

To: Editors

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For immediate release

**Hysan Development Announces Sustainable Finance Framework and
First Sustainability Bond**

Hysan Development Company Limited (the “Group” or “Hysan”, Hong Kong stock code: 00014) is pleased to announce the establishment of its Sustainable Finance Framework (the “Framework”), which provides the basis for the Group to raise funding of certain eligible green or social projects via the issuance of Green, Social or Sustainability bonds, loans or other capital market instruments.

Hysan operates under a unique sustainable community business model. We work closely with our stakeholders through regular dialogue and long-term partnership to build the area in a smart and sustainable manner, balancing economic, environmental and social interests. The addition of eligible social projects to the latest Framework creates an opportunity for Hysan to secure direct funding from future financing transactions towards projects and initiatives that would yield positive impact for society, stakeholders and communities served by the Group.

The establishment of its inaugural Sustainable Finance Framework marks an important milestone for Hysan's sustainability journey as it seeks to expand the scope of its Green Finance Framework which was completed in January 2019. As per the Framework's guidance, the sustainability bond provides funding for projects that meet the eligibility criteria set out in the Framework and fall under the categories of green buildings, energy efficiency, renewable energy, waste management and recycling, climate change adaptation, affordable basic infrastructure as well as pandemic and infection related investments and expenditure.

Under the Framework, the Group has successfully raised its first sustainability 5-year bond of HK\$400 million at a coupon rate of 1.5%. The Group expects to allocate over 80% of the net bond proceeds into social and community projects and utilize the remaining proceeds in environmental projects.

Hysan Development's Sustainable Finance Framework was reviewed by Sustainalytics, an independent environmental, social and governance research, ratings and analysis firm which has provided a second party opinion for the Framework confirming the alignment of the Framework with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2021 and Green Loan Principles 2021. UBS acted as sole sustainable finance advisor and bookrunner for this sustainability bond issuance.

Mr. Ricky Lui, Hysan's Chief Operating Officer said: "Our decision to expand the scope of our Green Finance Framework to also include funding of social projects reflects the alignment of Hysan's sustainability vision, strategies and targets with the Group's financing activities. Hysan clearly is in a unique position having most of its properties in the Lee Gardens area and the Group has a long-standing track record of giving back to the community in many ways. We are very excited at building on our previous success to continue creating positive value for the community."

"The recent successful tender of the plot of land on Caroline Hill Road will create opportunities for the Group to undertake further projects of high sustainability standard which will benefit the society and community. The establishment of our Sustainable Finance Framework is hence timely and we look forward to the development of such projects in the future," said by Mr. Lui.

Mr. John Lee, Vice Chairman, Managing Director and Head of Greater China at UBS commented "We applaud the great efforts that Hysan has devoted towards breaking new grounds in its Sustainable Finance journey through the issuance of its inaugural HK\$-denominated Sustainability bond offering off its newly established Sustainable Finance Framework. This further demonstrates Hysan commitment to sustainability and UBS is pleased to have partnered Hysan on this landmark transaction and supporting the company's alignment of its sustainability initiatives and projects with its capital markets activities."

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About Hysan

Hysan Development Company Limited is a leading property investment, management and development company in Hong Kong with an investment property portfolio of over 4 million square feet of high-quality office, retail and residential space. With roots in the district since 1920s, Hysan is one of the largest commercial landlords in Causeway Bay.

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