:

- establishing near- and long-term GHG emission reduction targets aligned with SBTi, including: Scope 1 and 2 (direct and energy-related emissions); and Scope 3 (value chain emissions).
- achieving net-zero GHG emissions across our value chain by 2050.
- adopting green building and energy efficiency best practices throughout the asset lifecycle—from design and construction to operation and maintenance.
- expanding on-site renewable energy generation and off-site renewable energy procurement aligned with or exceeding our 2030 renewable energy goals.
- working with supply chain partners to reduce the embodied carbon in construction materials and building design.
- exploring low-carbon construction methods and materials.
- collaborating with employees, contractors, tenants, suppliers, customers, and partners to reduce emissions across our operations and value chain.
- committing to not funding climate-denial or lobbying against climate regulations
- integrating climate considerations into procurement by prioritizing low-carbon fuels, electric vehicles, and energy-efficient products and services.
- supporting and where feasible investing in decarbonization initiatives such as: electric vehicle infrastructure, carbon removal and avoidance projects, and academic research partnerships and cross-industry collaboration.

To strengthen our resilience to the effects of climate change, we are committed to:

- identifying and evaluating physical and transition risks and opportunities through climate scenario analysis under our Enterprise Risk Management (ERM) framework.
- developing climate-resilient assets and communities through resilient building design, green infrastructure, and climate-adaptive retrofits.
- retrofitting existing buildings and infrastructure with climate-resilient features where feasible.
- integrating climate risk into business continuity strategies, especially in response to extreme weather events.
- staying ahead of regulatory changes and market trends related to climate change and incorporating them into strategic planning.

- integrating climate resilience into strategic planning, risk governance, and operational management.
- allocating necessary resources and tools to support climate-related data collection, monitoring, and management.
- promoting climate awareness and resilience among employees, tenants, communities, and business partners.

3.3 Resource and Circularity Policy

Hang Lung is committed to accelerating the transition to a circular economy — one that eliminates waste and pollution, keeps products and materials in use at their highest value, and regenerates natural systems. We recognize that resource efficiency and circularity are critical to achieving long-term environmental sustainability.

This policy outlines our approach to responsible resource management, waste reduction, and biodiversity protection across our operations and value chain. We are committed to:

- integrating circular economy principles into the design, construction, operation, and renovation of our properties, ensuring materials and resources are kept in circulation and environmental impacts are minimized.
- establishing and maintaining waste management practices that meet or exceed legal requirements and align with industry best practices to reduce, reuse, recycle, and recover materials across all properties.
- identifying the impact of waste from daily operations, construction, and demolition, and set quantitative targets to gradually improve our waste diversion and materials recovery performance.
- developing and maintaining comprehensive programs in the following areas:
 - a) Energy management: Optimize energy use through smart technologies, equipment upgrades, commissioning, and behavioral initiatives.
 - b) Water management: Promote water efficiency through rainwater harvesting, greywater recycling, high-efficiency fixtures, and sustainable landscaping.
 - c) Waste management: Prioritize material efficiency and landfill diversion through reduction, reuse, recycling, and responsible disposal.
- embedding waste prevention and circularity into the procurement process by: prioritizing recycled, upcycled, and reusable materials; encouraging the design of products for durability and disassembly; and reducing unnecessary consumption and packaging.
- collaborating with employees, tenants, suppliers, contractors, customers and JV partners to promote circular practices and reduce environmental impacts through education, joint initiatives, and innovation.
- preventing or minimizing emissions to air, noise, soil contamination, and wastewater discharge, taking into consideration the communities in which we operate.
- ensuring availability of data and resources to support planning, monitoring, and regular review of circularity and resource efficiency targets.
- publicly disclosing our performance in our annual Sustainability Report.

3.4 Biodiversity Policy

Hang Lung recognizes the critical importance of conserving biodiversity and protecting ecosystems. We acknowledge that the built environment can coexist with and even

enhance natural systems when designed and managed thoughtfully and are committed to integrating biodiversity considerations into every stage of our development and operational processes to contribute to a nature-positive future.

This policy outlines our approach to mitigating negative impacts, promoting ecosystem restoration, and raising awareness among stakeholders. We are committed to:

- refraining from developing projects or conducting operational activities in legally designated protected areas and ecologically critical habitats, including World Heritage sites and The International Union for Conservation of Nature (IUCN) Category I–IV protected areas.
- encouraging biodiversity assessments for new projects in which Hang Lung has a controlling interest, especially in areas with potential ecological sensitivity, to identify and manage risks in the early stages of the planning phase.
- taking all reasonable steps to avoid or minimize biodiversity loss during the design, construction, and operation of our properties by addressing: land use and habitat fragmentation; spread of invasive species; pollution of air, water, and soil; and unsustainable consumption of natural resources.
- developing and implementing restoration and regeneration initiatives by: restoring degraded ecosystems where relevant to our operations; enhancing urban greenery and biodiversity in and around our properties; and supporting nature-based solutions that improve ecological and community resilience.
- promoting awareness of biodiversity and conservation issues among our employees, tenants, suppliers, contractors, business partners and communities, and encourage their participation in biodiversity-related initiatives.
- engaging in partnerships and collaborations with local communities, NGOs, and academic institutions to support conservation efforts and promote biodiversity-friendly practices.
- consulting relevant stakeholders, such as NGOs, in any ecologically sensitive projects to ensure relevant concerns are addressed and integrated into project planning and implementation.
- aligning our biodiversity practices with international frameworks and national regulations, avoiding deforestation and negative impacts on threatened or protected species wherever possible.
- requiring all suppliers and contractors to adhere to the principles of this Biodiversity Policy and adopt responsible environmental practices.

3.5 Human Rights Policy

Hang Lung is committed to conducting its business in a manner that respects and promotes human rights. We uphold the dignity, freedom, and rights of all individuals and are guided by 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.

This policy outlines our commitment to respecting human rights in all aspects of our operations, supply chain, and stakeholder engagement. We are committed to:

- fostering an inclusive and diverse workplace. Discrimination based on race, color, gender, age, religion, national origin, disability, sexual orientation, gender identity, marital status, or any other protected characteristic is not tolerated.
- respecting the right of employees to freely associate, join labor unions in personal capacity, and engage in collective bargaining in accordance with local laws and international standards.
- striving to provide a safe, secure, and healthy work environment for all employees and contractors. We implement proper health and safety protocols and continuously improve our systems to prevent workplace hazards.
- strictly prohibiting the use of child labor and any form of forced, bonded, involuntary labor, military labor or any form of human trafficking in our operations and supply chain. We do not tolerate physical punishment, threats of violence or other forms of physical, sexual, psychological or verbal abuse in the workplace.
- ensuring that employees receive fair compensation and benefits (including working hours and holidays) that meet or exceed legal and industry standards.
- protecting the privacy and personal data of our employees, tenants, customers, and other stakeholders in accordance with relevant data protection laws and regulations.
- expecting our suppliers, contractors and partners to uphold the same human rights standards. We are working to incorporate human rights due diligence in our procurement and vendor management processes wherever feasible and take appropriate actions in cases of non-compliance, including engagement, remediation, or termination of contracts.
- actively engaging with internal and external stakeholders—including employees, tenants, local communities, investors, and civil society organizations—to better understand human rights risks and opportunities and to respond transparently and effectively.
- providing accessible and confidential whistleblowing mechanisms for employees, workers, and stakeholders to raise concerns related to human rights. All reports are taken seriously, investigated promptly, and handled with integrity and without retaliation.

- providing regular training and awareness programs to ensure that our employees and relevant stakeholders understand our human rights commitments and their individual responsibilities in upholding them.
- investing in communities where we operate through youth development, elderly services, and environmental programs, aligning with our business strategy to build sustainable cities.

3.6 Diversity Policy

Hang Lung is committed to fostering a diverse and inclusive work environment where all employees are treated with respect and provided with equal opportunities for personal and professional growth, as well as ensuring our properties are inclusive and welcoming to individuals of all backgrounds. We believe in fostering a culture of inclusivity, diversity, and openness, recognizing that a workforce that is home to people from varied backgrounds can generate a more creative, productive and engaged working culture.

3.6.1 Our Commitments

At Hang Lung, we embrace Openness as one of our core values, and believe diversity is a catalyst for innovation and workforce that is inclusive for excels with creativity, productivity, and collaborative culture.

- We are dedicated to creating a workplace that values and embraces all people, including those with specific needs and differing abilities.
- We are committed to building an inclusive culture that empowers individuals to contribute their unique perspectives and talents.
- We are dedicated to creating compelling spaces that enrich lives, and this extends to designing and managing our properties in a manner that supports the diverse needs of the communities we serve.
- We promote the importance of a diverse and inclusive workplace and community to all employees and key stakeholders, with areas of focus on people with disability, multigeneration, gender balance, and ethnic minorities.

This policy applies to all directors and employees (full-time, part-time and contract staff) of Hang Lung.

3.6.2 Our Definition of Diversity and Inclusion

Diversity and Inclusion (D&I) are interconnected concepts. We define diversity and inclusion as follows:

Diversity refers to the recognition of the similarities and differences associated with personal characteristics and identities of all individuals, encompassing both visible and invisible attributes.

Inclusion refers to valuing and respecting people for who they are, their skills, identity and experiences, and the extent to which they feel a strong sense of belonging with others. It is a process of improving the opportunities, access to resources, and respect for rights of all individuals.

3.6.3 Key Principles

Our D&I efforts are guided by the following key principles:

Equal Opportunity: We provide equal opportunities for employment, career development, and advancement, based on merit and without discrimination.

Respect and Fairness: We treat all individuals with dignity and respect and we promote an environment free from harassment, discrimination, or any forms of unfair treatment.

Universal Design, Accessibility and Accommodation: We strive to create accessible spaces to provide reasonable accommodations to individuals with disabilities to ensure equal participation and inclusion. In our business operations, we strive to design spaces that are inclusive and for navigation.

Education and Awareness: We promote training and awareness initiatives to enhance understanding, sensitivity, and cultural competence among our employees.

Collaboration and Engagement: We encourage collaboration and seek inputs from employees to foster a sense of belonging and ownership in our D&I initiatives.

Accountability: We hold ourselves accountable for advancing D&I goals and regularly evaluate our progress, policies, and practices to drive positive change.

3.6.4 Implementation / Measurable Objectives

In our workforce

Our managers shall demonstrate inclusive leadership behaviors by role modeling respect and encouraging diverse perspectives in the working environment.

Managers are expected to:

- Implement and uphold the Policy in everyday management and recruitment practices;
- Clearly communicate the Policy to team members, including through new employee orientation training and ongoing D&I activities, ensuring understanding of the Group's commitments to D&I;
- Foster a culture of inclusivity, diversity, and openness;
- Address any unacceptable behaviors and take appropriate actions;
- Ensure that the working environment and employment decisions are free from discrimination, bullying and harassment;
- Provide reasonable accommodations to support qualified individuals with specific needs;
- Implement and monitor the progress towards the Group's D&I-related targets and KPIs; and
- Review departmental practices and procedures from time to time to ensure alignment with the Policy.

At Hang Lung, D&I is the responsibility of all employees. **Our employees are expected to:**

- Adhere to the D&I principles outlined in the Policy in their everyday work

practices;

- Show respect for the diversity of all individuals; and
- Report any inappropriate behaviors that are not consistent with the Policy to line manager, Human Resources department, or through the Group's whistleblowing mechanism.

Our employees can expect the following from the Group:

- A working environment that is equal to all irrespective of the age, gender, race, ethnic origins, disability, religion, family or other status;
- A culture where all individuals are treated with respect, valued for their contributions, and empowered to share their diverse perspectives;
- Learning and development programs designed to enhance personal and professional development, regardless background or identity;
- Access to reasonable accommodations and support to address the specific needs of qualified individuals; and
- Opportunities to participate in D&I promotion and training activities.

In our properties

For visitors to our properties, we strive to create welcoming environments that are accessible to individuals of all backgrounds and abilities. With that, the Group is committed to:

- Complying with applicable building-related barrier-free design regulations, and considering universal design principles to improve overall user experience;
- Prioritizing proximity to public transportation and pedestrian-friendly infrastructure in the design and development of all properties, ensuring equitable access for diverse communities, including people with disabilities;
- Reviewing the accessibility of our properties from time to time to identify opportunities for improvement, and making our best efforts to enhance the built environment and services wherever feasible; and
- Training our staff to offer appropriate assistance to visitors who need help accessing our facilities.

We encourage visitors to share their experiences and suggestions regarding accessibility and inclusivity with us through the email indicated below or other channels.

3.7 Information Security Policy

Hang Lung is committed to protecting the confidentiality, integrity and availability of information across our operations and value chain. This Policy applies to all employees, suppliers, contractors, and to other stakeholders that handle the Group's information or provide critical technology services.

We are committed to:

- maintaining a risk-based information security management approach operated under our Data Security Management System and in line with applicable laws and regulatory requirements.
- ensuring clear governance and executive oversight of cybersecurity and data privacy, with regular reporting to the CEO, Audit Committee and the Board under our ERM framework.
- protecting data through appropriate technical and organizational measures, including cloud governance and document sensitivity labelling to mitigate data-loss and leakage risks.
- monitoring, detecting and responding to information security threats and vulnerabilities, supported by periodic assessments and drills to sustain continuity and disaster recovery capabilities.
- defining responsibilities for all personnel, supported by mandatory training and periodic phishing simulations and security alerts.
- encouraging employees to promptly report any observed or suspected information security incidents, vulnerabilities, or suspicious activities per the incident reporting process set out in our Employee Cybersecurity Policy.
- setting proportionate information security expectations for suppliers and contractors and seeking independent external expertise or assurance where appropriate.
- evaluating proposed new technologies and software through our Technology and Innovation Committee to ensure alignment with strategic objectives and responsible use.
- maintaining and testing business-continuity and disaster recovery arrangements for critical information and technology to sustain or restore services during disruptions.
- reviewing IT-related policies and procedures on a regular basis and pursuing continual improvement.
- transparently reporting our approach and progress in the Sustainability Report.

3.8 Responsible Artificial Intelligence Policy

Hang Lung is committed to promoting the responsible use of artificial intelligence (AI) technologies. This Responsible Artificial Intelligence Policy (the “Policy”) outlines the Group’s principles and commitments for the responsible use and development of AI.

This Policy applies to the Group’s operations in Hong Kong, the Chinese Mainland and, where applicable, other markets in which the Group may operate in the future, covering its roles as a user, provider, and technology enabler of AI services. This Policy complements the Group’s internal AI Governance Management Measures Policy and is supported by the Group’s data protection, cybersecurity and related policies and procedures. This Policy sets out the Group’s guiding principles for the use and development of generative AI systems; non-generative AI technologies are outside its current scope.

We are committed to:

- Maintaining an AI Governance Committee to oversee the Group’s internal AI governance framework and the responsible adoption and use of AI.
- Applying AI tools within clearly defined purposes, capabilities, and limitations to reduce the risk of misuse or unintended applications.
- Respecting data privacy and protecting personal data handled in connection with AI systems throughout the relevant lifecycle stages, including collection, processing, storage, use, sharing and retention, in accordance with applicable laws and the Group’s data protection, cybersecurity and responsible AI policies, while taking into account relevant national and industry standards where appropriate.
- Protecting cybersecurity by applying appropriate safeguards to support the secure and reliable operation of AI systems throughout their lifecycle, including implementing access controls and monitoring measures where appropriate.
- Promoting fair and non-discriminatory AI outcomes by taking appropriate measures to identify and mitigate potential bias in training data, model design and AI-generated outputs, consistent with principles of fairness, impartiality and integrity.
- Not knowingly developing or deploying AI systems that mislead or deceive others, manipulate behavior or exploit vulnerabilities; taking appropriate measures to avoid unjustified or discriminatory outcomes or other practices that conflict with applicable laws or generally accepted ethical standards.
- Ensuring that AI supports, rather than replaces, human judgment, particularly for critical or high-impact decisions. Users are expected to review and, where necessary, intervene or override AI-generated results where needed.
- Promoting transparency and explainability by disclosing the scope, purpose, and rules of AI systems in an understandable and appropriate manner, particularly

where AI-enabled services or decisions may materially affect external stakeholders, and supporting external oversight where applicable.

- Establishing clear accountability for the Group's use of AI and for decisions or actions taken in reliance on AI-generated outputs. Employees are expected to exercise appropriate judgment and verify the accuracy and suitability of AI-generated outputs prior to use.
- Considering, where relevant and practicable, the environmental impact of material AI systems and service providers, including factors such as power and water use, carbon intensity, computational efficiency, energy-efficient infrastructure and the use of renewable energy, taking into account the information reasonably available to the Group.
- Overseeing the responsible adoption and governance of AI technologies by requiring the proposed adoption, development or use of AI systems within the scope of this Policy to undergo the Group's applicable internal review and approval processes, with oversight by the AI Governance Committee.

4 REVIEW

The Policy shall be reviewed from time to time in consideration of changes in the business context and the development of best practices of sustainability. Any material changes or updates to this Policy shall be proposed by the Sustainability Steering Committee to the Board Executive Committee of the Group for endorsement.

5 ENQUIRIES

We welcome your feedback on our Policy. Please share your views with us at Sustainability@HangLung.com.

This Policy was endorsed by the Executive Committee of the Group in September 2026.