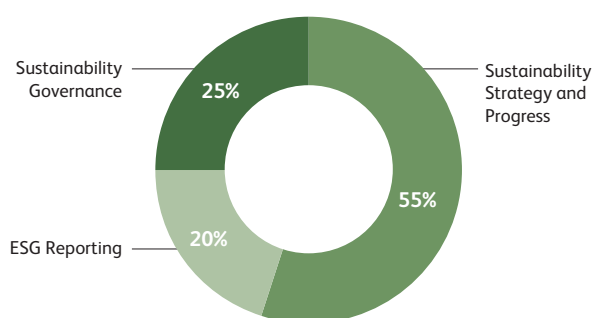


Sustainability Committee Report

Dear Shareholders,

We are pleased to present the Sustainability Committee Report for 2020. The primary roles of the Sustainability Committee are to review and oversee the Group's corporate responsibility, sustainability development and related policies. The Committee is tasked with overseeing the Group's overall vision and action plans for corporate responsibility and sustainability, while bringing any related issues to the attention of the Board. It also assesses and makes recommendations on matters concerning the Group's sustainability opportunities and risks.

Committee activities and agenda time during the year



Composition

The majority of the Committee is comprised of Independent Non-Executive Directors

Committee members

Jebsen Hans Michael B.B.S. (Chairman)

Fan Yan Hok Philip*

Wong Ching Ying Belinda*

*Independent Non-Executive Director

Highlights in 2020 and 2021

- Reviewed and endorsed the Group's sustainability strategy
- Reviewed sustainability progress on a quarterly basis
- Enhanced the Terms of Reference
- Reviewed the Sustainability Report

Key responsibilities

- Review the Group's sustainability roadmap and make recommendations to the Board

Meeting Schedule

The Sustainability Committee generally meets at least once a year. Two meetings were held during 2020, in order to increase its focus on sustainability matters.

Roles and Authorities

- Review, endorse and report to the Board the Group's corporate responsibility and sustainability plans, strategies, priorities, policies, practices and frameworks.
- Review and evaluate the adequacy and effectiveness of the actions taken by the Group based on its corporate responsibility and sustainability plans, strategies, priorities, policies and frameworks, and recommend improvements.
- Review and report to the Board on sustainability risks and opportunities.
- Monitor and review existing and/or emerging issues, trends and investments related to corporate responsibility and the sustainability of the Group.
- Monitor and review the Group's corporate responsibility and sustainability policies and practices to ensure they remain relevant and compliant with legal and regulatory requirements (including, but not limited to, the relevant Hong Kong Stock Exchange Environmental, Social and Governance Reporting Guide and the Listing Rules).
- Review and provide recommendations to the Board for approval of the annual corporate responsibility and sustainability report and relevant disclosures in the Company's annual report.

Activities

Details of the meeting held in February 2020 were set out in the 2019 Annual Report.

From March 2020 to February 2021, the Sustainability Committee held two meetings to:

The Sustainability Committee Over the Past 12 Months

May Quarterly Update	Sustainability Progress Update – Q1 2020
August Quarterly Update	Sustainability Progress Update – Q2 2020
November 2020 meeting	<p>Sustainability Progress Update – Q3 2020</p> <p>Annual review of adequacy of resources of ESG functions</p> <p>Annual review of ESG risks</p> <p>Committee terms of reference</p>
February 2021 meeting	<p>Sustainability Progress Update – Q4 2020</p> <p>Sustainability Report</p>

Review the Group's Sustainability Strategy

- Discuss and review the Group's sustainability strategy. The Sustainability Committee considered the action plan and identified potential risks and challenges related thereto, as benchmarked against international standards and industry peers.
- Identify material ESG-related issues following on from the stakeholder engagement and materiality assessment conducted by an independent ESG consultant in 2019.

Discuss ESG Overview and Direction

- Review the Group's engagement strategy on a regular basis in order to prepare for the future. Hysan has consistently engaged with the community in which it operates, since the community is core to the Group's heritage.
- Review the identified ESG-related sustainability efforts.
- Identify long-term and short-term sustainability targets and review their progress.

Sustainability Governance

- Review reports on the major ESG risks faced by the Group, including risks relating to the COVID-19 pandemic, ESG compliance, environmental management regarding climate change and corresponding mitigation measures. Details are set out in the Risk Management and Internal Control Report.
- Review the framework for sustainability governance and confirm its satisfaction with the adequacy of resources for ESG performance and reporting.
- Review its terms of reference to enhance the sustainability governance structure.

More details are set out in the Sustainability Report 2020.

Members of the Sustainability Committee

Jebsen Hans Michael B.B.S. (Chairman)

Fan Yan Hok Philip

Wong Ching Ying Belinda

Hong Kong, 25 February 2021

