

SUSTAINABLE PROCUREMENT POLICY

1. OBJECTIVE

Hysan takes pride in being not only a business that owns and manages properties, but also a Business of Life. We strive to build the Lee Gardens community in a smart and sustainable manner, balancing economic, environmental, and social interests.

Sustainability means making the right choices to ensure that our stakeholders can continue to work, live, and flourish within our portfolio of properties for many years to come. For this reason, we ensure every procurement decision we make is as sustainable as possible, with the lowest environmental impact and most positive social results.

2. SCOPE

This policy is applicable to Hysan's procurement process of supplies, building materials and services for property development projects, as well as day-to-day operations of our investment property portfolio.

3. POLICY

Hysan aims to:-

3.1 Environmental

- Minimize consumption and ensure efficient use of supplies, building materials and services
- Re-use, recycle and minimize the usage of single-use items and unnecessary packaging
- Prioritize environmental friendliness and life-cycle impact of supplies and services (e.g. recognized environmental & social standards and other energy certifications) when making purchasing decisions
- Maximize asset life cycle with proper maintenance

3.2 Social & Economic

- Give preference to business partners and suppliers who share our values on sustainable procurement. Hysan's Supplier Code of Conduct sets out the Group's requirement on supplier's legal & regulatory compliance, ethical practices, human rights, and environmental management. All suppliers should comply with the Code and we encourage our suppliers to strive to exceed those standards

SUSTAINABLE PROCUREMENT POLICY

- Buy locally help reduce emission from transportation and bring economic benefit to the national economy Local purchase within China is preferred.
- Give preference to socially responsible products & suppliers (e.g. fair trade products and social enterprises that serve specific social objectives)

3.3 Governance

- Continue to reinforce the corporate culture that promote long-term sustainable value creation
- Strive for continual enhancement of our performance in major sustainability benchmarks and indices, reflecting the latest ESG requirements and expectation from investors
- All staff members should observe the requirements stipulated in this Sustainable Procurement Policy and are encouraged to explore more sustainable and efficient way of carrying out our daily operations