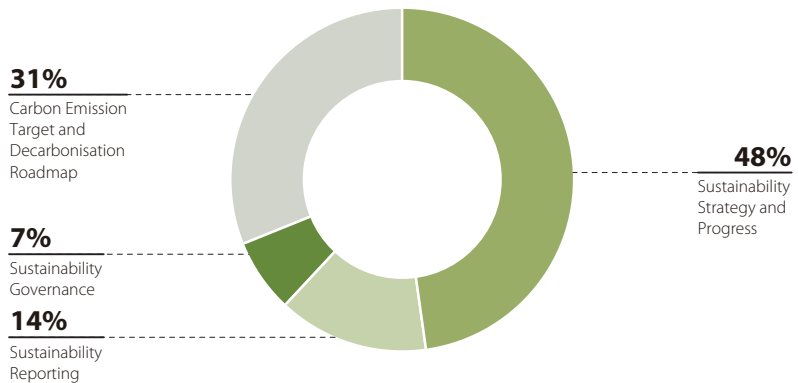


Sustainability Committee Report

Dear Shareholders,

We are pleased to present the Sustainability Committee Report for 2024. The primary roles of the Sustainability Committee are to review and oversee the Group's overall vision and action plans for corporate responsibility, sustainability development and related policies. The Committee is tasked with bringing any ESG-related issues including climate-related matters, to the attention of the Board. It also assesses and makes recommendations on matters concerning the Group's sustainability risks and opportunities, including those associated with climate.

Committee activities and agenda time during the year



Composition in 2024	Young Elaine Carole* (Chairman) Wong Ching Ying Belinda* Lee Tze Hau Michael * INED
Independence Weighting	66.7%
Meeting Schedule	<ul style="list-style-type: none"> At least one meeting every year Two meetings in 2024
Highlights in 2024 and 2025	<ul style="list-style-type: none"> Reviewed the Group's sustainability strategy and progress Reviewed the need to adjust relevant policies or guidelines due to the latest sustainability developments Reviewed the Group's carbon emission target and decarbonisation roadmap Reviewed the progress of ESG initiatives on a quarterly basis and the status of climate actions Assessed sustainability risks and issues, including the climate-related risks and opportunities Reviewed and endorsed the sustainability report

Sustainability Committee Report

ROLES AND AUTHORITIES

The Sustainability Committee's main roles and authorities are to:

- Review and endorse the Group's corporate responsibility and sustainability plans, strategies and policies, practices and frameworks, and report to the Board;
- 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, assess and bring any ESG-related risks and issues, including climate-related matters, to the attention of the Board and the Audit and Risk Management Committee as part of its oversight of the Group's overall enterprise risk management process;
- Monitor and review existing and/or emerging issues, trends and investments related to the corporate responsibility and sustainability priorities 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 Environmental, Social and Governance Reporting Code issued by the Stock Exchange and the Listing Rules); and
- Review the annual sustainability report and relevant disclosures in the Company's annual report and provide recommendations to the Board for approval.

ACTIVITIES

Details of the meeting held in February 2024 were set out in the 2023 Annual Report.

From March 2024 to February 2025, the Sustainability Committee held two meetings and received quarterly updates on the sustainability progress of the Group from the management. Management (including the representative from the Sustainability Department) attended the meetings to present updates and answer questions and facilitate the Committee's decision-making process. Details of matters reported, discussed and/or considered during the year are given below.

Activities and Agenda of the Sustainability Committee Over the Past 12 Months

July 2024 Meeting	August Quarterly Update	November Quarterly Update	February 2025 Meeting
<ul style="list-style-type: none"> Sustainability Progress Update Q1 & Q2 2024 Review of the revised Group's Sustainability Strategy & Framework and the associated corporate targets Review of carbon emission target and decarbonisation roadmap Policy and regulatory update, including the HKEx New Climate Requirements and Science-based Target Initiative ("SBTi") Buildings Sector Guidance 	<ul style="list-style-type: none"> Sustainability Progress Update – Q2 2024 Review of the revised Group's Sustainability Strategy & Framework and the associated corporate targets Policy and regulatory update, e.g. HKEx New Climate Requirements Sustainability Performance <ul style="list-style-type: none"> half yearly update on KPIs Profiling of GHG emissions in the Hysan Portfolio Green Building Certification status Community programmes and training 	<ul style="list-style-type: none"> Sustainability Progress Update – Q3 2024 <ul style="list-style-type: none"> Review of the fine-tuned Group's Sustainability Strategy & Framework and the associated corporate targets Sustainability Performance <ul style="list-style-type: none"> Green and WELL certification status for Lee Gardens Shanghai Sustainability Awards Community programmes 	<ul style="list-style-type: none"> Sustainability Progress Update – Full year 2024 Sustainability Report 2024 Policy/regulatory/guidelines updates including HKMA's Hong Kong Taxonomy for Sustainable Finance and TNFD Review of sustainability-related policies Annual review of adequacy of resources for ESG functions Annual review of ESG risks Update on status of climate actions and other ESG performance Reviewed the terms of reference

Review of the Group's Sustainability Strategies & Framework

The Committee reviewed the Group's sustainability strategies, objectives and framework, considered the Group's action plan and identified potential sustainability-related risks and challenges, with a focus on climate-related risks and opportunities, as benchmarked against international standards and industry peers. It also identified material ESG-related issues, including climate-related matters, and brought them to the attention of the Board.

Sustainability Committee Report

Discussion of ESG Overview and Initiatives

In terms of the Group's ESG activities and initiatives, the Committee:

- Reviewed the Group's engagement strategy on a regular basis to prepare for the future. Hysan has consistently engaged with the community in which it operates, since our community is core to the Group's heritage;
- Reviewed ESG measures taken to promote the sustainable development of the Group, highlighting our initiatives to ensure the safety and well-being of our employees and the community;
- Reviewed our sustainability finance framework and initiatives to support eligible green or social projects;
- Reviewed sustainability efforts and achievements;
- Reviewed the climate-related initiatives in place, assessed their effectiveness and impact, and evaluated the action plan implemented to enhance our sustainability efforts; and
- Identified long-term and short-term sustainability targets across the Group and reviewed their progress.

Discussion of the Group's Carbon Emission Target and Decarbonisation Roadmap

In terms of the Group's carbon emission target and decarbonisation road map, the Committee:

- Reviewed the Group's carbon reduction targets based on SBTi, assessed their alignment with peers and evaluated progress made towards achieving these targets;
- Reviewed the Group's decarbonisation strategy towards near-term targets and the advancements made; and
- Reviewed other environmental targets and respective reduction strategies, including proposed waste target and water target.

Sustainability Governance

With regard to sustainability governance, the Committee:

- Reviewed, endorsed and reported to the Board and the Audit and Risk Management Committee (as part of its oversight of the Group's overall enterprise risk management) on the major ESG-related risks, including climate-related risks and opportunities, as well as corresponding mitigation measures. Details are set out in the Risk Management and Internal Control Report;
- Reviewed the framework for sustainability governance and confirmed its satisfaction with the adequacy of resources for ESG performance and reporting;
- Reviewed its terms of reference to enhance the Group's sustainability governance structure; and
- Reviewed the sustainability-related policies, including the Climate Change Policy, to identify, assess, monitor and report on climate-related issues.

More details are set out in the Sustainability Report 2024 .

COMMITTEE EFFECTIVENESS

The Committee's effectiveness was formally reviewed during the year as part of the Board evaluation process, which concluded that the Committee continues to operate effectively.

Members of the Sustainability Committee

Young Elaine Carole (Chairman)

Wong Ching Ying Belinda

Lee Tze Hau Michael

Hong Kong, 18 February 2025