

SHAPING **SUSTAINABLE**  
COMMUNITIES FOR A

*Resilient Future*

SUSTAINABILITY REPORT 2025



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# About This Report

## Reporting Scope and Boundary

This Sustainability Report (the “Report”) provides an overview of the sustainability approach taken by Hysan Development Company Limited (Hysan or the “Company”) and the Environmental, Social and Governance (“ESG”) performance of its principal subsidiaries (the Group) during the reporting period from 1 January 2025 to 31 December 2025. This is Hysan’s 20th sustainability report since 2006.

The Report focuses on sustainability issues of significant material importance to our business and stakeholders. It encompasses our approach, strategy and performance with regard to these material issues. To communicate our progress, we provide annual updates on sustainability-related initiatives, performance and achievements, along with climate-related disclosures.

The Report also provides detailed insights into the ESG performance of Hysan’s real estate portfolio in Hong Kong. This portfolio has significant financial and material impacts on both the Group and its stakeholders<sup>1</sup>. Quantitative data on the performance of Lee Garden Eight are included under our scope 3 emissions as this project was still under construction in 2025. Lee Gardens Shanghai was not included as it had not gone into full operation during the year. Otherwise, there were no material changes in the reporting scope and metrics used to measure our ESG performance in 2025 compared with the previous reporting period.

## Reporting Standards and Principles

The Report is prepared in accordance with the ESG Reporting Code (“ESG Code”) of the Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”, or “HKEX”), based on reporting principles that include “materiality”, “quantitative”, “consistency” and “balance” as outlined in the ESG Code. The Report also references Global Reporting Initiative (“GRI”) Standards 2021 with a focus on sustainability issues that have been identified as material to Hysan’s business and its stakeholders. Climate-related disclosures in this Report are prepared in accordance with the enhanced climate-related disclosure requirements under the ESG Code, which are closely aligned with IFRS S2 Climate-related Disclosures. Quantitative information is disclosed where relevant to enable stakeholders to evaluate performance and track progress over time, with methodologies, assumptions and bases of calculation explained where appropriate. The Group’s climate-related disclosures are prepared in accordance with the applicable requirements of the ESG Reporting Code, taking into account the phased implementation arrangements under the Code. The Report has been reviewed and approved by our Board of Directors (the “Board”).

<sup>1</sup> The Sustainability Report focuses on the operational impacts of Hysan’s portfolio in Hong Kong, which includes Lee Garden One, Lee Garden Two, Lee Garden Three, Lee Garden Five, Lee Garden Six, Hysan Place, Lee Theatre Plaza, One Hysan Avenue, Leighton Centre, Bamboo Grove and Lee Garden Eight (under construction). These significant investment properties, under the control and operation of Hysan in Hong Kong, collectively contributed over 90% of the Group’s revenue in 2025 and represented the most significant ESG impacts on the Group and its stakeholders.

## Reporting Assurance

This Report has been externally assured by the Hong Kong Quality Assurance Agency (“HKQAA”) to validate the accuracy and reliability of its content. Following the adoption of the updated reporting framework, the application of limited assurance reflects the expanded scope and increased use of estimates and narrative disclosures under the new framework, rather than any change in the Group’s governance, internal controls, or commitment to data quality. The assurance was conducted in accordance with the International Standard on Assurance Engagement 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. Please refer to **Appendix 6** for the Independent Assurance Report.

## Access to the Report

This Sustainability Report is

- Published together with the Company’s Annual Report for the same financial year ended 31 December 2025;
- Made available to shareholders electronically via the Company’s website — Sustainability page, which is the primary means of providing this report in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, where permitted by law. If there is any inconsistency or conflict between the English and Chinese versions of the Report, the English version shall prevail.

## Share your Thoughts

We welcome stakeholders’ feedback on this Report and other sustainability-related matters. Please share your thoughts at [sustainability@hysan.com.hk](mailto:sustainability@hysan.com.hk)

Telephone: (852) 2895 5777

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# Message from the Executive Director and Chief Operating Officer



In 2025, Lee Gardens entered a new phase in its evolution to become a more connected, people-centred community in the heart of Causeway Bay, translating earlier initiatives such as our rejuvenation programme into tangible outcomes. Through a disciplined, data-driven approach to sustainability, operations and community development, we improved resource efficiency, strengthened climate resilience and enhanced the everyday experience of those who live, work and visit this community.

## A community shaped for everyday encounters

Lee Gardens continues to be a place for all. During the year, we recorded over 3.3 million engagements via our programmes and activities and generated more than 3 million “Happy Hours”. While engagement figures are not an end in themselves, they reflect the continued relevance of Lee Gardens as a community where people can relax, enjoy cultural activities and connect.

Comfort, walkability and spatial quality remained central to the Lee Gardens experience. In 2025, we expanded our weather-protected pedestrian walkway system and continued to introduce greener areas and shaded outdoor spaces, shaping a community that functions reliably under normal and increasingly volatile weather conditions.

## Building climate preparedness into our operations

Strengthening climate resilience depends on robust systems and readiness for climate-related risks. In 2025, we completed comprehensive climate-risk assessments for our Hong Kong portfolio, examining flooding, extreme rainfall, heat and typhoons at the asset level. The findings were integrated into our design standards and operational procedures, including flood-readiness, roof drainage reinforcement, and stronger heat-stress protocols.

We also advanced decarbonisation at Lee Gardens in line with the SBTi pathway. Scope 1 and 2 emissions are now more than 19% below the 2021 baseline, with electricity use remaining around 7% lower, despite ongoing rejuvenation works.

## Progress at Lee Garden Eight

Lee Garden Eight (LG8) remains the centrepiece of our vision for Lee Gardens, focusing on improved connectivity, greener public spaces and stronger community life. A new integrated pedestrian walkway will provide a sheltered link between Causeway Bay MTR station and LG8, enabling a 5- to 7- minute walk in either direction while offering protection from heavy rain and summer heat.

The project will also deliver around 60,000 square feet of new green open space, with approximately 45% tree coverage and 40 additional plant species. Plans include a performing arts and culture venue, alongside childcare, elderly care and health services, reinforcing Lee Gardens’ role as a vibrant mixed-use community. Low-carbon mobility infrastructure will be expanded with 610 EV-equipped parking spaces and a supercharging hub.

In parallel, we are progressing the design of a distributed district cooling system, starting at LG8, with the potential to enhance operational efficiency and reduce long-term electricity demand, subject to rigorous technical and commercial assessment.

## Operational improvements and innovation enablement

In 2025, our operational priorities were reliability, cost discipline and user comfort. AI-supported chiller optimisation and retro-commissioning avoided more than 2 GWh of electricity across six buildings, representing an approximate 8% reduction compared to the baseline without AI optimisation. Indoor air quality was improved through upgraded filtration systems with reduced energy demand.

To support long-term maintenance and facility management, we advanced the use of OpenBIM<sup>1</sup> and digital asset models. At LG8, over 7,400 prefabricated MiMEP<sup>2</sup> modules improved installation quality and shortened on-site procedures, setting new benchmarks for construction efficiency.

Lee Gardens also serves as a real-world testing environment through The Community Lab, enabling start-ups to evaluate solutions and address operational challenges in a live urban setting. This approach supports continuous improvement while accelerating the adoption of scalable, commercially viable innovations.

## Building Safe, Inclusive and Well-Governed Communities

Community programmes remained an important part of how Hysan promotes wellbeing and inclusion in the Lee Gardens precinct. During the year, we sponsored sports and active-living initiatives, including youth rugby programmes that reached around 5,000 local students.

Safety remained a top priority in 2025. We continued to strengthen supervision, reinforce training and tighten follow-through on improvement measures, with a strong emphasis on continuous improvement.

These efforts are underpinned by a robust governance framework. At year-end, sustainable finance accounted for 44% of total debt, while our climate-related disclosures continued to advance in line with evolving standards. Strong Board and Sustainability Committee oversight ensure sustainability considerations are integrated into our strategy, risk management and capital allocation.

## Looking ahead

While we are satisfied with the progress made in 2025, the year ahead will be about consolidating and scaling up proven initiatives. We will embed operational measures across the portfolio, advance LG8 towards completion, refine climate-resilience planning and expand Scope 3 data coverage while maintaining capital allocation.

I would like to thank our Board and Sustainability Committee for their guidance, and our colleagues across the business for their commitment and discipline. Their dedication underpinned the progress made in 2025 and positions us well for continued progress on our sustainability journey.

## Ricky Lui

*Executive Director and Chief Operating Officer*

<sup>1</sup> OpenBIM — Open Building Information Modelling

<sup>2</sup> MiMEP — Multi-trade Integrated Mechanical, Electrical and Plumbing

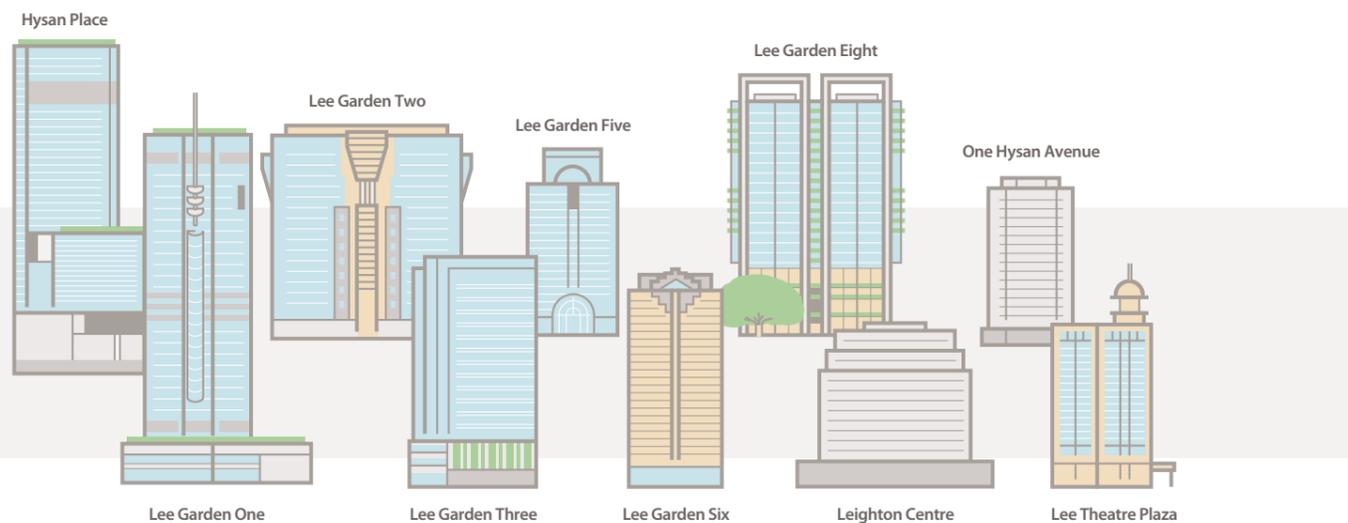
# Sustainability at Hysan

## About Hysan

Occupying approximately 4.5 million square feet<sup>2</sup> of office, retail and residential tenant space at the centre of Causeway Bay's Lee Gardens Area, Hysan is renowned for its core businesses of property investment, management and development. We curate and expand our portfolio in the Lee Gardens Area on an ongoing basis.

Additionally, we pursue strategic growth and geographic diversification through investments such as GBA Flex, Lee Gardens Shanghai, Villa Lucca and New Frontier, which complement and reinforce our core business. Our aim is to remain a trusted partner to our stakeholders, providing support to our employees, residents and tenants, while fostering a true sense of community.

### Hysan's portfolio in Lee Gardens Area, Hong Kong



## Our Commitment to Sustainability

At Hysan, sustainability is at the heart of our business strategy. It determines how we engage with our stakeholders, including investors, tenants, employees, and customers, and enables us to develop community programmes with lasting benefits. Shareholder value and sustainable returns are delivered from our prime Causeway Bay property portfolio. In the years ahead, we will continue curating and growing our assets in the Lee Gardens Area to further its reputation as a dynamic live-work-shop destination.

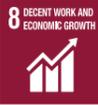
We maintain an agile sustainability strategy by integrating the latest ESG advances across Hysan's business, community and environmental aspects. Under this strategy, we systematically identify, assess and manage sustainability risks and opportunities to ensure enduring positive social and environmental impacts. This helps us mitigate threats, such as regulatory shifts and emerging climate challenges, and seize opportunities via community initiatives and green innovations that bolster our business resilience and long-term prosperity.

<sup>2</sup> Lee Garden Eight not included.

## Our Contributions to the UNSDGs

The 17 Sustainable Development Goals ("SDGs") of the United Nations serve as a guiding compass for Hysan to drive transformative change and address the world's most pressing economic, social, environmental and governance challenges.

We have adopted four SDGs as references for improving our sustainability practices. These SDGs are integrated into our own sustainability framework and help us develop appropriate sustainability programmes and goals. To communicate the impacts of our ESG practices in the markets where we operate, we focus on the four SDGs we have identified as most relevant to our business, as illustrated below.

SDGs	Hysan's contributions towards the SDGs
 <b>Good Health and Wellbeing</b>	<ul style="list-style-type: none"> <li>Promote community wellness and resilience, including health &amp; safety via various programmes and activities, to stakeholders in the community.</li> <li>Establish and maintain comprehensive management policies to provide a safe and healthy environment for our tenants, customers and staff at work and within our community.</li> </ul>
 <b>Decent Work and Economic Growth</b>	<ul style="list-style-type: none"> <li>Promote sustainable economic growth.</li> <li>Support tenants' business growth.</li> <li>Nurture entrepreneurs and incubate innovative new businesses. Provide an inclusive environment of decent work<sup>3</sup>.</li> </ul>
 <b>Sustainable Cities and Communities</b>	<ul style="list-style-type: none"> <li>Make cities and neighbourhoods inclusive, safe, resilient and sustainable.</li> <li>Apply climate actions and develop green/WELL buildings to optimise impacts.</li> <li>Develop smart communities that leverage technology to enhance liveability, connectivity and quality of life for stakeholders.</li> <li>Undertake activities that contribute to community health and wellness, family and children, art and culture, environmental sustainability, diversity and inclusion.</li> </ul>
 <b>Partnerships for the Goals</b>	<ul style="list-style-type: none"> <li>Mobilise multiple resources, including support from project partners, government and non-governmental organisations, to make positive impacts on communities through our operations.</li> <li>Enhance the use of enabling technology to create smart solutions that improve operational efficiency and environmental performance, and develop smart communities to enhance liveability, connectivity and quality of life for stakeholders.</li> </ul>

## Our SBTi commitments

In 2025, we advanced beyond our previous accomplishments by strengthening our Science Based Targets initiative (SBTi) commitments through successful validation.

Looking ahead, our sustainability strategy will remain agile and responsive to emerging needs. We are committed to nurturing vibrant communities through initiatives that enhance social wellbeing, environmental stewardship, economic resilience and liveability.

We are committed to set carbon emissions reduction targets in line with the Paris Agreement to limit global temperature rise to 1.5°C above pre-industrial levels.



To meet the SBTi-validated targets, Hysan is committed to:

**Reducing absolute greenhouse gas emissions by 46.2% by 2031**, covering scope 1 and 2 emissions (compared with our 2021 base year) and scope 3 emissions from purchased goods and services, capital goods, and downstream leased assets (compared with our 2023 base year).

**Achieving net zero by 2050 across our entire value chain**, covering scope 1 and 2 emissions (compared with our 2021 base year) and scope 3 emissions (compared with our 2023 base year).

<sup>3</sup> By "decent work", we mean providing employees with safe working conditions and opportunities for growth, while also promoting equality and respect for all workers.

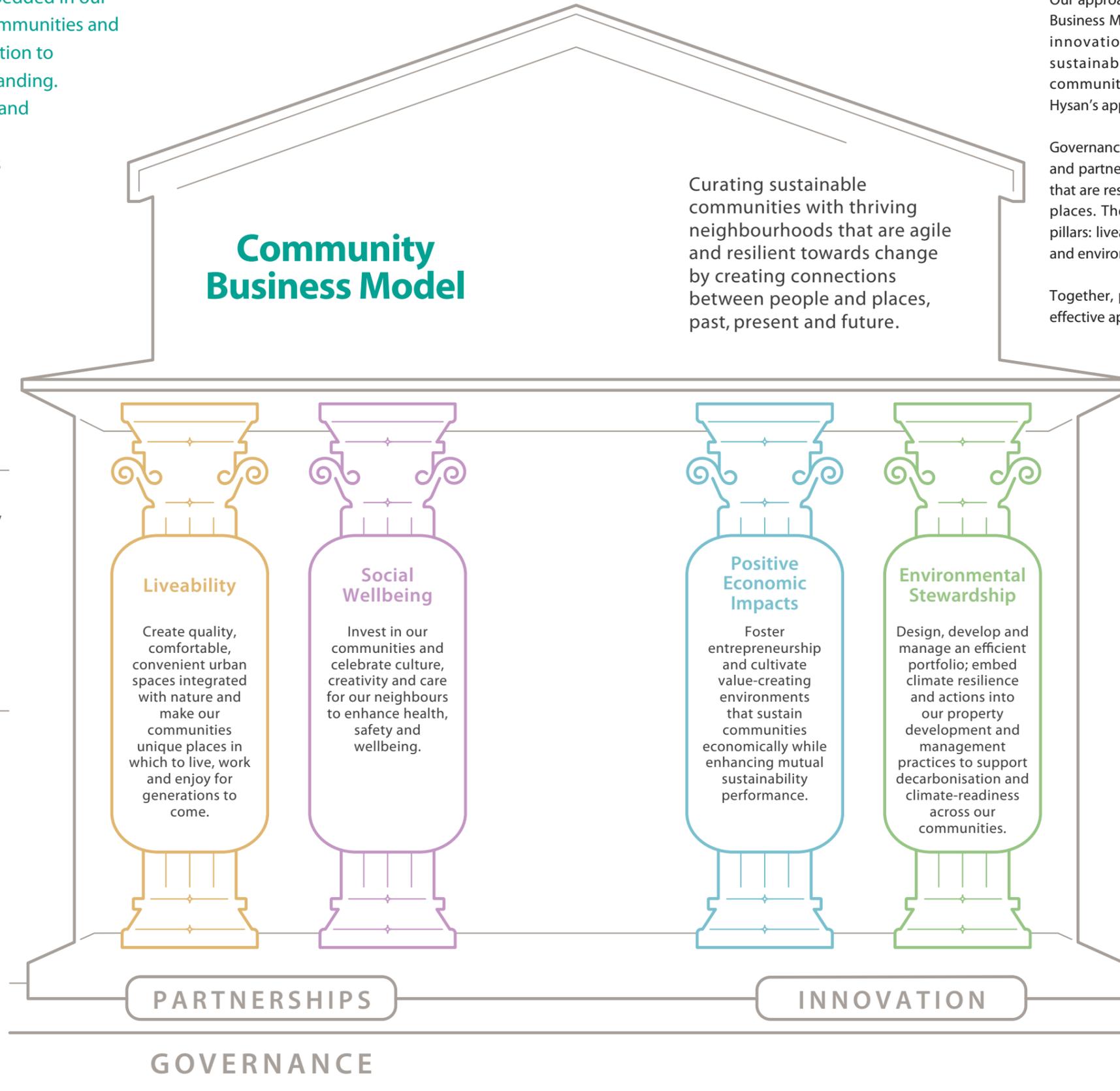
# Sustainability at Hysan

Hysan's sustainability approach is embedded in our commitment to engaging with our communities and delivering on mutual aims. Our dedication to community-driven initiatives is longstanding. The strong foundations we have built and the connections we have formed have enabled us to enhance our Company's positive contributions over the years.

Our approach to sustainability, as illustrated in our Community Business Model ("CBM"), harnesses the power of collaboration, innovation and responsible practices to create a more sustainable and resilient future. With a strong focus on community development, the CBM has become central to Hysan's approach towards sustainability.

Governance is the foundation of our CBM. Through innovation and partnerships, we aspire to curate sustainable communities that are resilient, with lasting connections between people and places. The Community Business Model comprises four key pillars: liveability, social wellbeing, positive economic impacts, and environmental stewardship.

Together, partnerships and innovation create a cohesive and effective approach towards achieving our goals.



**Liveability**

- Placemaking
- Accessibility and Connectivity
- Proximity to Amenities

**Social Wellbeing**

- Community Enrichment & Empowerment
- Collaboration Platform for Social Goodness
- Respectful, Inclusive, and Safe Place to Live and Work

**Positive Economic Impacts**

- Opportunities for Entrepreneurship
- Vibrant and Appealing Environment for Businesses
- Diversified Business Offerings
- Sustainable Finance

**Environmental Stewardship**

- Climate Resilience and Decarbonisation
- Biodiversity in Urban Environment
- Waste Management and Circular Economy
- Green Lease

**Partnerships**

the cornerstone of our approach, allow us to collaborate with stakeholders across our value chain and leverage their collective expertise, resources and networks.

**Innovation**

motivates us to seek creative solutions and adopt new technologies and practices for positive social, economic and environmental outcomes.

## Sustainability at Hysan

### Our Corporate Targets

Building on our refined Community Business Model, we also updated our corporate targets to clearly demonstrate tangible impacts in 2025.

Category	Targets	Base Year	Status
<b>Environment</b>	Achieve 46% reduction in absolute scope 1 and 2 carbon emissions by 2031	2021	<b>On Track</b>
	Achieve 46% reduction in absolute scope 3 carbon emissions by 2031	2023	<b>Partially Achieved</b>
	Achieve 10% reduction in water consumption intensity by 2031	2021	<b>Partially Achieved</b>
	Divert >50% waste from landfill by 2031	Annual	<b>Partially Achieved</b>
	Maintain at least 40% of debt financed by sustainable finance	Annual	<b>Achieved</b>
<b>Community</b>	Engage >500,000 participants by hosting no fewer than 100 events covering arts & culture, wellness, sustainability and family		
	Curate 2 million Happy Hours		
	Maintain Lee Gardens neighbourhood co-existence ratio of traditional trade and modern urban culture shops to 25:75	Annual	<b>Achieved</b>
	Provide support to 30% of the stakeholders in the Lee Gardens neighbourhood to help sustain their businesses		
<b>People</b>	Reduce workplace injury rate to <0.5 injuries per 100 employees by 2030	Annual	<b>Partially Achieved</b>
	Zero work-related employee fatalities	Annual	<b>Achieved</b>
	Increase number of training hours by 30% by 2030	2022	<b>On Track</b>
<b>Governance</b>	Maintain compliance with the Corporate Governance Code ("CG Code") of the Listing Rules	On going	<b>Achieved</b>
	Maintain a minimum of 33% female representation on the Board	On going	<b>Achieved</b>

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# Performance At-a-Glance

**Environment**

- Reduced >19%** of scope 1 and 2 carbon emissions from 2021
- Reduced ~7%** of electricity use from 2021
- Targets validated by the **Science Based Target Initiative (SBTi)**
- Over **38,000 kWh** renewable Energy generated
- 44%** of debt financed by sustainable finance

**Community**

- Curated **>3,000,000 Happy Hours**
- Engaged **>3,300,000 participants** through **>220 events**
- Maintained traditional trade and modern urban culture shops **>25:75 ratio**
- Provided support to **>30%** of the stakeholders in the Lee Gardens neighbourhood to help sustain their businesses

**People**

- Zero** work-related fatalities
- 53%** of management positions<sup>4</sup> held by women
- 6%** year on year increase in total training hour

**Governance**

- Exceeded **33%** representation of female directors on the Board
- Zero** cases of cybersecurity/data privacy breaches

<sup>4</sup> "Management position" is manager grade staff and above.



## Awards and Recognitions

### Best Corporate Governance and ESG Awards 2025

Gold Award – Most Sustainable Organisations Awards (Medium and Small Market Capitalization Category)  
Hong Kong Institute of Certified Public Accountants

### Sustainability Award 2025

Distinction Award (Large Organisation)  
The Hong Kong Management Association

### Best Annual Reports Awards 2025

Excellence Report Award  
Excellence Award in Environmental, Social and Governance Reporting  
The Hong Kong Management Association

### 11th Investor Relations Awards 2025

Best IR Company (Mid Cap)  
Best Annual Report (Mid Cap)  
Best ESG (E) (Mid Cap)  
Best ESG (S) (Mid Cap)  
Best ESG (G) (Mid Cap)  
Hong Kong Investor Relations Association

### WiredScore Certification — Platinum

Portfolio Award  
Certificate of Excellence for Mobile Performance  
WiredScore

### Green Building Award 2025

Grand Award – New Buildings Category (Projects Under Construction and/or Design – Commercial) (Lee Garden Eight)  
Hong Kong Green Building Council

### MIPIM Asia Awards 2025

Best New Development – Silver (Lee Garden Eight)  
MIPIM Asia

### Asia Pacific Property Awards 2025-2026

Best Mixed-Use Development (Hong Kong) (Lee Garden Eight)  
Best Sustainable Commercial Development (Hong Kong) (Lee Garden Eight)  
International Property Media

### MiC/MiMEP Achievement Award 2025

Outstanding MiMEP Project (Design) (Lee Garden Eight)  
Construction Industry Council

### buildingSMART openBIM Awards 2025

Winner in the Category of Sustainability (Lee Garden Eight)  
Hong Kong Chapter of buildingSMART International

## ESG Ratings and Benchmarking

Improved to **"5-star"** Rating in 2025

GRESB REAL ESTATE  
★★★★★ 2025

**MSCI** ESG RATINGS **AA**

ccc | B | BB | BBB | A | **AA** | AAA

Improved to **"AA"** Rating since 2024

**Hang Seng Corporate Sustainability Index Series Member 2025-2026**

Constituent Member of Hang Seng Corporate Sustainability Index Series

**SUSTAINALYTICS**  
a Morningstar company

**RATED**

"Low Risk" in Sustainalytics ESG Risk Rating

**FTSE4Good**

Constituent Member of the FTSE4Good Index Series

# Shaping a Smarter, Greener Lee Gardens Community

Lee Gardens continues to evolve as a dynamic urban district where sustainability and innovation reinforce one another. Through pilot-to-scale technologies, data-driven operations and partnerships advancing low-carbon and community-centric solutions, we are progressively transforming Lee Gardens into a smarter, greener ecosystem. These initiatives enhance efficiency and resilience across our portfolio supporting the overarching goal of creating a more vibrant and adaptable district for tenants, visitors and the wider community.

## SMART



### Driving Innovation in the Construction Industry

Lee Garden Eight adopts MiMEP, becoming Hong Kong's first large-scale private project to apply this innovation, cutting waste and improving construction efficiency.



### AI based Digital Twin Platform for Serviceability, Controllability and Data Transparency

An integrated smart platform that brings together continuous energy, water, waste and air quality monitoring and a tenant app that streamlines everyday building interactions.



### Use of OpenBIM

OpenBIM coordinates BIM across MiMEP production, procurement and assembly, improving design accuracy. Combined with the Asset Information Model, it enables smarter asset management.



### Distant Tower Crane Command System

The Distant Tower Crane Command System applies MiC, AI and IoT for remote crane operation, reducing on-site risk and improving working conditions.



### The Community Lab (LG5)

The Community Lab, created with HKSTP, uses Lee Gardens as a living lab for smart city innovation, enabling startups to test solutions in a real world setting. Since 2021, the Community Lab has run 17 trials, adopted 17 solutions and hosted over 180 events.

### WiredScore Platinum Certification & Portfolio Award

The highest global standard for digital connectivity, with portfolio-wide mobile performance excellence.



### DIGITAL CONNECTIVITY & INFRASTRUCTURE



### EV Charging at Lee Gardens

Hong Kong Island's largest hub, expanding to 600+ fast chargers at Lee Garden Eight, including the first 48-bay EV Supercharging Mega Hub, avoiding 1,050+ tonnes CO<sub>2</sub>e per year.

### Hong Kong's first private-sector district cooling system

Expected to deliver annual energy savings of up to 5 million kWh, release 16,000 sq ft of space, and minimise construction impact via elevated footbridge routing.



### Hong Kong's 1st Private Sector Distributed District Cooling System (DACS)

## GREEN



### >60,000 sq ft Open Space Designed for People: Placemaking in Practice

A 45% site-wide lifestyle park, anchored by a heritage banyan tree, creates a green sanctuary of plazas, terraces and flexible event spaces for relaxation, social connection and dynamic community programming.



### Urban Design for Wellbeing and Connectivity (LG8)

Layered greenery, naturally ventilated spaces, and people centric public realms strengthen ecological performance and urban connectivity while revitalizing Causeway Bay through climate responsive, nature based design.



### A New Lease of Life for an OVT Banyan Tree (LG8)

In Hong Kong's first Old and Valuable Tree (OVT) protection/rehabilitation scheme, Banyan Plaza revived a heritage banyan tree through ecological engineering and soil-cell design. The scheme sets a new urban sustainability benchmark for protecting mature trees in dense city environments.



### Tree-lined Streetscape

Tree-lined streets along Hysan Avenue and Yun Ping Road enhance pedestrian comfort while providing natural shading and cooling.



### Pedestrian Connectivity

All-weather walkways and footbridges connect MTR to Lee Gardens, diverting ~70% of foot traffic above street level and enhancing safe, bird-friendly urban mobility.

Map key

- HP Hysan Place
- LG1 Lee Gardens One
- LG2 Lee Gardens Two
- LG3 Lee Gardens Three
- LG5 Lee Gardens Five
- LG6 Lee Gardens Six
- LG8 Lee Gardens Eight
- LTP Lee Theatre Plaza
- OHA One Hysan Avenue
- LC Leighton Centre

- The Community Lab
- Renewable Energy (Solar PVs)
- EV Charging Bay

## A Community for Wellbeing and a Resilient Future

Lee Gardens is curated as a holistic urban experience where people, nature, and culture come together to shape a thriving, resilient community. Beyond individual buildings, the precinct is envisioned as an interconnected ecosystem that supports everyday wellbeing and long-term liveability. As enhancements progress, a more seamless pedestrian network improves walkability and eases congestion, while thoughtfully designed public spaces and integrated greenery provide comfort and shaded moments of pause. Landscaped terraces, tree-lined streets, and new gathering places further weave nature and social connection into the district, strengthening Lee Gardens as a vibrant, people-centred destination with enduring resilience.

**Urban Park at Hysan Place** HP

Transformed into a skateboard park, creating an active community space that encourages physical activity, social interaction and everyday wellbeing.

#URBAN PARK

**Urban Farm/Sky Wetland** HP

The 8,000 sq ft Urban Farm supports education in sustainable farming; the Sky Wetland treats greywater and serves as a learning space for urban ecology.

**Semi-outdoor Running Track** LG3

Hong Kong's first 90-metre indoor running track at Lee Garden Three supports tenant wellness, complementing the sustainable rooftop and Sky Garden features.

**90 metre**  
indoor running track

**Green Landscape at Lee Gardens** HP LG3

Green walls, butterfly gardens and landscaped rooftops enhance urban biodiversity while providing natural cooling across Lee Gardens.

**Climate-Responsive Façade for Energy Efficiency and Thermal Comfort** LG8

A climatic façade design enhances energy efficiency and occupant comfort, using context-specific solar modelling to guide shading strategies and reduce heat gain.

**Playdot** LG2

A community-centred playgroup promoting learning, interaction and wellbeing, with eco-friendly design, family amenities and EU-compliant safety measures.

**Urban Green Oasis** LG8

Anchored by a century-old banyan tree, the 60,000 sq ft Lifestyle Park at Lee Garden Eight features plazas and terraces offers over 46% tree coverage supporting biodiversity through 40 additional species.

**60,000**  
sq ft Lifestyle Park

**45%**  
tree coverage

**LG8 Community & Cultural Hub** LG8

Performing arts and cultural programmes with HKAPA EXCEL, complemented by childcare, elderly care and health services.

**Heritage Retention at LG8** LG8

Reuse and reinforcement of a 166 m Grade 3 masonry wall, preserving original earthenware elements.

**166 m**  
Grade 3 masonry wall

**3** embedded earthenware pipes

### Seamless Connectivity for an enhanced Lee Gardens experience

**5-7 minute sheltered walk** **70%** pedestrians diverted to bridge level

Weatherproof walkways and footbridges to enhance connectivity and green mobility, enabling a 5-7 minute sheltered MTR-to-LG8 walk, diverting 70% of pedestrians to bridge level and reducing congestion.

MTR HP Hysan Place LG2 Lee Gardens Two LG6 Lee Gardens Six LG8 Lee Gardens Eight

# Stakeholder Engagement and Materiality Assessment

## Stakeholder Engagement

Stakeholders are those significantly affected by our activities and therefore have a vested interest in our success. They play a crucial role in Hysan's business operations.

We engage stakeholders through regular and meaningful communication to understand their expectations of our sustainability performance. Insights gathered from these stakeholder engagement activities informed the identification and assessment of ESG topics based on their actual and potential impacts on the Group and its stakeholders. The outcomes were consolidated into a prioritised list of material ESG topics, enabling us to focus on issues that matter most to both our business and stakeholders.

Our ongoing engagement with stakeholders supports transparency, strengthens trust, and helps ensure our sustainability efforts remain aligned with stakeholder needs and aspirations. Multiple communication channels have been established to facilitate open, timely and regular engagement. Through these channels, we are able to gather feedback and make more informed business decisions.

Our stakeholder groups include employees, tenants, customers, local communities, NGOs, shareholders and investors, suppliers and vendors, and government. The following table shows how we typically engage these key groups.

### Key Engagement Channels



#### Employees

- Intranet and internal circulations
- Lunch and Learn/training sessions
- Task force meetings
- Staff engagement events
- Focus groups/interviews/surveys



#### Tenants

- Information kits/circulars
- Workshops/activities
- Tenant relationship personnel
- Mobile app
- Focus groups/interviews/surveys



#### Customers

- Public education activities
- Community engagement events
- Corporate website
- Mobile app
- Focus groups/interviews/surveys
- Lee Gardens Association



#### Shareholders and Investors

- Annual general meeting and results announcements
- Annual and interim reports
- Corporate website



#### Vendors (including contractors and suppliers)

- Tendering and procurement process
- Stakeholder engagement events with service providers
- Regular meetings
- Focus groups/interviews/surveys



#### Government and Regulators

- Regular meetings/special meetings
- Signatories of government campaigns
- Conferences



#### Local Community and NGOs

- Community engagement events
- Lee Gardens Association
- Organisational memberships
- Memberships on Task Force and Committees
- Partnership at volunteering events
- Stakeholder tours
- Focus groups/interviews/surveys

In 2025, we commissioned an independent consultant to conduct a comprehensive materiality assessment. The objective was to gather feedback from both internal and external stakeholders to understand their expectations for our sustainability performance and their views on the significance of various ESG topics. This process enabled us to contextualise, identify, and prioritise sustainability-related opportunities from a stakeholder perspective, ensuring our strategies are better aligned with their needs and expectations.

The assessment began with research and peer benchmarking to identify and update potentially material ESG topics, which were grouped into three key categories: environmental, social, and governance. We then carried out a series of stakeholder engagement activities, including focus group discussions, management interviews, and an online survey, to collect insights. After evaluating each topic’s importance to both our business and stakeholders, we used the findings from our engagement activities for our materiality analysis. The Sustainability Committee subsequently reviewed and endorsed the results, including the prioritised ESG topics and the finalised materiality matrix.

**Approach to Stakeholder Engagement in 2025**



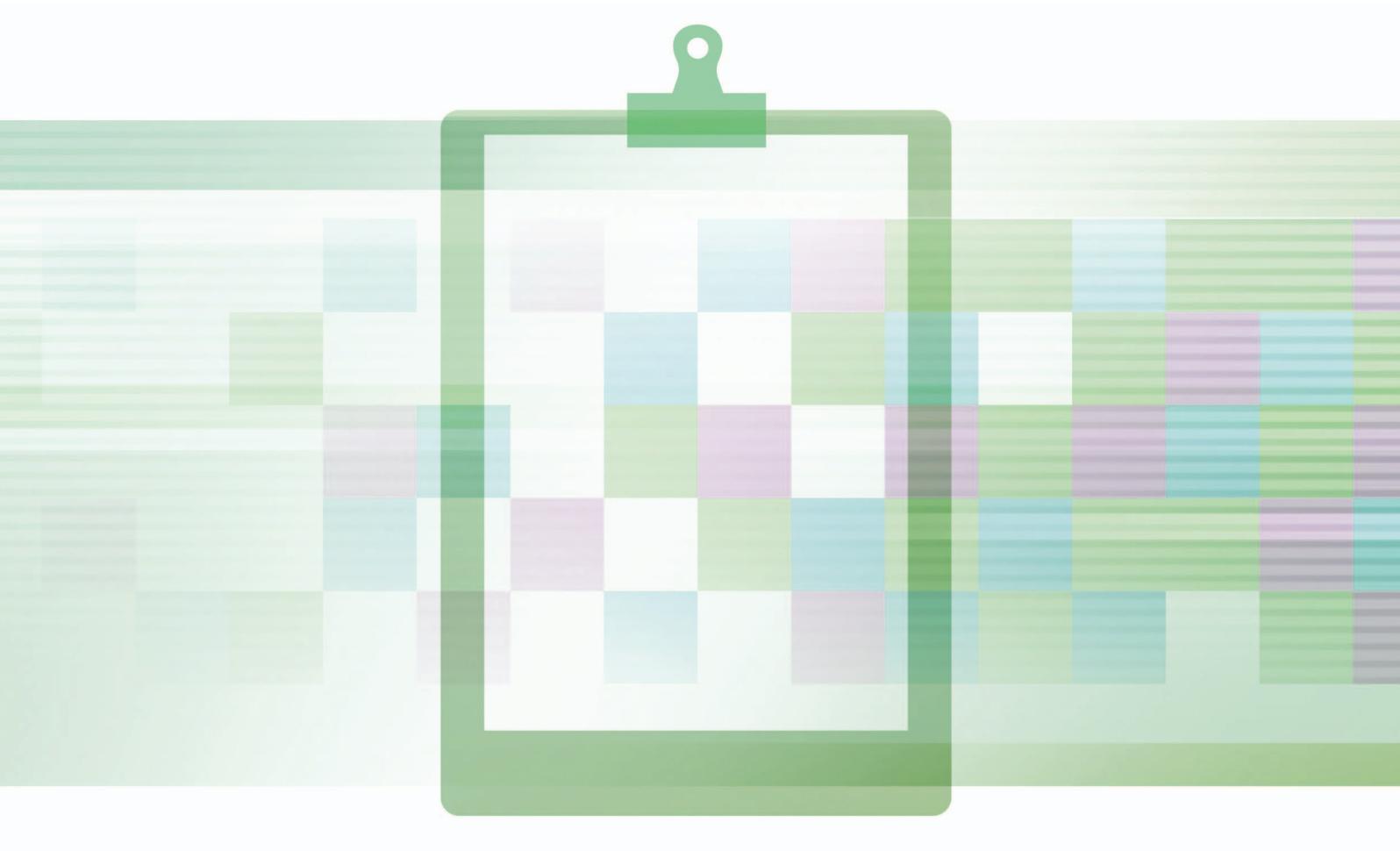
# Stakeholder Engagement and Materiality Assessment

## Materiality Assessment

In our 2025 materiality assessment, we reviewed global megatrends, industry peers, local regulations, global rating agency research and other pertinent factors. Based on this review, we streamlined the ESG topics from 25 in 2024 to 22 in 2025. The 22 material ESG topics made reference to the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), and the latest industry trends, best practices and their relevance to our operations.

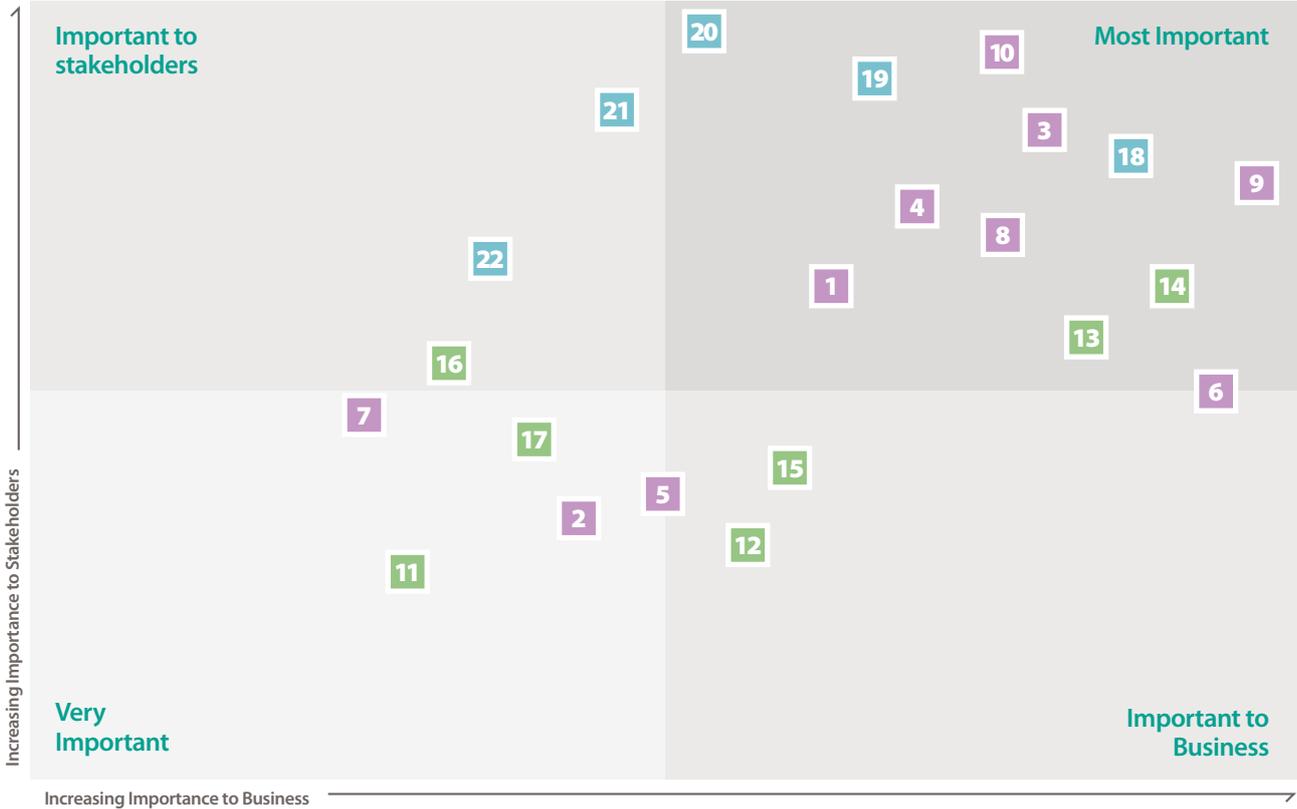
Based on this assessment, we have highlighted the top 3 identified material topics from each aspect:

<p><b>Social</b></p> <ul style="list-style-type: none"><li><b>3</b> Employee Attraction and Retention</li><li><b>8</b> Technology, AI and Innovation</li><li><b>10</b> Wellness, Health and Safety</li></ul>	<p><b>Environmental</b></p> <ul style="list-style-type: none"><li><b>13</b> Energy Efficiency Management</li><li><b>14</b> Green and Healthy Buildings</li><li><b>15</b> Greenhouse Gas Emissions</li></ul>	<p><b>Governance</b></p> <ul style="list-style-type: none"><li><b>18</b> Corporate Governance</li><li><b>19</b> Cybersecurity</li><li><b>20</b> Ethics and Integrity</li></ul>
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Through the focus group discussions, management interviews and online survey, we prioritised the material issues shown below.

**The Materiality Matrix**



**Social**

- 1 Community Investment and Engagement
- 2 Diversity and Inclusivity
- 3 Employee Attraction and Retention
- 4 Employee Development
- 5 Heritage and Culture
- 6 Inclusive Placemaking
- 7 Local Economic Development
- 8 Technology, AI and Innovation
- 9 Tenant/Customer Engagement and Satisfaction
- 10 Wellness, Health and Safety

**Environmental**

- 11 Biodiversity
- 12 Climate Resilience
- 13 Energy Efficiency Management
- 14 Green and Healthy Building
- 15 Greenhouse Gases Emissions
- 16 Waste Management and Circularity
- 17 Water and Wastewater Management

**Governance**

- 18 Corporate Governance
- 19 Cybersecurity
- 20 Ethics and Integrity
- 21 Sustainable Procurement and Supply Chain Management
- 22 Sustainable Finance

# Stakeholder Engagement and Materiality Assessment

## Growing Emphasis on Social Outcomes

Stakeholder expectations in 2025 continued to emphasise social impact and governance, while environmental priorities are increasingly being centred on operational efficiency rather than broader climate-related themes. Compared with previous engagement cycles, stakeholders have been showing a notable shift towards social topics, particularly Community Investment and Engagement and Technology, and AI & Innovation, reflecting growing interest in social value creation and digital enablement.

Governance remains a consistently critical area, with Corporate Governance and Ethics & Integrity continuing to rank highly, alongside a heightened focus on Cybersecurity in response to rising data and technology-related risks.

On the environmental front, Energy Efficiency Management and Green & Healthy Buildings remain the most important priorities; however, external stakeholders overall expressed relatively lower expectations on environmental topics, particularly Climate Resilience and Greenhouse Gas Emissions, compared with prior stakeholder engagement exercises.

A summary of actions identified to address the material issues is provided in the table below. Details of the progress made are described throughout the respective sections of this Sustainability Report.

Consistent with our Community Business Model, the 22 ESG topics were arranged within a four pillar framework and aligned with our foundation of corporate governance.

### Summary of Material issues

Community Business Model	Numbers	Materiality Topics	Importance of Impact		Key Actions to address the issues
			Internal	External	
Governance	18	Corporate Governance	✓	✓	<ul style="list-style-type: none"> <li>Robust Board governance structure with 50% INEDs and 30% NEDs</li> <li>Measurable objective for Board diversity to maintain a minimum of 33% female representation on the Board, with an ultimate goal of achieving gender parity at the Board level</li> <li>Conduct annual Board effectiveness evaluation which exceed the requirement of CG Code under the Listing Rules</li> <li>Regular training provided to the Board of Directors</li> <li>Board oversight on ESG and Climate Change issues</li> </ul>
	19	Cybersecurity	✓	✓	<ul style="list-style-type: none"> <li>Maintain zero cybersecurity-related incidents</li> <li>Perform comprehensive risk assessments to identify vulnerabilities and potential threats to the IT systems</li> <li>Strategy to mitigate cyber threats e.g., implemented MDR and MDM solutions</li> <li>Regular mandatory training for employees</li> </ul>
	20	Ethics and Integrity	✓	✓	<ul style="list-style-type: none"> <li>Provide compliance policy training to employees</li> <li>Perform regular internal audits to ensure regulatory compliance</li> </ul>
	21	Sustainable Procurement and Supply Chain Management	✓	✓	<ul style="list-style-type: none"> <li>Sustainable Procurement Policy and Supplier Code of Conduct</li> <li>Proactive collaboration with suppliers and vendors on aligning sustainability goals in the procurement process</li> <li>Supply chain engagement exemplified in the high adoption of MiMEP at Lee Garden Eight construction</li> </ul>

Community Business Model	Numbers	Materiality Topics	Importance of Impact		Key Actions to address the issues
			Internal	External	
Positive Economic Impacts	9	Tenant/Customer Engagement and Satisfaction	✓	✓	<ul style="list-style-type: none"> <li>Customer hotlines</li> <li>Act on feedback by addressing customer concerns, making necessary improvements.</li> <li>Engaging tenants on food waste and other waste collection programmes</li> <li>Wellness programme engagement: Hysan Running Community for stakeholders, skateboard classes for tenants</li> <li>Launched Lee Gardens Community Green Pledge</li> </ul>
	22	Sustainable Finance	✓		<ul style="list-style-type: none"> <li>44% of debt financed by a sustainable financial instrument</li> </ul>
	7	Local Economic Development		✓	<ul style="list-style-type: none"> <li>Organised various marketing events to attract footfall to Lee Gardens Area.</li> <li>Provided support to 30% of the stakeholders in the Lee Gardens neighbourhood</li> </ul>
Social Wellbeing	3	Employee Attraction and Retention	✓		<ul style="list-style-type: none"> <li>Employee benefits provided for wellness and work life balance</li> <li>Training programmes and engagement events</li> </ul>
	4	Employee Development	✓		<ul style="list-style-type: none"> <li>Hysan Academy, Hysan Forum and Lunch and Learn sessions</li> <li>Training, education and professional membership sponsorships for employees</li> </ul>
	1	Community Investment and Engagement		✓	<ul style="list-style-type: none"> <li>Lee Garden Eight to include 60,000 sq ft of green public open space</li> <li>Established a first covered skateboard park at Hysan Place</li> <li>Curated &gt;3,300,000 Happy Hours through &gt;220 community events</li> </ul>
	5	Heritage and Culture		✓	<ul style="list-style-type: none"> <li>Regular gLEEful Music and Urban Talks programmes</li> <li>Promote urban culture, e.g. skateboarding, tattooing</li> </ul>
	2	Diversity and Inclusivity	✓	✓	<ul style="list-style-type: none"> <li>A signatory of the Racial Diversity and Inclusion Charter for Employers by the Equal Opportunities Commission</li> <li>Provision of nursing rooms in our head offices and in our portfolio</li> <li>Diversity &amp; Inclusion talk and training sessions for employees</li> </ul>
Liveability	10	Wellness, Health and Safety	✓	✓	<ul style="list-style-type: none"> <li>Attained WELL HSR at all properties in the Lee Gardens portfolio</li> <li>Application of medical grade antimicrobial air filters in our MVAC system</li> <li>Provision of wellness programmes to stakeholders e.g., Hysan Running Community</li> </ul>
	8	Technology, AI and Innovation		✓	<ul style="list-style-type: none"> <li>The Community Lab and Last-mile Testing Programme</li> <li>Technology-related training series</li> </ul>
	6	Inclusive Placemaking		✓	<ul style="list-style-type: none"> <li>Lee Gardens Rejuvenation</li> <li>Lee Garden Eight to include 60,000 sq ft of green public open space</li> <li>Barrier-free design at Lee Garden Eight</li> <li>24-hour weatherproof covered walkways</li> </ul>

# Stakeholder Engagement and Materiality Assessment

Community Business Model	Numbers	Materiality Topics	Importance of Impact		Key Actions to address the issues
			Internal	External	
Environmental Stewardship	14	Green and Healthy Building	✓	✓	<ul style="list-style-type: none"> <li>Reduce air pollution in construction by encouraging the use of electrified power plants and equipment</li> <li>Maintained good and above rating of IAQ certification in our portfolio</li> <li>&gt;70% of commercial buildings by GFA are certified as green buildings</li> <li>First HKGBC Zero Carbon Ready Building scheme attained for whole HK portfolio</li> <li>Pursue BEAM Plus/LEED certifications for existing buildings in the portfolio</li> </ul>
	13	Energy Efficiency Management	✓	✓	<ul style="list-style-type: none"> <li>Facilities improvements, e.g. energy audits and re-commissioning</li> <li>Whole-life cycle facilities management plan</li> <li>Application of smart Building Management System (BMS)</li> <li>Design target for “super-low carbon ready” for Lee Garden Eight project</li> </ul>
	15	Greenhouse Gases Emissions	✓	✓	<ul style="list-style-type: none"> <li>Implemented measures to reduce electricity use in our portfolio, e.g. smart chiller plant</li> </ul>
	12	Climate Resilience	✓	✓	<ul style="list-style-type: none"> <li>Incorporated climate resilience design in Lee Garden Eight</li> <li>Asset-level climate assessment conducted</li> <li>Committed to SBTi</li> </ul>
	16	Waste Management and Circularity	✓	✓	<ul style="list-style-type: none"> <li>Provision of tenant recycling facilities</li> <li>Engagement activities to educate stakeholders on waste management</li> <li>Use of innovative solutions such as Food TranSmarter for handling food waste, enabling waste to energy</li> <li>Design to achieve zero landfill at Lee Garden Eight</li> </ul>
	17	Water and Wastewater Management	✓	✓	<ul style="list-style-type: none"> <li>Sky Wetland at Hysan for tertiary treatment of wastewater for educational demonstration</li> <li>Rainwater harvesting installation in our portfolio</li> <li>Attained WSD Quality Water Supply Scheme for Buildings</li> </ul>
	11	Biodiversity	✓	✓	<ul style="list-style-type: none"> <li>Conducted ecological baseline survey</li> <li>Urban Farm for organic farming at Hysan Place</li> <li>Old and Valuable Trees (OVT) preservation at Lee Garden Eight project</li> </ul>

# Our Sustainability Performance and Progress

At Hysan, sustainability is one of our core values. Over the years, we have made steady progress across our key focus areas — governance, environment, people and community. Our progress in 2025 reflects our ongoing commitment to climate action, people development and community wellbeing. Through close collaboration across our teams and partners, we continue to enhance our performance and contribute to the sustainable growth of our business and the wider community.

- 24** Sustainability Governance

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- 36** Environment

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- 62** People

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- 74** The Community

# Sustainability Governance



Exceeded

# 33%

representation of female directors on the Board



# Zero

cases of cybersecurity/  
data privacy breaches

Sustainable development forms the cornerstone of Hysan's long-standing commitment to creating value for our stakeholders. Robust governance underpins our Community Business Model, embedding sustainability principles across decision-making and daily operations to optimise long-term value. This framework enables continuous refinement of our sustainability strategies and policies, reinforcing responsible business practices and keeping sustainability central to our operations.

## Governance Structure

The Board remains Hysan's highest governance authority, accountable for the Group's success and the effectiveness of our corporate governance framework. Through a deliberate long-term succession plan balancing experience, expertise, diversity and tenure, the Board has undergone orderly refreshment in recent years — infusing fresh skills and perspectives to support strategic growth while maintaining continuity.

Four Board committees support the Board, including the Audit and Risk Management Committee, Remuneration Committee, Nomination Committee and Sustainability Committee.

## Sustainability Committee Composition and Role

The Sustainability Committee plays a pivotal role, providing strategic direction and expert guidance to the Board on ESG risks and sustainable development issues material to Hysan. The Sustainability Committee is chaired by Independent Non-Executive Director Ms. Young Elaine Carole, alongside Independent Non-Executive Directors Ms. Wong Ching Ying Belinda and Non-Executive Director Mr. Lee Tze Hau Michael, the Committee comprises diverse senior management from varied industry backgrounds to ensure well-rounded oversight.

## Strong Governance and Oversight



- ✓ Board independence and diversity: Independent directors lead key committees, ensuring objective oversight and broad perspectives.
- ✓ Robust policies and transparency: Clear terms of reference, regular meetings, and open disclosures in the Annual Report.
- ✓ Effective ESG risk management: The Sustainability Committee actively reviews strategy, science-based targets, climate preparedness, innovation, and community wellbeing.

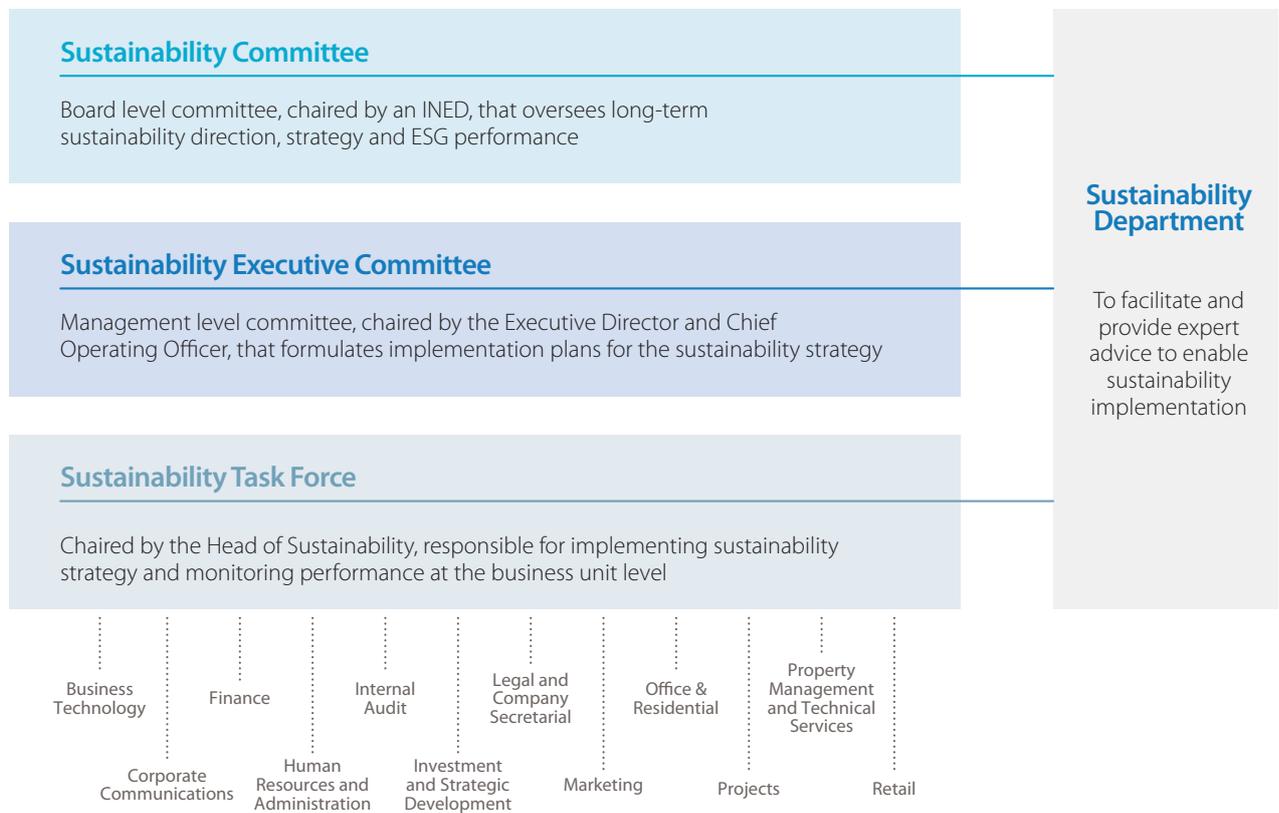
### Committee Activities and Responsibilities

As per the Terms of Reference of the Sustainability Committee, the Sustainability Committee has been meeting at least once a year. In 2025, two meetings were held, covering updates on science-based targets, climate change preparedness, innovations and technologies to support sustainable development, and initiatives that enhance community wellbeing. A fuller “Sustainability Committee Report” presented by the Committee Chairman is available in our Annual Report 2025.

### Implementation and Accountability

Operationally, the Executive Director and Chief Operating Officer lead the Sustainability Executive Committee, comprising department heads responsible for formulating and executing the Group’s sustainability strategies, net-zero pathway, and major stakeholder engagement initiatives. The Sustainability Department provides technical expertise and guidance, ensuring the integration of sustainability principles and best practices into daily operations, and oversees the Sustainability Task Force to drive implementation across the organisation.

This multi-layered governance structure ensures strong, independent Board-level oversight of ESG issues, embedding sustainability at the core of Hysan’s business and reinforcing accountability, transparency and continuous improvement.



## Sustainability Governance

### Sustainability Committee Members

#### **Young Elaine Carole,**

##### **Independent Non-Executive Director; Chairman of the Sustainability Committee**

Ms. Young has extensive experience in both real estate and hospitality across Asia. She is the co-founder of the boutique serviced apartment brand, Shama. After Shama was acquired by ONYX Hospitality Group in 2010, Ms. Young founded her own real estate and hospitality consultancy firm. In 2017, Ms. Young co-founded TULU, a Shanghai based Co-Living brand. Ms. Young is a special advisor to one of Warburg Pincus' joint ventures in China, NOVA Property Investment Co. Ltd., and sits on its board. Ms. Young is also the co-chair of The Mekong Club, a non-profit organisation that fights modern day slavery. She was named "Entrepreneur of the Year" at the prestigious RBS Coutts/Financial Times Woman in Asia Awards in 2009.

Ms. Young served as an independent non-executive director of Link Asset Management Limited (as manager of Link Real Estate Investment Trust) for nine years until 31 January 2022 and was a member of its finance and investment committee and remuneration committee. She was an independent non-executive director of Ascott Residence Trust Management Limited, the manager of Ascott Residence Trust listed on The Singapore Exchange Securities Trading Limited, and was a member of its audit committee.

#### **Wong Ching Ying Belinda,**

##### **Independent Non-Executive Director, Member of the Sustainability Committee**

Ms. Wong was the former chairwoman and chief executive officer of Starbucks China. Under her visionary leadership, Starbucks expanded its retail presence over 15-fold, reaching more than 7,500 company-owned stores across 1,000 cities and solidifying China as its largest international market. Ms. Wong positioned the brand at the forefront of retail innovation, championing digital initiatives that revolutionised operations and enhanced customer experiences. Notably, she created an omni-channel business model that generated half of the sales of Starbucks China and developed a highly successful loyalty programme with nearly 150 million members.

Ms. Wong joined Starbucks Coffee Company in 2000 and held leadership positions across a variety of business units and geographies, including marketing director for the Asia Pacific region of Starbucks Coffee, managing director of Starbucks Singapore and general manager of Starbucks Hong Kong. She has extensive experience in retail, food and beverage, people, brand development and growth strategy across the Greater China and Asia Pacific regions.

Ms. Wong is currently an independent non-executive director of Chow Tai Fook Jewellery Group Limited and an independent director of Canada Goose Holdings Inc. (listed on the New York Stock Exchange and Toronto Stock Exchange). She also serves as a member of the Faculty Advisory Board for the University of British Columbia's Sauder School of Business. Ms. Wong was an independent non-executive director of Television Broadcasts Limited. Ms. Wong holds a Bachelor of Commerce degree with a major in finance from the University of British Columbia in Canada.

#### **Lee Tze Hau Michael,**

##### **Non-Executive Director, Member of the Sustainability Committee**

Mr. Lee is currently a director of Oxer Limited, a private investment company. He was previously the chairman of the Board of Stewards of The Hong Kong Jockey Club, an independent non-executive director of Chen Hsong Holdings Limited, Hong Kong Exchanges and Clearing Limited and Trinity Limited, and an independent non-executive director and chairman of OTC Clearing Hong Kong Limited. He was also a member of the Main Board and Growth Enterprise Market Listing Committees of The Stock Exchange of Hong Kong Limited.

Mr. Lee is a member of the founding Lee family and a director of Lee Hysan Company Limited, a substantial shareholder of the Company. Mr. Lee received his Bachelor of Arts degree from Bowdoin College and his Master of Business Administration degree from Boston University.

## Policies and Guidelines

The Sustainability Executive Committee establishes Hysan's sustainability policies across all properties and departments. Comprising representatives from each department, the Sustainability Task Force executes projects and initiatives in line with these policies, ensuring consistent implementation.

The sustainability-related policies standardise practices and provide clear direction on sustainability issues. The Board-level Sustainability Committee regularly reviews and updates the policies to align with stakeholder expectations, industry standards and market developments. All staff receive ongoing training to deepen understanding and ensure effective application.

### Gap Assessment and Climate Disclosure

To prepare for the latest ESG Reporting Code, Hysan engaged a third party in 2024 to assess gaps in its sustainability and annual reports. Areas for improvement were identified, particularly Part D indicators on climate-related disclosure. In 2025, climate risk asset-level assessments across the portfolio showed results, particularly for the Lee Garden portfolio. More details of the results are shared in the environmental chapter of this report — "Climate Resilience and Adaptation".

### Board Oversight and Training

Under Board supervision, the Sustainability Committee actively engages on regulatory updates, industry trends and peer insights. Covered in ESG news digests, briefings, webinars and reading materials, session topics included HKEX's climate disclosure evolution and our climate assessment findings, helping our leadership to make informed decisions.

### Sustainability-related Policies

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Sustainability Policy

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Climate Change Policy

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Environmental Policy

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Health and Safety Policy

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Sustainable Procurement Policy

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Supplier Code of Conduct

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### Governance and Compliance Policies

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Anti-Bribery and Corruption Policy

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Anti-Fraud Policy

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Board Diversity Policy

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Code of Ethics

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Code of Corporate Governance

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Corporate Culture Statement

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Human Rights Policy

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Whistleblowing Policy

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Workforce Diversity Policy

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### Integration of ESG Performance into Accountability and Remuneration

Sustainability performance is integrated into employee performance reviews across the organisation, with specific ESG objectives and targets tailored to different roles and levels.

#### Leadership Accountability

The Executive Director and Chief Operating Officer, who chairs the Sustainability Executive Committee, is directly accountable for achieving corporate ESG targets, including carbon reduction and Health & Safety performance, alongside business objectives.

# Sustainability Governance

## Departmental Responsibilities

The Sustainability Department facilitates and advises on the formulation and implementation of the sustainability strategy. Project teams are responsible for delivering developments with significant sustainability features on schedule, while Property Management and Technical Services staff are evaluated on their achievement of phased energy reduction goals. Other departments have sustainability objectives relevant to their operations, with targets set under the Community Business Model, which is fully integrated into Hysan's business strategy.

## Performance Monitoring and Remuneration Linkage

All performance is monitored, and achievements in ESG are considered in employee performance reviews, ensuring that sustainability outcomes are directly or indirectly linked to remuneration and career progression.

## Ethics and Anti-corruption Commitment

Hysan is committed to upholding a high standard of integrity and ethical conduct in all business activities. Our long-standing reputation for honesty, trustworthiness and fair play is a key asset that supports Hysan's sustainable growth and long-term success. The Code of Ethics sets out clear expectations on conflicts of interest, bribery, competition and antitrust, data privacy and equal opportunities. All Directors and employees are required to comply fully with the Code and to confirm in writing, upon joining, that they have read and understood its provisions.

## Policies and Training

We have a policy aligned with the Competition Ordinance of Hong Kong, applicable to all employees, that strictly prohibits any form of anti-competitive behaviour. Our Anti-Fraud Policy promotes an ethical culture and reinforces our zero-tolerance stance on fraud, while the Anti-Bribery & Corruption Policy strengthens controls and procedures already embedded in the Code of Ethics.

Anti-corruption training is provided to all Directors and employees. Directors receive materials as part of a comprehensive memorandum on their duties and responsibilities, available on a digital board portal. On a half-yearly basis, senior management are reminded of their obligations, which are outlined on our intranet. All employees must complete anti-corruption training within their first three months of employment, via a mobile learning platform that offers live videos and interactive content enabling colleagues to learn at their own pace. In 2025, we invited a community relations officer from the Independent Commission Against Corruption (ICAC) to host integrity training for all new joiners.

## Compliance

During the year, there were no cases of non-compliance with relevant laws and regulations that had a significant impact on the Group.

## Whistleblowing Policy

Hysan maintains a robust whistleblowing policy to uphold compliance with corporate policies and applicable laws. This policy enables employees to report any irregularities or potential non-compliance in complete confidence to an independent third party. Employees who raise genuine concerns under this policy are assured fair treatment and protection against unfair dismissal, victimisation or disciplinary action, even if the concerns are ultimately unsubstantiated.

## Reporting and Investigation Process

Any whistleblower who becomes aware of misconduct, malpractice, or irregularity within the Group is encouraged to report it promptly to the designated independent third party. The whistleblower's identity will remain strictly confidential unless disclosure is required for regulatory investigations or legal proceedings. The independent third party will conduct a thorough investigation and report its findings to the Audit and Risk Management Committee, with the Internal Audit Department copied for oversight and follow-up.

## Policy Resources and Compliance

For more information, please refer to our Code of Ethics, Anti-Bribery and Corruption Policy, Anti-Fraud Policy, and Whistleblowing Policy available on our website. During the reporting period, no whistleblowing cases were reported at Hysan.

## Intellectual Property Rights

All Hysan employees are required to safeguard the Company's intellectual property, according to the Company's relevant requirements and applicable laws and regulations as stated in our Code of Conduct. Any intellectual property or technology developed during employment with Hysan is considered the Company's property. Employees shall ensure the Company's technology and facilities are used ethically and lawfully under the Company's policies and procedures and applicable laws and regulations.

## Cybersecurity

Hysan recognises the critical importance of cybersecurity in protecting our information and assets in today's rapidly evolving digital landscape. We treat cybersecurity as a strategic priority, continuously strengthening our defences against emerging threats while safeguarding hardware, software and data. By prioritising cybersecurity, we strive to maintain the trust of our stakeholders and uphold the security of our operations in an ever-changing digital environment.

## Strengthening Cyber Defenses



In 2025, defences were strengthened through the implementation of

- ✓ Zero trust network access,
- ✓ Next generation threat monitoring with managed response,
- ✓ System modernisation, and
- ✓ Employee cybersecurity training.

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**ZERO** cybersecurity incidents recorded.

Throughout 2025, Hysan advanced our cybersecurity posture through a few key security initiatives. These included the implementation of Zero Trust Network Access (ZTNA) for all end users, verifying every user and device before granting access. As a result, both internet and private network security in our mobile work environment were significantly enhanced. Complementing this, we adopted Next-Generation SIEM (NG-SIEM) with Managed Detection and Response (MDR) services, delivering 24/7 monitoring and instant threat neutralisation.

In a major milestone during the year, we fully migrated to Windows 11 in order to eliminate legacy vulnerabilities and leverage cutting-edge security features. Building on last year's cloud-based email security upgrade, which utilises AI and machine learning for real-time phishing and malware defence, these enhancements create layered protection across our digital ecosystem.

Additionally, we maintained regular cybersecurity awareness training via our comprehensive platform, offering multilingual materials and simulated phishing campaigns. After completing the training, all employees demonstrated stronger vigilance across the organisation. No cybersecurity incidents were recorded in 2025.

## Personal Data Privacy

Hysan places the highest priority on safeguarding personal data privacy across all operations. We dedicate significant resources to promoting awareness and ensuring compliance with the Personal Data (Privacy) Ordinance of Hong Kong, particularly its data protection principles.

### Data Protection Framework and Oversight

Our comprehensive data protection framework ensures that privacy concerns raised within departments are promptly reviewed and addressed. We have a Group Data Privacy Inventory, which each department is responsible for updating periodically. Our Internal Audit Department conducts periodic compliance audits to verify that internal controls are effectively implemented and risks of privacy exposure are minimised.

# Sustainability Governance

## Data Privacy Management Group

To further strengthen governance, we established the Data Privacy Management Group (“DPMG”) in 2022. Led by the Data Privacy Officer and the General Manager of Internal Audit, the DPMG manages escalated privacy issues and ensures their timely resolution. It reports directly to the Executive Director and Chief Operating Officer, and Chief Financial Officer.

## Policies, Guidelines and Training

We also have a comprehensive handbook and clear guidelines on data privacy, with guidelines on mitigating system development risks, restricting third-party access, and following incident response and escalation procedures. It has been circulated to all employees. In addition, we have published two in-house documents: the Privacy Compliance Policy and the Procedure for Handling and Reporting a Data Breach, to reinforce our data protection framework. These documents outline compliance requirements and protocols for managing data breaches.

Hysan remains committed to upholding data protection protocols. We conduct regular online training sessions to keep our employees well-informed on these protocols and will periodically update policies to reflect evolving business needs and regulatory changes.

During the year, there were no cases of non-compliance related to data privacy that had a significant impact on the Group.

## Supply Chain Management

Hysan implements rigorous supply chain management practices to ensure the efficiency, reliability and overall success of our operations. We recognise that an effective supply chain is essential for delivering high-quality products and services to our customers while minimising costs and risks.

## Policy, Internal Control and ESG Integration

Hysan maintains procurement governance that ensures transparent processes, competitive sourcing, proper approvals and compliance with audit requirements. Building on the 2024 audit, the Internal Audit Department conducted a Group Procurement Review in 2025 to assess and reinforce compliance with procurement policies, including alignment with the Sustainable Procurement Policy.

### Reinforcing Supply Chain Governance



In 2025, supply chain practices were reinforced through procurement policy updates and enhanced ESG compliance monitoring, supported by internal Audit.

### Advancing ESG Aligned Supplier Engagement

Consistent engagement with suppliers was maintained throughout the year to communicate Hysan’s environmental and social requirements through structured stakeholder engagement, including focus groups and continual communication with contractors. This supports alignment on ESG expectations, particularly safety, across the supply chain.



The Sustainable Procurement Policy serves as our guiding framework for procurement decisions, aiming to minimise environmental impact and deliver positive social outcomes. We periodically assess and review our supply chain against these commitments and standards, and continue to explore ways to strengthen monitoring of supplier performance, particularly key suppliers. To ensure staff are well-informed, we provide training on sustainable practices and encourage innovative, efficient approaches to daily operations.

Our Supplier Code of Conduct outlines the legal and regulatory requirements that service providers must follow, including corporate governance, anti-corruption, labour standards, environmental protection, health and safety, and data privacy. Suppliers are also required to comply with Hysan's Human Rights Policy, which prohibits child labour and forced or involuntary labour. Compliance is regularly reviewed, and any identified issues may result in corrective actions, including discontinuing future engagement with the supplier.

#### **Supplier Communication and Engagement**

Hysan engages with suppliers to promote sustainable procurement practices and communicate environmental and social requirements. For new development projects such as Lee Garden Eight, as well as for rejuvenation projects, Hysan works with both main contractors and renovation/fit-out contractors. Specific guidelines have been established for rejuvenation projects to ensure sustainable practices are extended throughout the supply chain. Collaboration with partners and contractors supports the adoption of innovative construction methods, including over 80% MiMEP application at Lee Garden Eight, resulting in improved efficiency and reduced environmental impact.

For rejuvenation site works, Hysan holds bi-weekly meetings with contractors to review progress, address safety and environmental issues, and ensure compliance. We work closely with all contractors, including smaller and specialist contractors involved in renovation and fit-out projects to ensure safe and sustainable practices throughout the supply chain.

Following the construction-related fire incidents in Hong Kong in 2025, we further reinforced fire safety focus across our supply chain, with particular emphasis on fire prevention, site discipline, and emergency preparedness. Safety requirements and expectations were reiterated through formal communication and structured engagement sessions, ensuring clear understanding and consistent application. Additional focus was placed on fire risk controls, emergency response procedures, and on-site accountability, in line with prevailing regulatory requirements and evolving industry best practices.

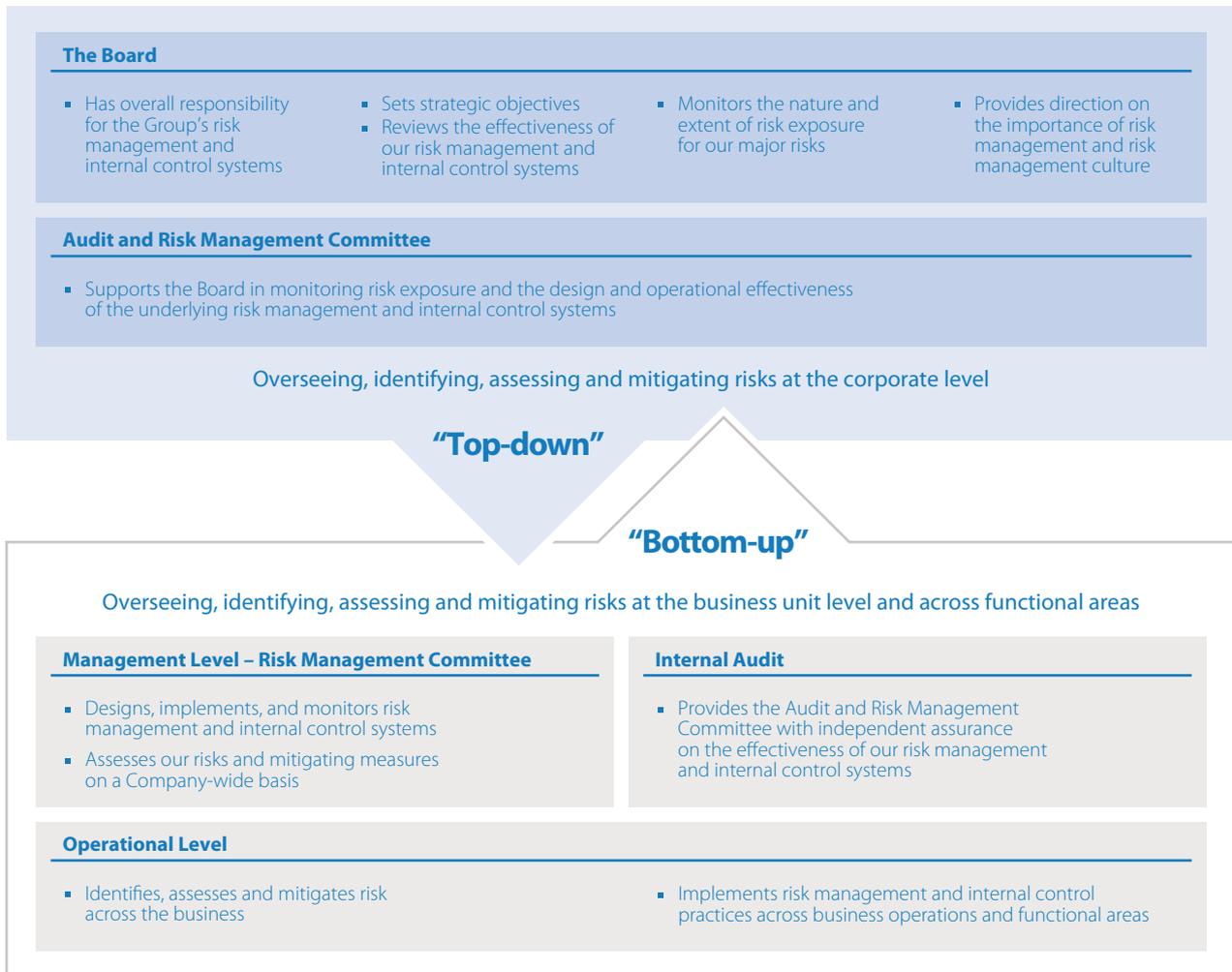
## **Risk Management**

Hysan has established an effective ESG risk management mechanism to identify, assess, review and manage enterprise risks across the Group. ESG-related risks, climate risks and other potential risks are integrated into our multi-disciplinary risk management system.

During the reporting year, we conducted an ESG risk assessment to strengthen the Group's risk mitigation and response capabilities. Business units are required to identify and highlight the key risks in their operations and assess the risk level according to their likelihood, impact and risk velocity based upon a defined risk-scale system.

Once the major ESG risks and opportunities have been identified and reviewed by the Risk Management Committee, the management-level Sustainability Executive Committee and operations-level Sustainability Task Force will communicate these risks to the respective business units for appropriate action.

# Sustainability Governance



## Integrating ESG and Climate into Enterprise Risk

An ongoing enterprise risk management framework is in place, incorporating ESG, including climate, and cybersecurity risks etc. into risk identification and oversight processes, supported by COSO aligned controls, multi level governance, and regular reporting to the Audit and Risk Management Committee and the Board.



Hysan has also adopted a risk management and internal control model, which is based on that of the Committee of Sponsoring Organisations of the Treadway Commission (COSO) in the United States, and adapted it to our business and organisational structure. During the reporting year, the Audit and Risk Management Committee focused its reviews and discussions on corporate risks and the overall risk management agenda, including climate-related transition risks, ESG risks and cybersecurity risks.

Through our robust risk management process, risks are reviewed and communicated across our multi-level risk governance structure. This procedure consists of (i) an ongoing process integrated into our day-to-day operations, in which risk owners dynamically evaluate and report any emerging risks they encounter to the Risk Management Committee and, (ii) a periodic risk assessment process in which key risks identified by management are regularly and systematically assessed. Annual self-assessment questionnaires completed by senior management strengthen management's assurance to the Audit and Risk Management Committee and the Board. This exercise helps confirm that internal controls are properly implemented and that effective processes remain in place to address the latest regulatory and ESG-related risks.

### Climate-related Risks

We engaged an external consultant to support a climate-related physical risk assessment of our portfolio, including the Lee Garden Eight project and Lee Gardens Shanghai, to address concerns about extreme weather events and the associated risk management plan. Details of both physical and transition climate risks are disclosed in the "Environment" chapter and integrated into our enterprise risk management framework for ongoing evaluation.

Managing climate-transition risks involves identifying and responding to the challenges and opportunities created by the shift to a low-carbon economy and the wider impacts of climate change. Key considerations include policy changes, liability risks, technological developments and changing market dynamics.

Hysan continually reviews and updates the risk management framework to reflect the most material and critical risks and their associated mitigation measures and responsible parties. While the inherent risk level of climate change and ESG compliance remains unchanged, the growing adoption of low-carbon technologies and the increasing impact of climate change on building operations have heightened the need for integrated mitigation measures.

For more information on risk management and key ESG and climate risk areas, please refer to the "Risk Management and Internal Control Report" in the *Annual Report 2025*. Further details on climate risk assessments can be found in the "Environment" chapter.

## Strengthening Integrated Mitigation

While inherent risk level for "ESG development (including climate change)" remain unchanged, increasing climate impacts on operations require integrated mitigation measures.



# Sustainability Governance

## Sustainable Finance

Hysan's Sustainable Finance Framework (the "Framework") has been refined over the years and used successfully to guide the launch of green and sustainable financial products. The Framework was instituted in 2019 and its scope expanded in 2021 to include social elements in eligible projects.

According to the Framework, financing from our sustainability bonds provides funding for projects that meet eligibility criteria in certain categories. These include green buildings, energy efficiency, renewable energy, waste management and recycling, climate change adaptation, affordable basic infrastructure and social impacts, as well as expenditures to control outbreaks of disease and infections.

The Framework received a second party opinion from Sustainalytics, confirming its alignment with the *Sustainability Bond Guidelines 2021*, *Green Bond Principles 2021*, *Social Bond Principles 2021* and *Green Loan Principles 2021*.

During the year ended 31 December 2025, we began converting our existing HK\$8,000 million syndicated loan facilities into a sustainability-linked loan. Consent from lenders for the conversion was obtained in February 2026, after the reporting period.

As of 31 December 2025, 44% of our financing was raised through sustainable finance.

### Summary of Sustainable Finance raised since 2019

Type of Sustainable Finance	Year of Issue	Currency	Principal Amount	Coupon Rate	Maturity Date
Green Bonds <sup>6</sup>	2019	HK\$	300,000,000	3.33%	25 Jan 2026
			500,000,000	3.64%	22 Mar 2034
			500,000,000	3.10%	4 Apr 2029
			250,000,000	3.05%	10 Jun 2029
Sustainable Bonds	2021	HK\$	400,000,000	1.50%	27 Jul 2026

Type of Sustainable Finance	Year of Issue	Currency	Facility Amount	Amount Drawn	Maturity Date
Sustainability-linked derivative hedging solution	2020	US\$	125,000,000	125,000,000	16 Jun 2035
Sustainability-linked loan	2021	HK\$	965,000,000	–	26 Sep 2024 (Expired)
Green Loan <sup>6</sup>	2022	HK\$	12,951,000,000	10,218,000,000	25 Jan 2027
Sustainability-linked loan	2022	HK\$	500,000,000	–	17 Apr 2025 (Expired)
Sustainability-linked loan	2022	HK\$	1,000,000,000	–	4 May 2025 (Expired)
Sustainability-linked loan	2022	HK\$	1,000,000,000	200,000,000	24 Aug 2026
Sustainability-linked derivative hedging solution	2025	US\$	100,000,000	100,000,000	25 Aug 2028
Sustainability-linked loan	2025	HK\$	500,000,000	300,000,000	18 Jun 2030

## Use of Proceeds

Type of Sustainable Finance	Year of Issue	Status of Allocation (%)	Unallocated (%)	Category of Allocated Proceeds
Green Bonds	2019	100	–	<ul style="list-style-type: none"> <li>Green buildings (refinanced LG3 redevelopment)</li> </ul>
Sustainable Bonds	2021	75	25	<ul style="list-style-type: none"> <li>Energy efficiency</li> <li>Pandemic and air-quality enhancement -related</li> <li>Waste management and recycling</li> <li>Installation of solar PVs</li> <li>Climate change adaptation</li> </ul>
Green Loan	2022	79	21	<ul style="list-style-type: none"> <li>Green buildings (Lee Garden Eight project land premium and construction)</li> </ul>

<sup>6</sup> The Green Bond of HK\$1,550 million issued in 2019 referenced the Green Finance Framework established in 2018. The Green Loan of HK\$12,951 million issued in 2022 was HKQAA Green Finance pre-certified.

# Environment



Reduced  
**>19%**  
of scope 1 and 2  
emissions from 2021



Reduced  
**~7%**  
of electricity use  
from 2021



Targets validated by the  
**Science Based  
Target Initiative  
(SBTi)**



Over  
**38,000 kWh**  
of renewable Energy  
generated



**44%**  
of debt financed by  
sustainable finance

As one of the pillars of our Community Business Model, environmental stewardship is integral to our sustainable business approach. As a prominent player in Hong Kong's real estate market, we recognise that we have a pivotal role to play in promoting sustainable urban development in alignment with global climate goals and the local regulatory framework.

This section outlines our comprehensive approach to environmental sustainability, with an emphasis on mitigating our climate change impacts, adhering to the Science Based Targets initiative, and integrating environmental considerations into our daily operations. Details of our initiatives and performance are discussed in more detail throughout this chapter.

**Climate Considerations:** Buildings in Hong Kong use 90% of the city's electricity and produce over 60% of its carbon emissions. As a long-term owner and operator of urban assets, we recognise our responsibility to address climate change in a way that is relevant to Hong Kong's dense built environment, regulatory landscape and infrastructure constraints.

Our climate strategy is informed by international best practices and science-based pathways, while remaining grounded in local conditions and practical implementation. We focus on reducing greenhouse gas emissions through energy efficiency, system optimisation and the prudent adoption of renewable energy solutions where feasible and practicable within Hong Kong. These actions are designed to support operational resilience, manage costs responsibly and deliver long-term value for our stakeholders.

In parallel, we conduct climate resilience assessments to address both physical and transition risks, recognising Hong Kong’s exposure to extreme weather events such as heat stress, intense rainfall and typhoons. Through detailed, asset-level assessments, we strengthen our ability to anticipate climate-related risks, prioritise no-regret adaptation measures and ensure our buildings remain safe, reliable and fit for purpose over their long lifecycles.

**Science Based Targets initiative (SBTi):** We support the Science Based Targets initiative (SBTi) as an important reference for understanding global decarbonisation pathways and informing our target-setting approach. While recognising the challenges and uncertainties associated with global climate trajectories, we focus on making meaningful, measurable progress within the context of Hong Kong’s built environment, regulatory framework and infrastructure readiness. Our targets balance ambition with operational feasibility, enabling responsible decarbonisation alongside sustainable business growth.

We have set clear, measurable and ambitious targets to reduce our carbon footprint, balancing sustainable growth with responsible decarbonisation informed by the latest climate science. We leverage advanced technologies, data-driven optimisation and collaboration across our value chain to monitor and reduce our environmental impacts. This supports our climate transition efforts and helps strengthen transparency and accountability as we work towards our long-term sustainability goals, while creating positive environmental impacts that contribute to a more sustainable future for our community, Hong Kong and beyond.

**Environmental Considerations in Daily Operations:** From the design and construction of our buildings to their operation and maintenance, we prioritise eco-friendly practices. This means optimising resource use, minimising waste and adhering to recognised green building standards. Our efforts extend to engaging stakeholders and promoting a culture of sustainability within our organisation and the communities we serve.

**Our Corporate Environmental Targets**

Our corporate environmental targets reflect our ongoing commitment to sustainability and strategic goals for reducing our environmental impacts.

Environmental Targets	Base year
Achieve 46% reduction in absolute scope 1 and 2 carbon emissions by 2031	2021
Achieve 46% reduction in absolute scope 3 carbon emissions by 2031	2023
Achieve 10% reduction in water consumption intensity by 2031	2021
Divert >50% waste from landfill by 2031	Annual
Maintain at least 40% of debt financed by sustainable finance	Annual

## Environment

### Climate Resilience and Adaptation

Hysan fully supports the Government's Climate Action Plan 2050, released in 2021. As a key strategic partner in the Carbon Reduction Action, we recognise the pressing need to embrace decarbonisation in our strategies and daily operations. Our climate-related risk assessment and disclosure follow International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures by The International Sustainability Standards Board (ISSB), published in 2023.

In line with the latest HKEX ESG disclosure requirements, which were finalised in April 2024 and take effect for financial years beginning on or after 1 January 2025, our climate disclosures will align with the New Climate Requirements that are closely based on IFRS S2. Under the phased approach outlined by HKEX, disclosure of Scope 1 and Scope 2 greenhouse gas emissions will be mandatory for all Main Board issuers, while other climate-related disclosures will follow a "comply or explain" framework initially, becoming mandatory for large cap issuers from 2026 onward.

We continue to reference science-based approaches where relevant, while prioritising readiness for Hong Kong's evolving regulatory and disclosure requirements. We continue to implement measures to reduce our carbon footprint, enhance transparency and strengthen our readiness for Hong Kong's future full adoption of ISSB-aligned sustainability reporting standards, as envisaged under the Hong Kong Government's sustainability disclosure roadmap.

Climate risk is intensifying, and Hysan is responding by aligning disclosures with global standards and embedding decarbonisation into building operations to enhance long-term resilience.

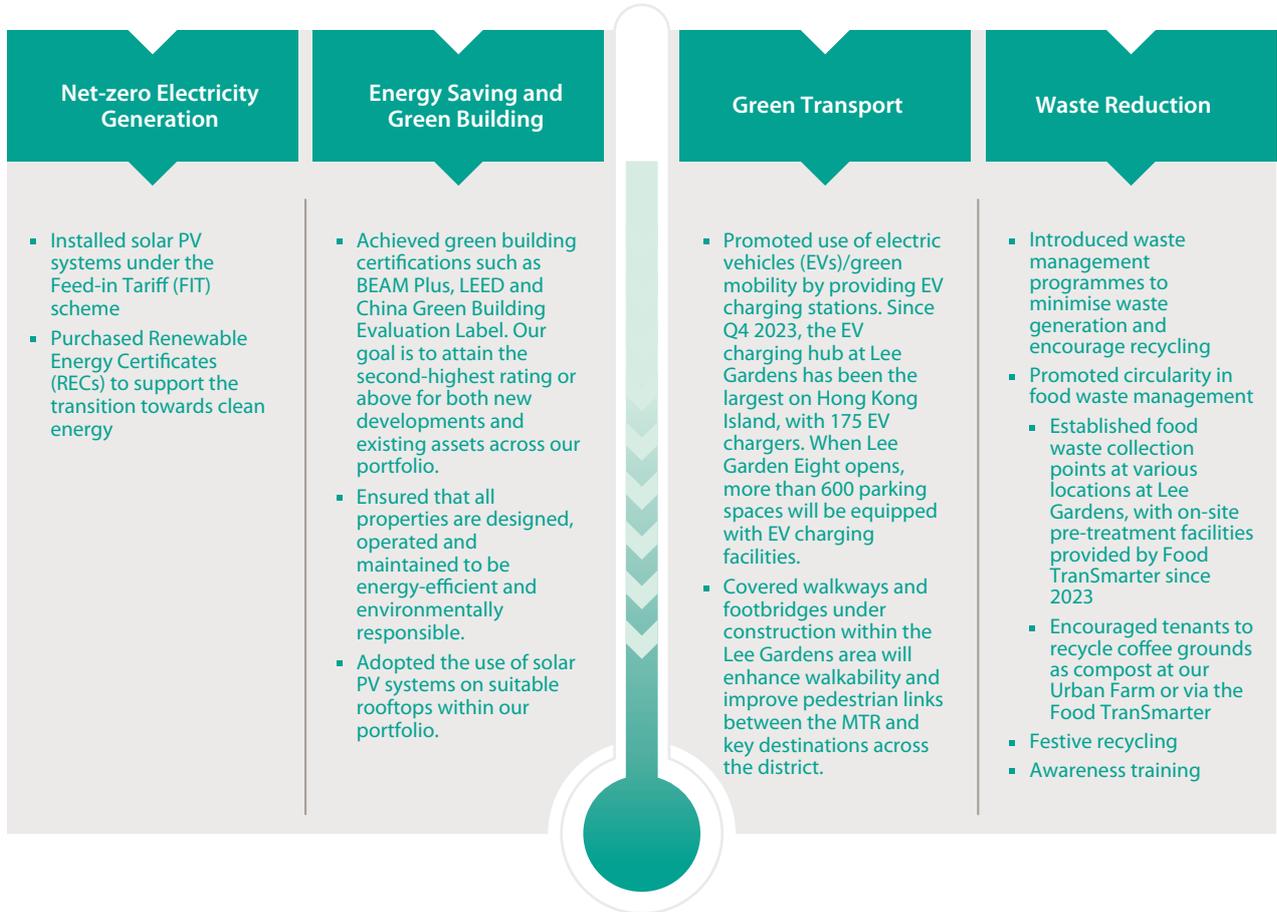


Our contributions to the HKSAR Government's Climate Action Plan 2050 focus on several targeted initiatives, principally aligned with Hong Kong's major decarbonisation pathways:

- Energy saving and green buildings
- Green transport
- Waste reduction

To reduce our energy demand, we have adopted new technologies to improve energy efficiency and optimise resource use. While recognising that net-zero electricity generation has its challenges, we support the Feed-in Tariff (FiT) scheme by installing solar photovoltaic (PV) systems in our portfolio and purchasing Renewable Energy Certificates (RECs). Details are provided in the following sections.

## Our contributions towards HKSAR Government Climate Action Plan 2050



Environment

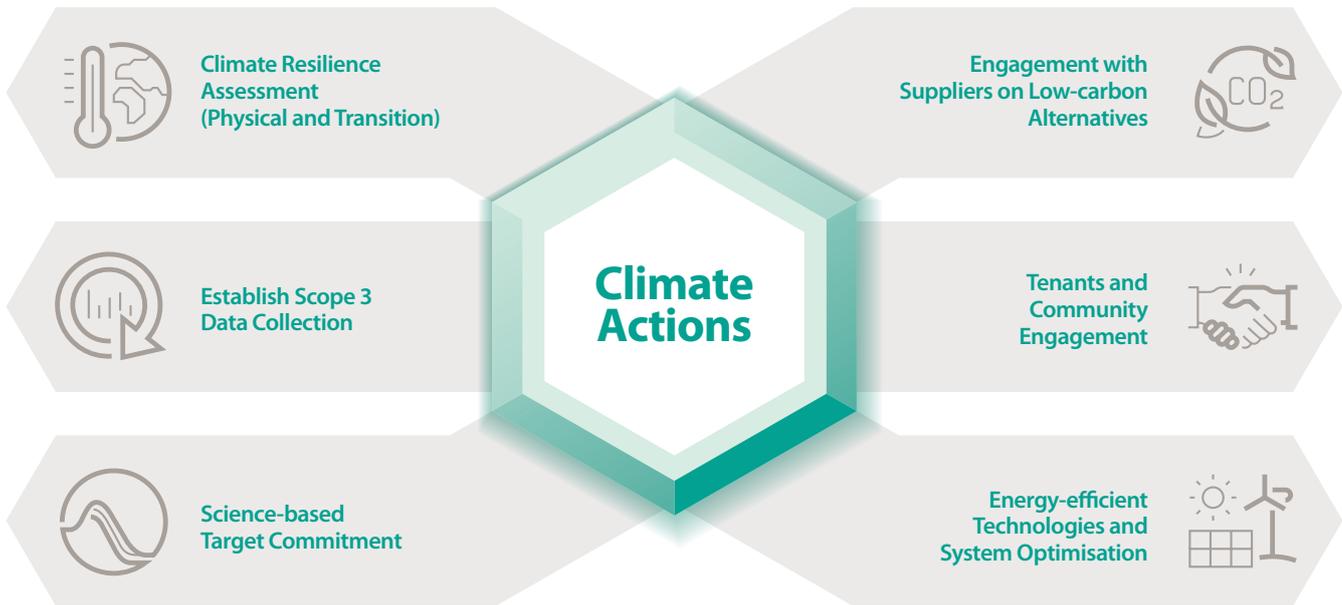
### Commitment to the Science-based Targets Initiative

In 2023, Hysan joined the Science Based Targets initiative (SBTi) as part of our broader approach to understanding and referencing science-based decarbonisation pathways in support of our climate goals. In 2025, our near-term and long-term targets were formally validated by the SBTi. Our corporate sustainability targets are aligned with the validated decarbonisation pathway, and the approved SBTi targets encompass both near-term and long-term emissions-reduction goals, supporting our long-term aspiration to move towards net-zero carbon emissions by 2050.

Since validation, we have continued to decarbonise our Scope 1 and Scope 2 emissions. For Scope 3 emissions, we are focusing on strengthening data quality, particularly within the most impactful categories. We are making steady progress and are well positioned to advance the next phase of our climate efforts. Our focus is now on deepening engagement across our value chain, including working with suppliers to explore low-carbon alternatives and further engaging tenants and the broader community to support ongoing emissions-reduction efforts.

# Environment

## Climate Actions



**1 Assess our climate resilience**

Completed an asset-level physical climate risk assessment for our Hong Kong portfolio in 2025, including indicative financial implications, strengthening scenario-based risk identification and informing ongoing resilience planning and preparedness.

**4 Invest in energy-efficient technologies and system optimisation**

Prioritise the deployment of advanced technologies to improve energy efficiency, optimise system performance and reduce operational energy demand across our portfolio. Where appropriate, continue to incorporate on-site renewable installations at LG8 and renewable energy procurement as complementary measures within Hong Kong’s practical constraints.

**2 Engage suppliers on low-carbon alternatives**

Engaged suppliers to incorporate embodied carbon targets into the LG8 development, with further engagement of SME suppliers in 2025 to enhance implementation and performance.

**5 Science-based pathways as reference for target setting**

Use science-based pathways as references to inform near- and long-term decarbonisation targets, taking into account local conditions and asset-level feasibility.

**3 Collect data and disclose Scope 3 emissions**

Since 2024, we have fully disclosed Scope 3 emissions and identified key contributors in our value chain, and will focus on enhancing data quality and deeper engagement with tenants and suppliers to reduce emissions.

**6 Engage our tenants and community**

The Lee Gardens Community Green Pledge, officially launched in 2025, anchors our efforts to work with tenants and the wider community to build an eco-conscious neighbourhood through climate initiatives and campaigns.

**Climate Risk Assessments**

Climate risk assessments play an important role in addressing physical and transition risks, meeting regulatory requirements, and supporting effective risk management and business continuity, in response to investor pressure and stakeholder expectations. Regulatory developments such as the HKEX Listing Rules and the ISSB climate disclosure requirements, increasingly require companies to assess and disclose climate-related risks. In April 2024, the HKEX updated its ESG Reporting Code to incorporate enhanced climate-related disclosure requirements, for financial years beginning on or after 1 January 2025. In this context, stakeholders — including investors — expect appropriate transparency and effective risk management in relation to climate-related impacts.

With reference to the TCFD’s recommendations and in line with the climate-related disclosure requirements under the HKEX ESG Code, we have conducted a climate-related risk assessment covering both physical and transition risks. This assessment is being carried out in phases by third-party consultants; the initial phase was completed in 2024. In 2025, we deepened our assessment of physical climate risks through detailed, asset-level analysis to better localised climate hazards and vulnerabilities at the individual building level.

**HKEX updated its ESG Reporting Code to incorporate enhanced climate-related disclosure requirements, effective for financial years beginning on or after 1 January 2025.**

**Asset-level climate risk assessments have been conducted to address locally material physical risks, align with HKEX/ISSB disclosure expectations, and integrate transition risks into enterprise risk management, supported by ongoing monitoring.**

Building on the initial portfolio-wide physical risk screening, the 2025 work introduced building-specific evaluations organised by clusters, incorporating more engineering-focused assessments and asset-level modelling. Physical risk analysis now more fully distinguishes and quantifies exposure to acute climate hazards (such as extreme rainfall, typhoons, flooding, sea level rise, heat stress and landslide) under multiple time horizons and climate scenarios. Proprietary climate datasets were combined with updated local meteorological data and asset condition information, improving the robustness and granularity of physical risk estimates for our portfolios in Hong Kong and Shanghai. Chronic physical risk related to water stress is recognised as a longer-term consideration rather than a near-term risk for the Group. Accordingly, initial climate-risk assessments have prioritised acute physical risks, while water stress will be addressed alongside ongoing efforts to reduce overall water use across our operations.

Transition risks, which were previously assessed across categories including Policy and Legal, Technology, Market and Reputation, remain incorporated in our corporate risk management framework and continue to be managed as part of our enterprise risk system. While we expand and deepen asset-level physical risk assessments across our portfolio, we do not currently anticipate adjustments leading to significant changes to our assets or operations, but we will maintain ongoing monitoring and review.

**Physical Risks**

The 2025 physical climate-risk assessment (the study) provides an updated view of how key hazards may affect Hysan’s portfolio and what controls and enhancement actions are in place across the Hong Kong assets. The work is aligned with HKEX’s enhanced ESG requirements (the ESG Code), covering all material acute physical risks relevant to the Group’s locations.

# Environment

## Scope, methodology and alignment with HKEX

The study covers Hysan’s existing portfolio, with a focus on the Lee Gardens cluster in Causeway Bay, Bamboo Grove on Kennedy Road and Lee Gardens Shanghai. The assessment applied the Sixth Assessment Report (IPCC AR6) of the United Nations Intergovernmental Panel on Climate Change aligned framework. It combines downscaled climate projections, catchment-based flood modelling, site specific heat and wind analysis and landslide exposure screening for relevant slopes.

The study is aligned with HKEX’s enhanced ESG Code by:

- Assessing all material acute physical hazards relevant to Hysan’s locations — extreme rainfall and flooding, extreme heat, typhoon-related wind and landslide.
- Using multiple future climate scenarios (ranging from an intermediate to a higher-emissions pathway, and spanning near-term, medium-term and long-term horizons) to estimate how hazard intensity and frequency may change over time.
- Translating hazard and exposure into portfolio-wide insights, recommended adaptation measures and indicative financial implications (for example, potential damage, business interruption and resilience-related capital expenditure).

## Climate scenarios and time horizons

The climate scenarios are selected to cover a plausible range from an intermediate to a higher-emissions pathway, so that risks can be tested under both more and less adverse conditions. They are paired with different time horizons: the near-term period (now to around 2030) to guide immediate operational priorities and no-regret actions, the medium-term (around 2050) horizon to inform decisions primarily on new developments, major renovations and plant replacement, and the longer-term horizon (end of the century) to illustrate the direction of change over an asset’s life rather than to provide precise point estimates.

Certain climate-related disclosures continue to be refined as part of a phased implementation approach, with further refinement of financial impact assessment and integration of assessment outcomes into planning and decision-making to be undertaken in subsequent reporting periods.

Climate scenarios across multiple emissions pathways and time horizons are used to test resilience, guide near-term actions, and inform long-term investment and asset-lifecycle decisions.

Time Horizon ► Emissions Scenario ▼	Near-term (now--~2030)	Medium-term (around 2050)	Long-term (end of century)
<b>Intermediate emissions pathway (SSP2-4.5)</b>	Guides immediate operational priorities and no-regret actions	Informs planning for new developments, major renovations and plant replacement	Illustrates the long-term direction of climate change and potential implications for asset resilience
<b>Higher-emissions pathway (SSP5-8.5)</b>	Stress-tests assets under more adverse physical risk conditions	Tests resilience of long-term capital decisions under heightened climate risks	Assesses potential end-of-century exposure and adaptation needs under higher physical risk scenarios

### Extreme rainfall, urban flooding and sea level rise

The study analyses extreme rainfall, drainage capacity and coastal water levels at catchment scale, then considers how these interact with local topography, street levels and building drainage systems. Primary considerations include local drainage constraints and the coincidence of intense rainfall with high tide and storm surge, which can increase flood depth and duration at priority entrances and low points.

Existing resilience measures include entrance flood protection arrangements, roof drainage networks, and facilities management procedures for pre storm inspections and housekeeping. Recommendations focus on standardising physical flood protection at priority entrances, strengthening roof drainage (for example, repairing cracks, adding sensors and pumps where needed) and refining catchment based flood risk reviews to inform future investment decisions.

### Extreme heat and thermal comfort

The study assesses how projected increases in dry-bulb and wet-bulb temperatures under different climate scenarios may affect both indoor cooling loads and outdoor comfort. Primary considerations include higher peak cooling demand and more frequent hot days that may push some systems closer to design limits and reduce outdoor comfort in high-footfall areas.

Current controls include modern cooling systems in many buildings, existing cooling-load reduction measures (such as efficient lighting and basic envelope improvements), microclimate design features like covered walkways and shading, and formal protocols to protect workers from heat stress in line with official guidance. Recommendations concentrate on measuring and analysing Building Management System (BMS) data for the concerned buildings to understand future cooling-load capacity, identify load-reduction opportunities and monitor the need for chiller upgrades. Where systems are closer to their design limits, we may consider implementing additional load-reduction measures, evaluating targeted capacity upgrades (including coordination with planned district cooling infrastructure) and progressively improving outdoor shading and comfort around high-footfall areas.

## Physical Risks and Management at a Glance

### Extreme rainfall, urban flooding and sea level rise:

- ▶ Managed through improved drainage, entrance protection, and catchment-level resilience planning.

### Extreme heat and thermal comfort

- ▶ Addressed through cooling-load optimisation, system upgrades, and worker protection measures.

### Typhoon wind and storm-related wind load:

- ▶ Mitigated through façade strengthening, enhanced monitoring, and refined emergency procedures.

### Landslide and slope-related failure:

- ▶ Managed through regular slope inspections, improved drainage, and strengthened response preparedness.

### Typhoon wind and storm related wind load

The study considers how more intense tropical cyclones could affect façade performance, roof conditions and operations. Primary considerations include higher peak gusts, pressure and wind-driven rain on more exposed zones, which may increase defect rates, debris risks and operational disruption.

Existing resilience measures might include previous façade upgrade works on selected towers, established pre-typhoon procedures, regular façade and roof inspections, and housekeeping to keep roofs free of loose objects that could become wind-borne debris. Recommended actions include installing additional restraints on windows and doors in more exposed zones, increasing monitoring (for example, through cameras and sensors on critical roofs), continuing to refine contractor controls and emergency procedures for strong wind events, and, in the longer term and where feasible, considering further strengthening façade elements in locations where higher wind loads are expected.

# Environment

## Landslide and slope related failure

For landslide risk, the study screens nearby natural and engineered slopes and retaining structures that could affect access or safety. Primary considerations are more intense rainfall events that can increase runoff, blockage and slope loading, potentially affecting adjacent access routes and safety during severe weather.

Existing controls include engineered slope and wall structures with surface protection and drainage, technical inspections carried out on a regular cycle, and facilities management training on how to monitor slopes and respond to warnings or severe rainfall. Enhancement actions focus on maintaining and, where needed, upgrading slope drainage and protection, continuing scheduled technical inspections, formalising refresher training and drills for relevant teams, and implementing specific follow up works identified in upcoming technical reviews.

Key Climate Hazards (combined risk label)	Primary Considerations	Current resilience/controls	Recommendations
Extreme rainfall, urban flooding and sea-level rise (combined coastal and pluvial flooding risk)	More intense extreme rain events, local drainage constraints, interaction with high tide and storm surge.	<ul style="list-style-type: none"> <li>Entrance flood-protection (L-barriers, sandbags),</li> <li>Roof drainage networks</li> <li>Pre-storm facilities-management procedures</li> <li>Catchment-based flood modelling to identify hotspots</li> </ul>	<ul style="list-style-type: none"> <li>Standardise demountable flood gates and L-barriers at priority entrances</li> <li>Repair roof cracks; add sensors and pumps where needed</li> <li>Targeted drainage upgrades</li> <li>Ongoing catchment-based flood-risk review</li> </ul>
Extreme heat (indoor comfort, cooling adequacy)	Rising dry-bulb and wet-bulb temperatures under medium and high-emissions climate scenarios, more frequent and intense hot days.	<ul style="list-style-type: none"> <li>Chiller plants in many assets with design capacity aligned to current cooling demand</li> <li>Cooling-load reduction measures (efficient lighting, envelope improvements)</li> <li>Microclimate design (covered walkways, shading),</li> <li>Worker heat-stress protocols aligned with official guidance</li> </ul>	<ul style="list-style-type: none"> <li>Expand BMS monitoring/analytics to test future cooling adequacy</li> <li>Additional load-reduction (airtightness, reflective roofs, shading)</li> <li>Evaluate targeted capacity upgrades; coordinate with district cooling plans</li> <li>Continue rollout of outdoor shading and comfort measures</li> </ul>
Typhoon wind and storm-related wind load (façade integrity and operations)	Fewer but more intense tropical cyclones, higher peak gusts, pressure and wind-driven rain on façades and roofs.	<ul style="list-style-type: none"> <li>Façade retrofits on selected towers</li> <li>Pre-typhoon procedures</li> <li>Façade/roof inspection regimes</li> <li>Roof housekeeping to reduce wind-borne debris</li> </ul>	<ul style="list-style-type: none"> <li>Installation of window restraints and anti-wind door supports in exposed zones</li> <li>More monitoring on critical roofs (cameras/sensors)</li> <li>Enhance contractor controls and emergency procedures</li> <li>Longer term: façade assessment to investigate if strengthening would be needed where higher loads expected</li> </ul>
Landslide and slope-related failure (access and safety)	More intense rainfall affecting natural and engineered slopes adjacent to assets.	<ul style="list-style-type: none"> <li>Engineered slope and wall protection and drainage</li> <li>Regular technical inspections</li> <li>Facilities-management landslide-response training and pre-typhoon and rainband inspections</li> </ul>	<ul style="list-style-type: none"> <li>Continue annual technical inspections of slopes</li> <li>Maintain/upgrade slope drainage and surface protection,</li> <li>Formalised training and drills for facilities-management teams</li> <li>Implement follow-up actions from the next technical review</li> </ul>

### Anticipated Financial Effects of Climate-related Risks and Opportunities

Based on the climate-related physical risk assessments conducted, the Group has identified priority resilience enhancement areas across the portfolio. Physical climate risks, including extreme rainfall, urban flooding, heat stress and typhoon-related wind events, are expected to have financial implications over time, primarily through a gradual increase in operating costs over the medium to long term. Key cost drivers include higher cooling demand, additional maintenance requirements and the implementation of resilience measures. Based on current assessments, the Group expects these impacts to remain manageable within its long-term operating and investment planning.

Based on the climate-related physical and transition risk assessments conducted, the Group has evaluated the anticipated financial effects of climate-related risks and opportunities using information that is reasonably available at the reporting date. This assessment draws on asset-level climate risk analysis, scenario-based transition risk assessment, historical operating data and planned capital expenditure, without the need for extensive new analysis or disproportionate cost or effort.

Physical climate risks, including extreme rainfall, urban flooding, heat stress and typhoon-related wind events, are expected to result in real financial impacts over time. These impacts may lead to a gradual increase in operating costs over the medium to long term, primarily driven by higher cooling demand, maintenance requirements and resilience-related measures. Based on current understanding, the Group anticipates that such impacts will be incremental in nature and manageable within its long-term operating and investment planning.

Capital expenditure related to climate adaptation and mitigation is expected to remain targeted and planned, focusing on no-regret measures identified through the physical climate-risk assessment, including standardised demountable flood gates and L-barriers at priority entrances, roof drainage repairs and upgrades, installation of sensors and pumps where required, façade inspections and assessments for older building, and cooling-load optimisation informed by Building Management System (BMS) analysis. These investments are incorporated into the Group’s long-term capital planning and are not expected to result in significant unplanned capital outlays.

Transition risks, including policy, technology and market-related factors associated with the transition to a low-carbon economy, are not expected to have a material adverse effect on the Group’s financial position in the short term. Over the medium to long term, these risks may influence capital allocation and operating costs, while also creating opportunities through energy efficiency improvements, sustainable finance and low-carbon building solutions.

Based on current assessments, the Group does not anticipate a significant risk of material adjustment to the carrying values of assets or liabilities within the next annual reporting period. The financial impact analysis continues to be refined, including the quantification of certain anticipated effects. Overall, the anticipated financial effects of climate-related risks and opportunities are expected to be real but manageable and consistent with the Group’s long-term investment horizon and asset profile.

### Transition Risks

As the economy moves towards a low-carbon model, business-related risks may encompass policy and legal risks, technological risks, market risks and reputational risks. Our transition risk assessment used the Net Zero 2050 and Delayed 2-degree scenarios developed by the Network for Greening the Financing System (NGFS). Risks and opportunities were analysed based on their impact, including regional specifics and risk timeline.

Transition risks primarily affect the Group’s existing building portfolio, development and major asset enhancement projects, and leasing and asset management activities. These exposures arise from evolving regulatory and policy requirements, changes in energy and carbon performance standards, and shifting market and tenant expectations as the economy transitions towards a low-carbon model.

## Managing Climate-related Financial Effects

Climate-related financial effects are expected to be gradual and manageable and are being addressed through targeted operating measures and planned capital investment.



# Environment

The identified inherent risks will be evaluated at the operational level through collaboration with various business departments. The residual risks identified will be incorporated into our corporate risk management framework, ensuring we have a proactive approach to addressing climate-related risks.

## Key Transition Risks and Opportunities

Category	Risk/ Opportunity	Description	Actions to date
Policy and regulations		Tightened mandates on, and regulation of, existing buildings.	<ul style="list-style-type: none"> <li>Stayed abreast of the latest regulatory updates to ensure compliance.</li> <li>Engaged with professional institutions such as HKGBC and HKIE to stay updated on industry trends.</li> </ul>
		Expanded adoption of low- and zero- carbon/ carbon building	<ul style="list-style-type: none"> <li>Adopted more aggressive sustainability objectives in design, going beyond regulatory requirements and industry norms.</li> <li>Attained Zero Carbon Ready Certification for the entire Hong Kong portfolio.</li> </ul>
		Enhanced requirements for increasing electrification and higher utilisation of renewable energy (RE)	<ul style="list-style-type: none"> <li>The Lee Garden Eight construction site is powered by electricity using electric-powered equipment as much as possible.</li> <li>Largest EV charging hub on Hong Kong Island, encompassing 175 EV chargers; will adopt wider EV charging facilities at Lee Gardens.</li> <li>Continuously reviewing RE installation to optimise its use.</li> </ul>
		Increased pricing of GHG emissions	<ul style="list-style-type: none"> <li>Ongoing monitoring of carbon scheme developments in Mainland China, the GBA and Hong Kong, as well as Shanghai (one of the pilot cities in the emission trading system (ETS)).</li> </ul>
		Enhanced emissions-reporting obligations	<ul style="list-style-type: none"> <li>Remained on track with disclosures.</li> </ul>
		Increased exposure to litigation risks	<ul style="list-style-type: none"> <li>On-going monitoring of policy changes.</li> <li>On-going internal awareness training to help prevent greenwashing and improve understanding of related risks across departments.</li> </ul>
		Stronger policy and economic incentives supporting net zero transition	<ul style="list-style-type: none"> <li>Form strategic partnerships with industry stakeholders and sustainability organisations to support initiatives promoting sustainable practices and technologies, e.g. embedded carbon initiatives among real estate peers.</li> <li>Support an innovative culture by enabling the exploration and adoption of new technologies through programmes such as the Community Lab.</li> <li>Adopt Building Management System (BMS) integrated with IoT and AI technologies as part of ongoing building system upgrades.</li> </ul>
	Technology	 	Adoption of green and low carbon technologies
Market		Increased costs of raw materials	<ul style="list-style-type: none"> <li>Engaged with suppliers, particularly for green construction materials such as cement and steel, to stay updated on their availability.</li> </ul>
Reputation	 	Growing tenant preference for green and climate resilient properties	<ul style="list-style-type: none"> <li>Committed to SBTi.</li> <li>Designed Lee Garden Eight project with the objective of becoming a “super low carbon building” with climate resilient features.</li> </ul>
	 	Growing tenant preference for green and climate resilient properties	<ul style="list-style-type: none"> <li>Ensured these measures are well communicated in our marketing materials and training of agency personnel.</li> </ul>
		Increased stakeholder concern or negative stakeholder feedback	<ul style="list-style-type: none"> <li>Continue to monitor our climate actions and decarbonisation strategies.</li> <li>Provide awareness training to staff on our actions.</li> </ul>

## GHG Emissions and Energy Use

Scope 1, 2 and 3 carbon emissions reduction targets were updated in 2024 to align with the SBTi decarbonisation pathways. These targets have been revised to a 46% absolute reduction by 2031, with 2021 as the base year for Scope 1 and 2, and 2023 as the base year for Scope 3.

Since 2023, we have enhanced energy management practices across our portfolio, including the deployment of IoT- and AI- enabled Building Management Systems and a phased approach to chiller control. Having operated these systems for two years, we conducted an impact review was conducted, with results to be showcased in a later section.

In 2025, Scope 1 and 2 carbon emissions fell by 9% year-on-year and more than 19% from the 2021 base year, alongside reductions in electricity consumption and intensity of 0.4% year-on-year and around 7% from the base year. The larger reduction in Scope 1 and 2 emissions relative to electricity intensity reflects, in part, a lower carbon emission factor of purchased electricity compared with prior years, including improvements in the supply mix of our electricity provider.

Over the same period, our operational electricity use remained broadly steady despite increased business activity. Operational energy management efforts formed part of a broader mix of contributing factors.

Given the capital intensity of major equipment upgrades, and the fact that existing systems continue to operate safely, our strategy prioritises extending asset life through proactive maintenance and targeted performance enhancements. In parallel, we are evaluating the potential deployment of a district cooling system (DCS) for future deployment, subject to technical and commercial feasibility.

This approach supports prudent resource management today, while positioning us for more impactful emissions reductions when broader conditions allow for more significant investment. Selected energy-reduction initiatives implemented across various buildings in our portfolio are outlined below.

Over **95%** of our energy comes from electricity



### Key energy reduction initiatives in 2025

- Smart chillers and fine tune

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- EC plug fans

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- AHU replacement

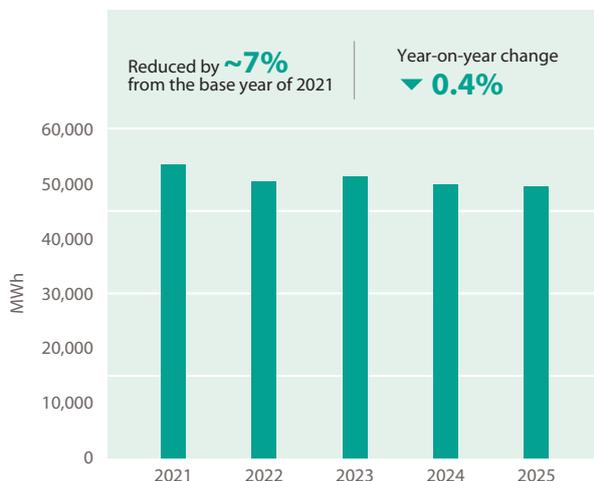
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- Aurabeat — EcoSonic air filter

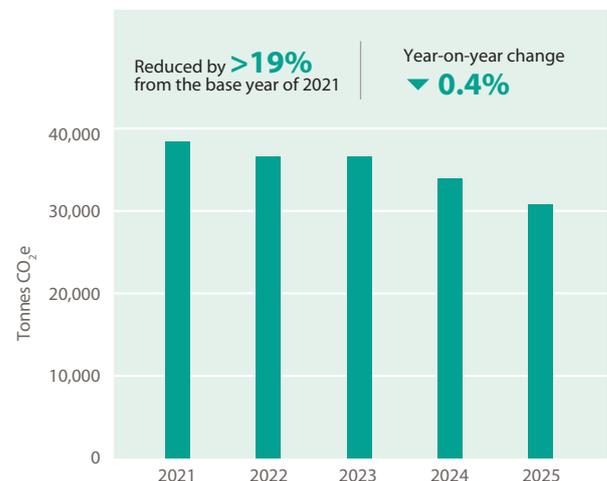
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- LED light replacement

### Total Electricity Consumption for Hong Kong Portfolio



### Total Scope 1&2 Carbon Emissions



# Environment

## Scope 3: Indirect Greenhouse Gas Emissions from Value Chain Activities

Scope 3 carbon emissions are the indirect emissions that arise from value chain activities, including the procurement of goods and services, business travel and tenants' energy consumption.

As part of our commitment to transparency, we recognise the importance of disclosing Scope 3 carbon emissions for the real estate sector. After beginning with four categories in 2023, we expanded to all fifteen categories in 2024, mapping and collecting for a more holistic inventory and requesting information from suppliers and partners on their emissions and environmental performance.

We assess Scope 3 carbon emissions using the GHG Protocol's supplement — Corporate Value Chain (Scope 3) Accounting and Reporting Standard. We identify significant emission sources and develop reductions strategies. Due to constraints in data availability, we adopted a hybrid approach combining spend-based and activity-based methods. In 2025, we placed greater emphasis on improving data accuracy by reducing reliance on spend-based estimates wherever possible and strengthening tenant and supplier engagement to obtain more direct data.

### Key Contributors to Scope 3 Carbon Emissions

In 2025, our Scope 3 carbon emissions increased compared to the 2023 base year and year on year, primarily driven by intensified construction activities at Lee Garden Eight. Construction works progressed significantly during the year, with Tower 3 advancing into reinforced concrete structural works, while Towers 1 and 2 progressed through curtain wall installation and interior fit-out stages. These activities resulted in higher embodied carbon associated with construction materials and capital works.

Consistent with 2024, Category 1 Purchased Goods and Category 2 Capital Goods combined remained the largest contributors, accounting for 63% of total Scope 3 emissions. These categories include key resource inputs that support our operations, such as procured services, property and facilities management services, construction materials, utilities including freshwater consumption, and paper products. Emissions from construction materials were estimated in accordance with the GHG Protocol and lifecycle assessment methodology, covering lifecycle stages A1 to A5, and included major materials such as concrete, reinforcement steel, structural steel, and glazing.

## Scope 3 Emissions Coverage

Scope 3 emissions measurement has expanded across the value chain and continues to evolve, with ongoing efforts to enhance data coverage and accuracy across value-chain activities.



Despite the carbon-intensive nature of the construction phase, we sought to specify and procure lower-embodied-carbon construction materials where feasible, thereby reducing embodied carbon impacts compared with conventional specifications.

The second largest contributor to our Scope 3 emissions remained Category 13 Downstream Leased Assets, accounting for approximately 26%. This category captures emissions arising from tenants' operational activities, particularly energy consumption within leased premises.

Overall, following the inclusion of Scope 3 emissions, the distribution of our total carbon footprint was approximately 0.5% Scope 1, 12.5% Scope 2, and 87% Scope 3. We are continuing to enhance data quality and coverage across Scope 3 categories, while strengthening tenant engagement through green lease provisions to improve data transparency and support joint decarbonisation efforts.

For a more detailed Scope 3 carbon emissions and its applicability across the 15 categories, please refer to Appendix 2.

### 2025 Scope 3 Emissions

- 3% Use of Sold Products
- 3% Waste Generated in Operation
- 3% Fuel and Energy Related Activities



- Purchased Goods and Services and Capital Goods 63%
- Downstream Leased Asset 26%
- Investment 2%

### Decarbonisation Initiatives Throughout Our Buildings' Lifecycle

Buildings account for approximately 90% of electricity consumption in Hong Kong. Recognising their long lifecycles, we integrate sustainability from design and construction through to operation, maintenance and retrofitting.

As an environmentally conscious property owner, we help reduce electricity use and carbon emissions by optimising building design and working with our contractors to minimise embedded carbon during construction. After completion, we continue this effort in the operation phase by encouraging tenants to adopt sustainable practices, such as sustainable fit-outs and waste reduction. These efforts exemplify Hysan's comprehensive management approach, incorporating sustainability throughout a building's lifetime.

### Key actions of our Decarbonisation Approach



# Environment

## Green Building Design

We view green building design as the starting point for achieving energy-efficient operations. In Hong Kong, over 70% of our commercial portfolio's GFA has obtained green building certifications at the second-highest rating level or above, including LEED, BEAM Plus and the China Green Building Label.

Lee Gardens Shanghai has achieved LEED Gold certification, while Lee Garden Eight attained Platinum ratings for both green and WELL certifications, among other certifications. Lee Garden Eight is also designed to meet the "Super Low" rating under HKGBC's new Zero-Carbon Ready Building framework.

We aim to go beyond local Building Energy Code requirements by integrating sustainability into both new and existing buildings. For new developments, we adopt efficient designs that consider climate-related risks, while for existing buildings we prioritise sustainability upgrades and improvements. By exceeding current standards, we seek to deliver buildings that are both environmentally responsible and resilient to future climate challenges.

### Case Study

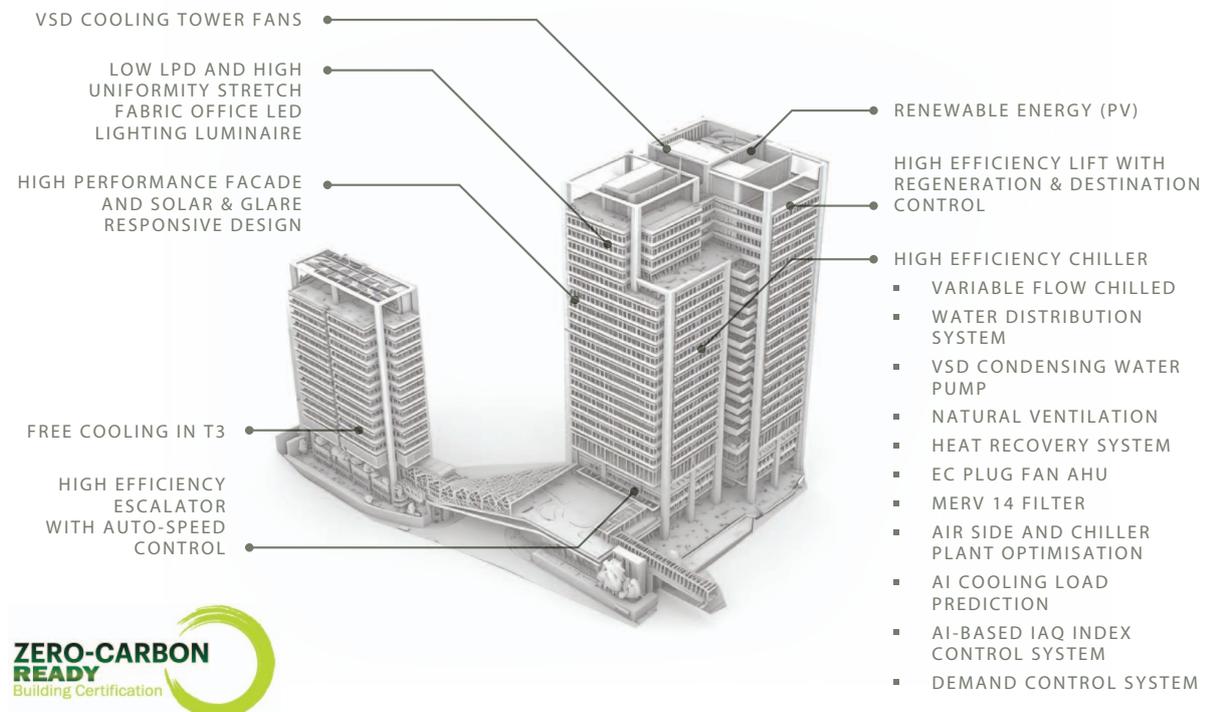
## Lee Garden Eight — Super low energy design towards carbon neutrality

### Energy

- From passive design to super low carbon energy efficiency MEP design
- AI-based Digital Twin Smart Platform

### Water efficiency

- Anticipated 70% reduction in potable water use from baseline design<sup>7</sup>
- Use of WELS Grade 1 water fixtures
- 100% of flushing water supplied by seawater
- Rainwater collection for irrigation



<sup>7</sup> At the design stage, and prior to commissioning, Lee Garden Eight is anticipated, based on modelling assumptions, to achieve an approximately 70% reduction in potable water use compared with a conventional baseline design.

### Operations and Maintenance

In our existing portfolio, we have completed energy audits for all Lee Gardens buildings in Hong Kong, with some already in their second audit cycle. We also follow a whole-life cycle master plan covering maintenance and replacement of major facilities, including lighting, optimisation of chiller plants and pumps, and the installation of new AHUs and PAUs with EC plug fans, as well as lifts and escalators.

We continue to roll out smart building features, including AI-enabled optimisation of chiller plants. Major upgrade projects were completed at six buildings — Hysan Place, Lee Garden One, Lee Garden Two, Lee Garden Three, Lee Garden Five and Lee Theatre Plaza — alongside retro-commissioning of the associated chilled water distribution systems.



◀ AHU Replacement of EC Plug Fans  
Progressive replacement at LG1 and LG2

▼ Eco Sonic air filter  
Around 20-30% fan-motor power saving can be achieved



# Environment

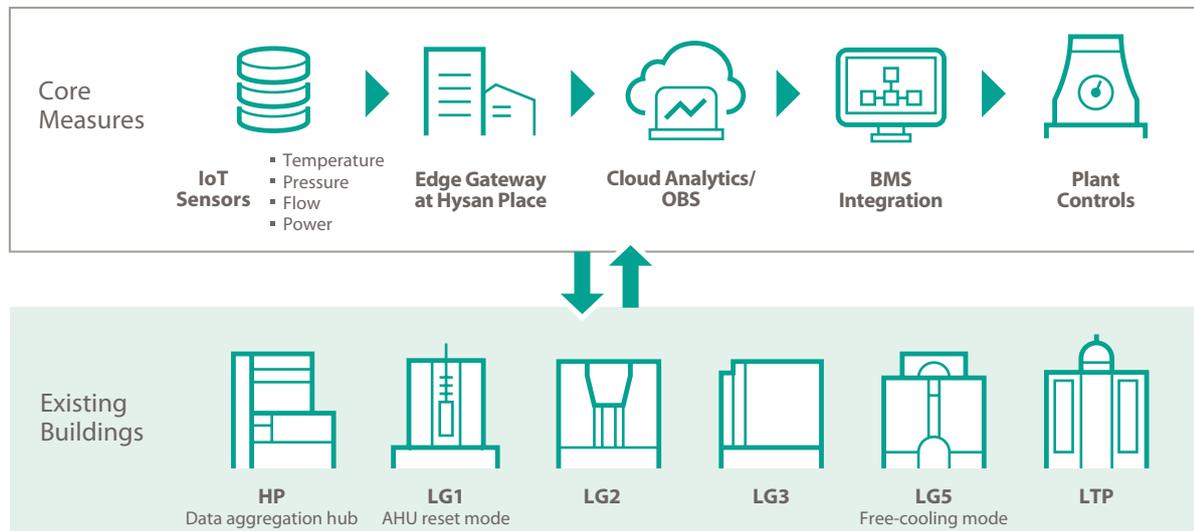
## Case Study Smart Chiller Optimisation and RCx

As part of our life-cycle management for major plant and equipment, we combined Retro-Commissioning (RCx) with AI/IoT-enabled optimisation to maximise performance of in-service assets and cut energy use in some of our existing buildings, including Hysan Place, Lee Garden One, Lee Garden Two, Lee Garden Three, Lee Garden Five and Lee Theatre Plaza. Installation, integration, training and a soft launch were completed in 2023, after which we have been evaluating performance outcomes.

### Core measures applied among buildings

- RCx to recalibrate sensors, refine control sequences, and optimise chilled- and condenser-water parameters.
- Digital optimisation with new sensors, edge gateway at Hysan Place for multi-site data aggregation, BMS write-back control, and OBS/cloud dashboards for continuous monitoring, anomaly detection and predictive maintenance.

### Smart Chiller Optimisation: Core and Site-Specific Measures



### Site-specific measures

- HP — Monitoring of office high zone and podium air handling units for precise chilled water pump and heat exchange controls
- LG1 — Reset AHU temperature setpoints to reduce cooling demand in office zones
- LG2 — Additional Chilled water pumps to run the pumps at more efficient points
- LG5 — Free cooling mode when cooling demand and ambient temperature is low
- LTP — Monitoring of space temperature at retail tenants for precise chiller plant reset controls

### Energy impact

- 2025 system estimated savings across six buildings:

**over  
2,000,000 kWh  
avoided**

**around 8% reduction  
versus a baseline  
(without AI optimization)**

By integrating modern IoT-based digital controls with targeted RCx, our intention is to continually optimise in-service assets, achieving lower energy consumption, greater reliability and comfort, and the ability to defer premature replacement of major equipment.

### Sustainable Construction

Beyond operational carbon, we work with value chain partners to reduce upstream emissions from design through construction to operation. We focus on lower-carbon design choices, construction methods and materials, as well as efficient site practices.

To cut embodied carbon, we prioritise green contractors and suppliers, specify environmentally friendly materials and structural options where practicable, and optimise on-site energy use, waste management and water efficiency. We favour materials with high recycled content that can be regionally sourced and transported over shorter distances, such as concrete containing pulverised fuel ash (PFA). We also request rebars with recycled content, while continuing to work with suppliers to improve supply consistency.

Our project teams use Building Information Modelling (BIM) to compare structural options, reduce material use and minimise rework-related waste. Where feasible, we use electricity-powered generators and right-size on-site plant and equipment to avoid overcapacity. At the Lee Garden Eight site, for example, we adopted a temporary electricity supply from HK Electric during the foundation stage, significantly reducing diesel use and supporting better energy management and air quality.

### Renewable Energy

As part of our decarbonisation strategy, we use renewable energy to the greatest extent possible. In 2025, the total renewable energy power capacity in our Hong Kong portfolio was 42.6kW. During the reporting year, over 38 MWh of renewable energy was generated, equivalent to the annual consumption of 11.5 domestic households in Hong Kong<sup>8</sup>. Of the renewable energy generated, 100% was fed into the grid of the local power company in support of Hong Kong’s decarbonisation roadmap. In 2025, a total 39,979 kWh of REC was purchased.

## Reducing Embodied Carbon Across the Value Chain

Upstream emissions are addressed through lower-carbon design, responsible material sourcing and improved construction practices.



8 Average monthly Electricity Consumption of household: 275 units Energy Label Net

# Environment

## Waste Management

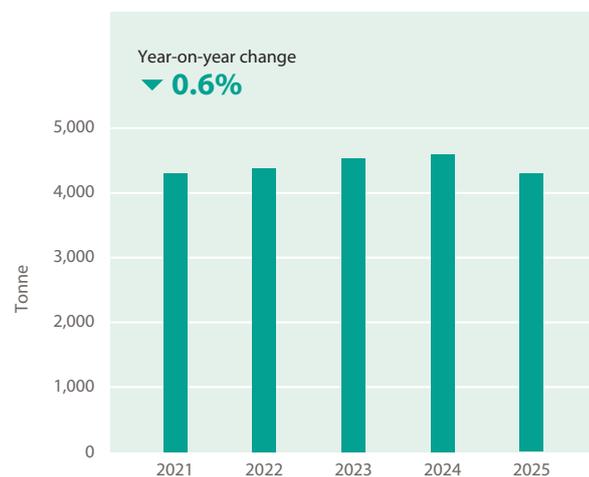
Hysan recognises the importance of waste management in our operations, both in the daily management of our properties and responsible handling of construction and demolition (“C&D”) waste at our building sites. Food waste constitutes a substantial portion, accounting for approximately 30% of Hong Kong’s overall waste. To address this issue, we have implemented a range of hardware solutions and engagement activities to promote a waste-reduction culture.

In 2025, waste sent to landfills decreased to 4,408 tonnes, a 6% drop from 2024. The number of recyclables, excluding C&D waste, was 639 tonnes — an approximately 2% increase compared with 2024. Paper remained the most recycled material. The percentage of waste diverted from landfill has increased to 13% this year.

In the past two years, we undertook several initiatives to raise awareness of waste handling procedures among the public and our tenants. We also installed reverse vending machines (“RVMs”) as well as two Smart Recycling Bins (“SRBs”) at Hysan Place for recycling paper and aluminium cans. The RVMs and SRBs were acquired to support the Environmental Protection Department Pilot Programme on Smart Recycling Systems launched in 2023. Using the SRBs also allows users to earn points for redeeming gifts in the Green\$ Electronic Participation Scheme.

At Lee Garden Eight, we repurposed unavoidably felled trees from the construction site for future on-site reuse and repurposed approximately 166 metres of masonry wall by integrating it into the project’s design. This not only reduced waste but also paid homage to the past.

### Waste to Landfill



## Reducing Waste Sent to Landfill



Waste diversion continues to improve through recycling programmes, food-waste initiatives and responsible handling of construction materials.

## Construction and Demolition Waste

On our new development and renovation projects, we have taken a collaborative approach to managing construction waste. This involves collaborating with contractors during construction and engaging tenants during fit-out to ensure responsible waste practices. At the Lee Garden Eight site, for example, 100% of the C&D materials from the original two-storey structure were repurposed as backfill during foundation works.

## Innovative Prefabrication for Sustainable Waste Reduction

The MiMEP at Hysan’s Lee Garden Eight is a pioneering project that prioritises sustainability through innovative construction methods. A key aspect of this initiative is the use of prefabricated modules for the Mechanical, Electrical, and Plumbing (“MEP”) systems. By assembling these components off-site, the project significantly reduces on-site waste and minimises the environmental impact of construction activities. An estimated 70% of waste reduction from the MEP trades is anticipated compared with typical on-site assembly. This approach not only improves efficiency but also sets a new standard for sustainable building practices in urban developments.

We have also adopted the Material Management App (MMA), introduced by our main contractor, to facilitate the prompt relocation of construction and demolition (C&D) materials generated on-site for reuse at other projects. During project design and development, we work closely with designers to preserve and integrate surrounding architectural features with conservation value. At Lee Garden Eight, existing masonry walls and earthenware pipes from the original site were preserved, repurposed, and incorporated into the new design, reducing construction waste while honouring the site's heritage.

## Food Waste

At Hysan, we have been committed to reducing food waste at its source since 2017 as part of the Hong Kong Government's Food Wise Charter Signatory campaign. We divert food waste away from landfills and encourage our tenants, especially F&B tenants, to do the same through designated cleaning contractors. During the reporting period, a total of 57 tonnes of food waste was collected in our buildings.

In 2025, more than 47 tonnes of food waste were pre-treated at Hysan Place and Lee Garden One using the Food TranSmarter system. The system, installed in 2023, automatically liquefies food waste into slurry, which is then transported to the Organic Waste Treatment Facility or the Tai Po Wastewater Treatment Plant for energy generation or animal feed production.

### Single-use and Disposable Plastic

We introduced reusable cutlery at the Hysan Place food court, removed plastic bottled drinks from our head office vending machine, and installed eco-friendly umbrella-bag alternatives at our property entrances.

We placed a reverse vending machine for plastic bottle recycling at Hysan Place. The machine has been operated in partnership with Cornerstone Smart Recycling since 2020 and collects plastic bottles from shoppers and tenants, offering cash rebates as an incentive to encourage recycling.

### Food Waste Circularity at Hysan

The infographic is set against a light green background with a stylized landscape of hills and trees at the bottom. It features three white boxes with green borders, each containing a title and a description of a waste management initiative.

- Coffee Grounds Recycling**  
 We recycle coffee grounds from our tenants for composting and soil enhancement at our Urban Farm. This not only reduces waste but also enriches the soil for sustainable agriculture.
- Food TranSmarter**  
 At Hysan Place and Lee Garden One, we have installed a Food TranSmarter – an innovative system that liquefies food waste into slurry. The system is capable of converting up to 500 kg of food waste into slurry per day.
- Tenant Engagement**  
 We educate our tenants on handling waste responsibly and organise events such as the Lee Garden Coffee Fest, during which coffee grounds were upcycled into plant fertiliser.

## Environment

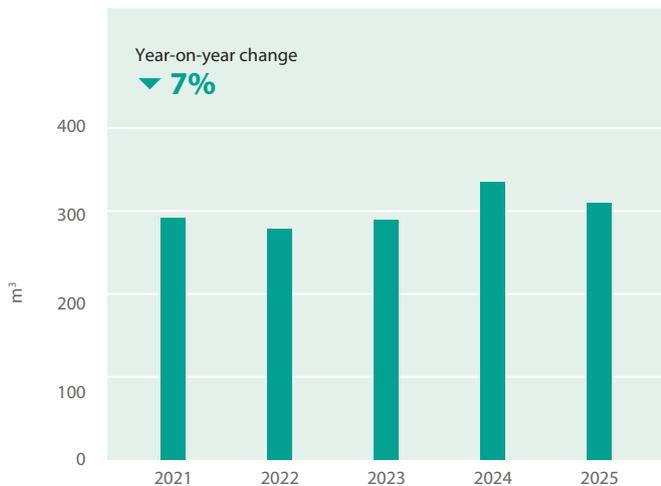
### Water Management

Recognising that water is a valuable resource, Hysan makes every effort to preserve the quality and quantity of the water resources we use in our properties.

#### Water Quality

To provide a safe, high quality water supply, we regularly clean and maintain the water storage tanks in our buildings. We also ensure the quality of our last-mile drinking water by installing advanced treatment systems, such as reverse osmosis filters conforming to WELL HSR at our head office, and by conducting regular water quality testing. As a result, our properties have attained Quality Water Supply Scheme for Buildings — Fresh Water (Management System) Certificates and Flushing Water Certificates every year since 2019.

#### Municipal Water Use



### Freshwater Use and Rainwater Collection

In 2025, total freshwater use decreased by approximately 7% year on year, and 2,112 m<sup>3</sup> of rainwater were collected across the portfolio. The harvested rainwater is filtered and used for irrigation and general cleaning.

To support water conservation, drip irrigation systems and water-saving fixtures and appliances have been installed in renovation projects, alongside rainwater harvesting systems across the portfolio. At the Sky Wetland at Hysan Place, greywater from office areas is cleaned, filtered, and tertiary treated onsite for reuse. Water reuse is also encouraged during construction, including wheel washing and dust suppression.

### Key water conservation initiatives acted on in 2025

#### Water audits:

Completed Water Audit assessment in Q2 2025. To adopt suggested water saving opportunities.

#### Q4 2025:

Reviewing the frequency of bleed off water of cooling towers for LC, LTP and OHA.

## Enhancing Water Conservation Through Rainwater Irrigation

As part of our water conservation strategy, LG8 maximises the use of harvested rainwater for landscape irrigation, with a central 340-cubic-metre tank designed to meet about 85% of annual irrigation demand and minimise freshwater use.

#### Central water tank:

# 340 cu.m.

Approx **85%** of overall annual irrigation demand is expected to be offset by harvested rainwater.

## Air Quality

### Air Quality and Indoor Environment

In 2025, Hong Kong introduced tighter Air Quality Objectives (AQOs) aligned with the latest WHO guidelines, strengthening the city's commitment to cleaner air and public health. In support of this direction and HKSAR's broader decarbonisation goals, we adopt a holistic approach to air-quality and health-related environmental performance across the asset lifecycle. This includes expanding EV-charging infrastructure to promote low-emission mobility, implementing stringent air-quality and dust-control measures at construction sites, integrating advanced indoor air quality (IAQ) strategies in the design of Lee Garden Eight, and continually enhancing IAQ across our existing buildings through monitoring, filtration upgrades and data-driven optimisation.

### Ambient Air Quality

Lee Garden Eight, once completed, will be a green oasis in Causeway Bay featuring native plants, green terraces and 100% EV charging facilities for over 600 parking spaces. Extensive greening and landscaping will not only add to the aesthetic appeal of the project, it will also significantly improve air quality and provide a natural cooling effect, benefiting the overall environment in Causeway Bay.

### Construction Site Air Quality Management

At our project construction sites, we manage air quality using standard practices such as dust suppression and wheel washing. We also make use of technology, including sensors to measure and monitor air quality on-site and apply dust suppression. Additionally, we ensure that trucks leaving the site are properly covered. These measures enable us to address potential environmental non-compliance issues, minimise our impact on the surrounding environment and resolve air quality issues, even outside the construction site.

## Updated Air Quality Objectives (2025)

### Effective April 2025 – aligned with WHO guidelines

Hong Kong tightened five existing AQOs and introduced three new parameters to improve ambient air quality.

Pollutant	Old Limit	New Limit
PM <sub>2.5</sub> (Annual)	25 µg/m <sup>3</sup>	<b>15 µg/m<sup>3</sup></b>
PM <sub>2.5</sub> (24-hour)	50 µg/m <sup>3</sup>	<b>37.5 µg/m<sup>3</sup></b>
PM <sub>10</sub> (Annual)	50 µg/m <sup>3</sup>	<b>30 µg/m<sup>3</sup></b>
PM <sub>10</sub> (24-hour)	100 µg/m <sup>3</sup>	<b>75 µg/m<sup>3</sup></b>
SO <sub>2</sub> (24-hour)	50 µg/m <sup>3</sup>	<b>40 µg/m<sup>3</sup></b>
NO <sub>2</sub> (24-hour)	—	<b>120 µg/m<sup>3</sup></b>
O <sub>3</sub> (8-hour)	—	<b>100 µg/m<sup>3</sup></b>
CO (24-hour)	—	<b>4,000 µg/m<sup>3</sup></b>

## Environment

### Indoor Air Quality

We are committed to maintaining high indoor environmental quality to safeguard the health and well-being of our shoppers and tenants. Across our portfolio, we adopt a comprehensive Indoor Air Quality (IAQ) strategy that combines advanced filtration, real-time monitoring and the use of low-emission materials. Our Air Handling Units are equipped with at least MERV 13 filters, ultraviolet-C disinfection devices and enhanced filtration technologies such as Aurabeat EcoSonic air filters to effectively reduce contaminants including PM2.5 and TVOCs. IAQ sensors will be incorporated in the common areas of Lee Garden Eight to provide real-time visibility of indoor conditions and support ongoing optimisation. Through these measures, our properties consistently meet recognised indoor air quality standards and have achieved IAQ Certifications at “Good” or above, reinforcing our commitment to providing healthy, comfortable and sustainable indoor environments for all users.



### Healthy Indoor Design at LG8

#### **Cross Ventilation**

Designed to optimise natural airflow, reducing reliance on mechanical cooling and improving air freshness.

#### **Low-VOC Materials**

Use of finishes and furnishings with low volatile organic compounds to minimise indoor chemical emissions and enhance occupant health.

#### **Enhanced Filtration**

Adoption of Aurabeat EcoSonic air filter in Air Handling Units (AHUs) to maintain clean indoor air and reduce airborne contaminants.

#### **Indoor Air Quality**

IAQ sensors will be incorporated in the common areas of Lee Garden Eight to provide real time visibility of indoor conditions and support ongoing optimisation. Hysan is collaborating with City University of Hong Kong on a IAQ studies.

## Sustainable Procurement

Hysan's Sustainable Procurement Policy guides the procurement of supplies, building materials and services across both our development projects and the day-to-day operation of our portfolio. The policy has been updated to provide clearer guidelines for service providers and to strengthen expectations for responsible material sourcing, supporting our commitment to environmental performance and lifecycle sustainability.

### Responsible Procurement and Supplier Engagement

Where practicable, we prioritise sustainable and low-impact materials, including Forest Stewardship Council (FSC) certified timber and paper products, energy-efficient and water-saving appliances, and paints and finishes with no or low volatile organic compounds (VOCs). These choices reduce environmental impact and help maintain healthier indoor environments. Green procurement principles are also embedded in our green leasing guide to encourage tenants to adopt similar practices.

## Responsible Procurement Practices

Responsible procurement embeds safety, and ESG expectations across materials sourcing, contractor engagement, and tendering, strengthening supply-chain performance and efficiency.



Recognising that sustainability performance depends on the entire supply chain, we actively engage not only with major contractors but also with SME suppliers, particularly those we work on a long-term basis. Through briefings, clear communication and ongoing dialogue, we help smaller suppliers understand our sustainability expectations, with a strong focus on health and safety requirements. This engagement supports capability-building across our supply chain and strengthens overall performance.

### Contractor Requirements and Tendering Practices

Safety, compliance and responsible conduct remain central to contractor engagement. All contractors complete safety briefings and sign work safety and risk assessment agreements, while our standardised house rules outline requirements for statutory compliance, industry codes and sustainable practices during fitting-out, renovation and reinstatement works. To further embed sustainability across procurement, we are reviewing our tendering documents to ensure that environmental and social considerations are clearly defined, practical and consistently applied. In parallel, we continue to expand the use of e-tendering to enhance efficiency, reduce paper consumption and streamline workflows, and we encourage contractors to adopt the platform as part of their engagement with Hysan.

## Environment

### Urban Biodiversity

At Hysan, we are committed to biodiversity conservation and have integrated it into our business operations as much as possible. Although our impact on biodiversity is limited in an urban setting, we strive to enhance our impacts and educate our employees and stakeholders about the importance of biodiversity conservation.

In our built environment, we support biodiversity through measures such as green landscape design and tree protection during construction. We also organise events and programmes, including organic farming workshops and a farmers' market, to promote sustainable farming practices and community involvement.

### Urban Farm and Sky Wetland

Hysan's Urban Farm provides an accessible green roof and sky garden for occupants. The green roof and sky garden reduce energy consumption and building temperatures to mitigate the urban heat island effect, while the 8,000 sq.ft. urban farm promotes organic farming. Workshops about the urban farm educate tenants and the community on food production and sustainable living.



Since 2012, we have been operating an artificial wetland — the Sky Wetland — at Hysan Place to support a range of plants and other living organisms in an urban environment. This wetland not only retains and treats precipitation on site but is also part of a water treatment system providing tertiary treatment of greywater generated from office floors.

### Our Biodiversity Footprint

Building on years of operation, a biodiversity survey was conducted in 2023 to assess performance at the Urban Farm and Sky Wetland at Hysan Place and the Butterfly Garden at Lee Gardens Three. The findings remain relevant and continue to inform our conservation efforts and future development decisions.

In 2023, we conducted a biodiversity survey to gain a better understanding of the performance of the Urban Farm, Sky Wetland at Hysan Place and the Butterfly Garden at Lee Gardens Three after years of operation. The information gathered from this survey guides our targeted conservation efforts and will inform future developments.

To understand our biodiversity footprint, we formed a partnership with Outdoor Wildlife Learning Hong Kong to conduct ecological baseline surveys during the dry and wet seasons. These surveys assessed vegetation, fauna, pollinators and freshwater macroinvertebrates.

The insights obtained from the survey enable us to make more informed conservation efforts and enhance biodiversity in an urban environment. The biodiversity survey of the Lee Gardens area focused on four target taxa in the local ecosystem: vegetation, terrestrial fauna, pollinators and freshwater macroinvertebrates.

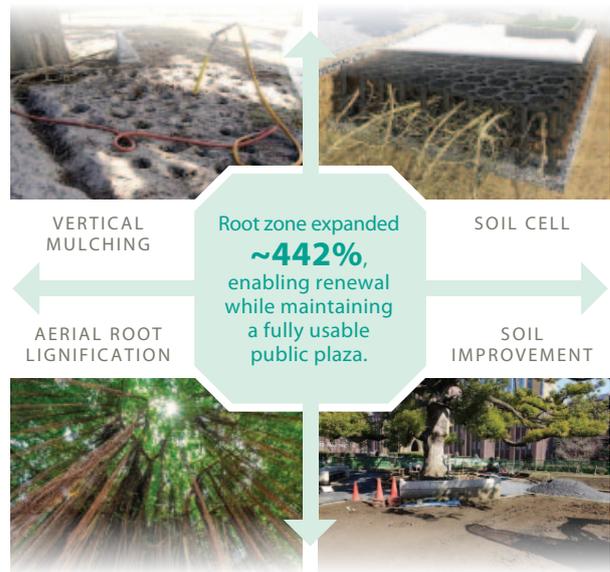
During the survey, several *Cacatua sulphurea*, or yellow-crested cockatoos, were observed. These birds, classified as critically endangered by the International Union for Conservation of Nature (IUCN), are typically found in wooded areas or forest margins. The fact that they were spotted in an urban setting indicates their adaptability to city environments.

Case Study

## A New Lease of Life for Old and Valuable Banyan Tree

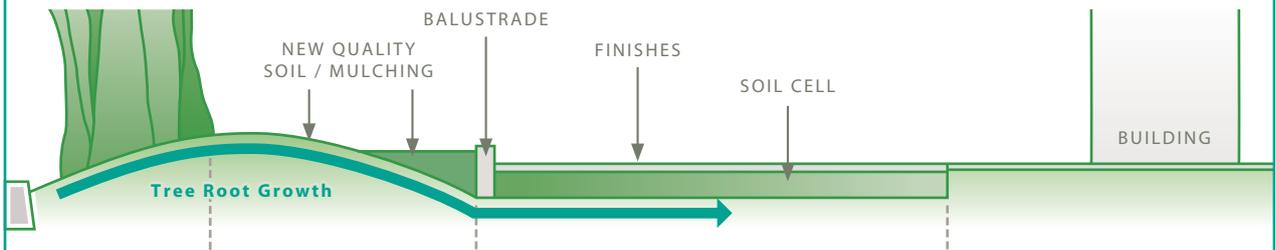
### “First In Hong Kong” OVT Protection-Cum-Rehabilitation Scheme

At Lee Garden Eight, the Banyan Plaza introduces Hong Kong’s first integrated protection-cum-rehabilitation scheme for an Old and Valuable Tree (OVT), pairing ecological engineering with public-realm design. The approach expands the tree’s continuous, rootable soil volume by ~442%, materially improving soil aeration and water infiltration while preserving plaza usability for pedestrians and events. This sets a replicable benchmark for in-situ conservation of heritage trees in dense urban settings and demonstrates how high-intensity public spaces can coexist with long-term ecological stewardship.



Root zone expanded ~442%, enabling renewal while maintaining a fully usable public plaza.

### Soil Expansion and Improvement for Ovt



<b>EXISTING TREE STRIP</b> (3.5m)	<b>NEW TREE STRIP</b> (5.7m)	<b>NEW SOIL CRESCENT</b> (9.8m)	<b>+442%</b> (total width of planter expansion for OVT)  Overlapping with the proposed Plaza, the design supports shared use of space while enhancing the OVT habitat.
Subterranean roots and root stands remain undisturbed.	+162%  Former sports ground transformed into open soil with enhancement treatments and preserved roots.	+280%  Replace compacted site soil with a high-quality fabricated mix, using a modern soil-cell system to support suspended pavement and root growth.	

### Advanced Protection Measures — Implementation and Long-term Safeguards

The Banyan Plaza deploys a **modular soil cell system** that separates surface loading from subsurface root function, allowing pedestrian and event use while maintaining optimal rootable soil volume and porosity beneath a suspended pavement. The system is complemented by advanced arboricultural interventions, including future root-stand sculpting, vertical mulching, and targeted soil rehabilitation treatments, which collectively improve rooting conditions, reduce compaction stress and support long-term tree vitality. Together, these measures support continued public use of the space while maintaining the ecological and heritage value of the OVT.



# People



**6%**

year on year increase  
in total training hours



**Zero**

work-related  
fatalities



**53%**

of management  
positions<sup>9</sup> held  
by women

At Hysan, we treat our people fairly, help them realize their full potential and strive to build a diverse and inclusive workforce. Our vision is to create a vibrant community of talented professionals, where everyone feels valued and united by a shared purpose.

This sense of belonging motivates employees to take pride in their work, support their colleagues and feel inspired by the Company's role in the community. Training and development are important to how we work and help us build skills and maintain a culture of improvement across the organisation. We prioritise talent development by providing targeted learning opportunities that build essential leadership and communication skills as well as business acumen. This training equips our staff with the skills needed for career progression with us, while reinforcing a culture of continuous growth and collective success.

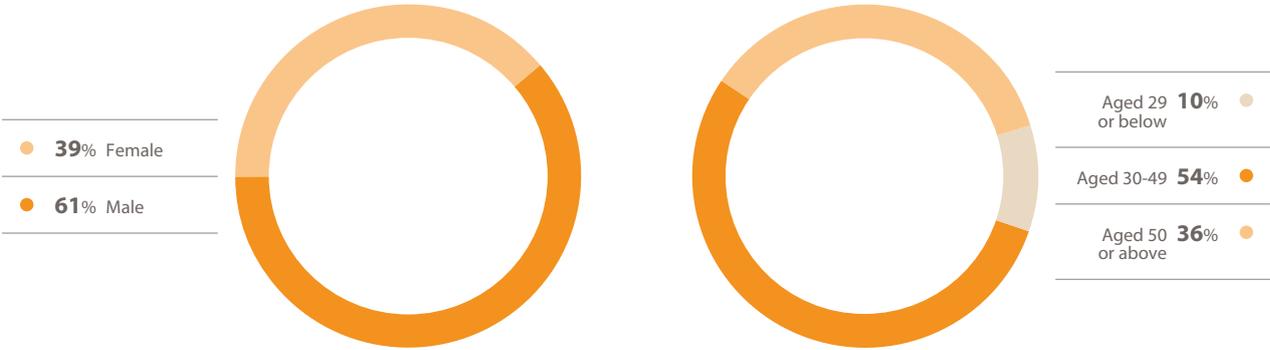
## Our Workforce

As of 31 December 2025, our workforce at the Group level comprised 505 full-time employees. The overall male-to-female ratio in our workforce was approximately 1.6: 1. This difference reflects the gender composition of the external talent market for property and facilities management roles and the nature of certain roles in the sector, which often involve night shifts and technical services work. Our overall turnover rate was maintained at 15%, unchanged from 2024.

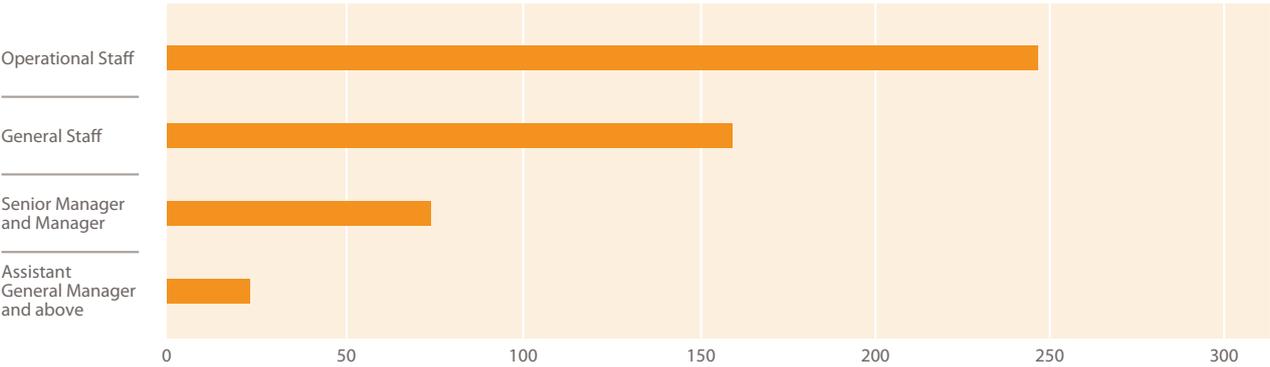
<sup>9</sup> "Management position" is manager grade staff and above.

The distribution of employees by gender, employment type and age group is illustrated below:

**2025 Workforce Breakdown by Gender (left) and Age Group (right)**



**2025 Workforce by Employee Category**



**Safeguarding Employee Rights and Well-being**

Clear policies, training and grievance mechanisms support fair treatment, inclusivity and well-being across our workforce and supply chain.



**Employee Rights**

Hysan’s Human Rights Policy aligns with the United Nations Guiding Principles on Business and Human Rights, the International Bill of Human Rights, and the International Labour Organisation’s Declaration on Fundamental Principles and Rights at Work. This framework safeguards human rights across our operations and supply chain, while promoting equal opportunities, inclusivity and diversity.

In line with our Code of Ethics and Respect for People Policy, we prohibit discrimination based on gender, marital or family status, pregnancy, disability, age, sexual orientation, race, colour, descent, nationality, ethnic origin or religion. These protections apply to all employment practices, including recruitment, promotion, transfer, termination, pay and training. All employees are required to complete mandatory anti-discrimination training through our mobile learning platform.

## People

Our Respect for People Policy provides clear grievance procedures, including defined reporting channels and responsible parties. Complaints are handled confidentially and investigated by relevant department heads. For security personnel in our property management teams, we follow a Standard Operating Procedure (SOP) Manual and conduct regular drills to ensure daily operations are upholding human rights. In 2025, there were no significant cases of non-compliance with human rights laws or regulations affecting Hysan.

Our Employment and Staff Policy outlines our recruitment policies, performance management, compensation and comprehensive benefits, including overtime pay, and statutory and special leaves (e.g. birthdays, study, exams, volunteer work, marriage, paternity). We also provide extensive medical coverage for mental health support, wellness programmes (health check-ups, vaccinations, fitness classes, eye care, psychological counselling), and retirement provisions. Our flexible medical budgets allow colleagues to choose personalized wellness options relevant to their needs.

### [Lunch & Learn] The Invisible Exploitation: Modern Slavery and Human Trafficking



A November 2025 Lunch & Learn with the founder of The Mekong Club exposed the hidden risks of modern slavery and human trafficking in global supply chains. The session highlighted clear red flags and practical safeguards for procurement teams. It also strengthened human-rights vigilance among our staff and reinforced Hysan's commitment to ethical business practices.

## Diversity & Inclusion

Diversity and inclusion remain the cornerstones of our people management approach, ensuring all individuals are treated with fairness and respect. The aim of our Diversity Policy targets to achieve diversity across the Board and senior management team at Hysan. Supported by the Board, this policy guides us in identifying and implementing programmes that enable us to develop a diverse talent pool equipped for leadership roles; it also improves Hysan's reputation as an attractive employer, enhances employee retention, and leads to long-term organisational resilience.

Recognizing the value of diversity and inclusion to our corporate culture, we signed the Racial Diversity and Inclusion Charter for Employers by the Equal Opportunities Commission (EOC) in 2023. The Charter provides guidelines for promoting racial diversity and inclusion in the workplace, with a focus on fair recruitment and promotion practices, and engagement with racial minorities from disadvantaged communities, while ensuring a safe and collaborative work environment for all employees. Gender and family-friendly measures include dedicated nursing rooms and flexible work-from-home options supporting pregnant employees and diverse family needs.

## [Lunch & Learn] Breaking Barriers, Appreciating Diverse Abilities

At a Lunch & Learn coffee-brewing session, two baristas from the Resource Centre for the Deafblind gave our staff a hands-on look at their pour-over techniques and sensory-based craftsmanship. The interactive experience highlighted the diverse abilities of the baristas and helped break down barriers through shared learning.



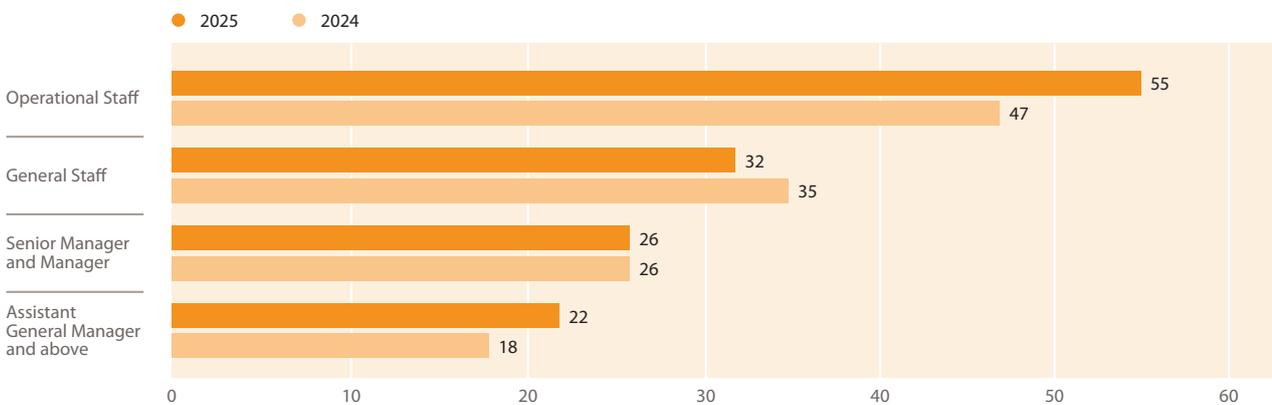
# People

## Talent Development

Talent development supports Hysan’s long term business needs and organisational sustainability. We focus on building skills, capability and continuity across the workforce through structured training, leadership development and clear career pathways.

All employees, regardless of role or employment type, complete mandatory onboarding training covering topics such as cybersecurity, anti-corruption and anti-discrimination. Ongoing learning is supported through a mobile learning platform that offers courses on compliance, safety, leadership, wellbeing, sustainability and property management. This allows employees to access training as needed throughout their careers. In 2025, average training hours increased by 8%.

Average Training Hours by Employment Category



In addition to core training, Hysan provides upskilling and development opportunities for employees at different career stages. These include mentorship arrangements, targeted training programmes and practical learning aimed at strengthening both technical and people-management skills.

# Future Intelligence Ready Skills Training (FIRST) Programme

Hysan launched the FIRST Programme in 2025 to equip managers with future-ready skills combining human intelligence, AI capabilities and practical leadership skills. Participants attended five immersive workshops, including a “Dialogue in the Dark” sensory-deprivation experience that strengthened empathy and teamwork, AI-driven storytelling, coaching and delegation, and effective interviewing.



The programme delivered hands-on learning that helped develop core people skills and digital capabilities. It also helped participants improve their ability to work collaboratively, use data in decision-making, and lead teams.

The FIRST programme has accelerated talent readiness for complex business challenges by encouraging a growth mindset and positioning managers as mentors. Through a combination of experiential learning and practical tools, it strengthened organizational resilience, prepared emerging leaders, and supported Hysan’s commitment to holistic development in an AI-driven future.

# People

## Career Development and Training

To support workforce sustainability and address skills and labour needs, Hysan leverages the Admission Scheme for Mainland Talents and Professionals (ASMP) and the Enhanced Supplementary Labour Scheme (ESLS) for talent recruitment. In 2025, these schemes supported the recruitment of one leasing professional and seven frontline operations staff.

Hysan continues to invest in early-career and local talent development. Our apprenticeship scheme provides structured technical training in building management disciplines such as air-conditioning, plumbing, electrical systems and fire prevention. Apprentices who perform well are offered permanent positions, supporting both operational needs and longer term talent development. We also participate in the Hong Kong Government's Youth Employment and Training Programme, which provides entry opportunities into the building services industry. Since 2014, 12 youth trainees have joined through the programme, with many progressing from entry level roles into apprenticeship pathways and further career development. The programme continues to support applicants from disadvantaged and ethnic minority backgrounds.

Internship opportunities are offered to university students across different departments, providing practical work experience and exposure to professional environments. These placements help students build foundational skills and understanding relevant to their future careers.

Learning and development is further supported through external training and professional memberships. Under the Learning Sponsorship Scheme, Hysan provides funding for external courses and professional qualifications, together with paid study and examination leave. These arrangements support continuous development and help employees keep skills current.

Beyond role-specific training, Hysan offers broader learning activities to support engagement and workplace culture. Initiatives such as Lunch and Learn sessions provide opportunities for employees to hear from internal and external speakers on a range of topics, including digitalisation, wellness and sustainability.

## Performance Management and Career Progression

Performance management underpins these development efforts by aligning individual performance with business objectives. Through regular reviews and ongoing dialogue, managers identify development needs, provide feedback and support career progression. Employees with strong potential are offered clear progression pathways, promotion-linked incentives and salary reviews. Peer benchmarking is used to help ensure compensation remains competitive and fair.

A robust performance management system supports effective workforce development by aligning individual performance with organisational needs. It helps identify training requirements, strengthens accountability and efficiency, and supports fair and effective workforce planning. Through regular performance reviews, management can recognise employees ready for progression, as well as those who may benefit from additional guidance and support. Clear performance expectations and development pathways also contribute to employee engagement and morale.

Department heads lead this process by conducting performance reviews and analysing outcomes. Employees with strong development potential are supported through defined progression pathways towards more senior roles, incentives linked to promotion opportunities and comprehensive salary reviews. Regular peer benchmarking is used to help ensure compensation remains competitive, supporting the attraction and retention of talent.

# Quality Service Recognition Award Programme

The Quality Service Recognition Award Programme celebrates property management staff who deliver exceptional service to shoppers and tenants. This award programme not only helps raise staff morale but also promotes high-quality customer experiences. Awards are based on staff performance and compliments received.

Gifts are awarded on a quarterly basis to those receiving customer praise. At year-end, senior management honours those with the most compliments across various roles for their outstanding contributions. In 2025, a total of 346 employees received quarterly awards, with 8 securing the final year-end accolades.



## Talent Engagement and Wellbeing

In a competitive talent market, Hysan focuses on engaging and supporting employees by providing a workplace that places emphasis on wellbeing, effective communication and practical support. We aim to enable employees to perform effectively by improving processes and technology, investing in capability development, and maintaining a supportive working environment that contributes to retention and organisational stability.

### Employee Communication and Engagement

Clear and regular internal communication supports employee engagement and alignment. Through Hysan Pulse, our staff intranet, employees have access to company updates, policies and engagement initiatives. We also use the Hysan Forum to share regular business updates and provide a platform for department heads to discuss insights and operational considerations. These communication channels help employees stay informed, encourage dialogue across teams and support a shared understanding of business priorities.

# People

## Workplace Environment and Employee Wellbeing

Hysan is committed to providing a comfortable and safe working environment. Our headquarters at Lee Garden One and offices at Lee Garden Two both hold WELL v2 Platinum certification, reflecting a structured approach to workplace health and wellbeing. In 2025, enhancements were made to indoor air quality, thermal ventilation and lighting to support employee comfort in both buildings.

Employee wellbeing is further supported through a range of wellness initiatives. During the year, 21 programmes were delivered, including medical briefings, one-on-one health assessments, health talks and fitness classes such as yoga, boxing and skateboarding. These activities provided more than 775 hours of wellness support, contributing to employees' physical and mental wellbeing.

## Hysan Wellness Day

Hysan Corporate Wellness Day turned an ordinary workday into a shared opportunity for colleagues to focus on health and wellbeing. The event brought together over 50 participants for an interactive health talk, on-site check-ups and simple wellbeing activities, creating a relaxed and welcoming environment that encouraged people to pause, recharge and connect.

Supporting our people's health remains an important part of how we work, contributing to a resilient and supportive workplace.



## Bring Your Kids to Work Day

Our first Bring Your Kids to Work event brought a sense of excitement and curiosity to the workplace, children explored the office through treasure-hunt tours, games, crafts and storytelling. The event welcomed over 40 participants, including colleagues and their children, and created a lively and engaging atmosphere throughout the day.

A balloon-twisting workshop led by The Hong Kong Society for the Blind added a meaningful and inclusive element to the programme, providing participants with an opportunity to engage with the blind community and learn more about the organisation's work.

By creating opportunities for colleagues to share family moments at work, events such as this support work-life balance and reflect Hysan's commitment to a caring and people-focused workplace.



## Team-building Christmas Party



Hysan's annual Christmas Party brought together around 200 employees for a range of team-based activities designed to encourage interaction and collaboration. Through interactive games, group challenges and festive activities, colleagues from different departments had opportunities to connect and communicate in a relaxed and enjoyable setting. The event marked the festive season while also supporting teamwork and cross-departmental relationships across the organisation.



# People

## Learning, Wellbeing and Employee Support

Hysan supports employee development and wellbeing through a combination of learning incentives and professional support services. These initiatives encourage continuous learning, support personal wellbeing and provide practical assistance to employees at different stages of their careers.

Through the Learning and Wellness Reward Scheme, employees are encouraged to take an active role in their own learning and wellbeing. Staff earn redeemable credits by participating in external learning activities, health events and wellness initiatives, including health check ups, vaccinations, dental care and fitness related activities such as the Hysan Walker challenge. Credits can be used to offset course fees or scholarships, helping employees pursue personal and professional development in a practical and accessible way.

Employee wellbeing is further supported through the Employee Assistance Programme (EAP), which Hysan has offered in partnership with an external NGO since 2009. The programme provides confidential and professional support to employees and their families, helping them manage stress, anxiety and work life balance challenges, particularly during periods of organisational or societal change. In addition to one on one counselling, the EAP offers access to mental health resources and wellness workshops, supporting early intervention and practical guidance. Continued investment in the EAP reflects Hysan's commitment to maintaining a supportive and mentally healthy workplace.

## Corporate Culture Survey

Hysan conducts periodic group wide corporate culture satisfaction surveys to better understand employee perspectives and inform improvements. The surveys provide employees with an opportunity to share candid feedback on workplace culture, values and organisational practices.

In the most recent survey, the response rate exceeded 90%. Feedback covered areas such as leadership, collaboration across units, team identity, creativity, talent management, business strategy, governance, values and rewards. Survey results were reviewed by senior management and Board members and used to inform targeted initiatives aimed at strengthening the working environment and supporting the Group's sustained growth.

## Health & Safety

Providing a safe and healthy work environment for employees, contractors and other stakeholders remains a key priority for Hysan, as set out in our corporate **Health & Safety Policy**. Our **Accident, Incident and Emergency Manual** guides emergency response arrangements and sets out safety requirements for contractors, operational precautions and tenant support procedures.

In 2025, Hysan delivered a total of 8,175 hours of health and safety training to employees, including frontline staff. Training included updates to government regulations and the safe use of specialised equipment. During the year, no work-related fatalities were recorded. The injury rate increased slightly to 2.97% (2024: 2.90%), with 15 cases among operational staff requiring injury leave.

All work-related injuries receive prompt medical attention, with follow-up support to ensure recovery. Regular toolbox talks help reinforce safety awareness, especially for new joiners, and safety-supervisor training remains mandatory for middle-management roles. The network doctor scheme also provides faster diagnosis, treatment and support for work-related cases.

## Tenant and Community Wellness

Within the Lee Gardens portfolio, Hysan has maintained WELL Health-Safety Rating (HSR) certification from the International WELL Building Institute since 2021. Adhering to WELL HSR guidelines informs operational policies, maintenance protocols and emergency planning. Regular testing of indoor air quality, drinking water and lighting is carried out, as well as employee surveys to gather feedback on the effectiveness of wellness initiatives.

Hysan also supports wellness initiatives for tenants and the wider community, particularly those promoting physical wellbeing, arts and culture. In 2025, ongoing initiatives included the Hysan Running Community, gLEEFul music, Urban Talks and art exhibitions, which contribute to community wellbeing and cultural engagement.

Collaboration with tenants remains an important part of these efforts. During the year, joint activities such as skateboarding classes were organised, supporting tenant engagement while promoting shared wellbeing within the community.

## Tenant Collaboration for Community Wellbeing



In collaboration with tenants, skateboarding classes were organised to encourage participation, strengthen relationships and support community wellbeing.

- ◀ Jebsen x Hysan Cooking Activity
- ▼ A skateboarding activity with office tenants



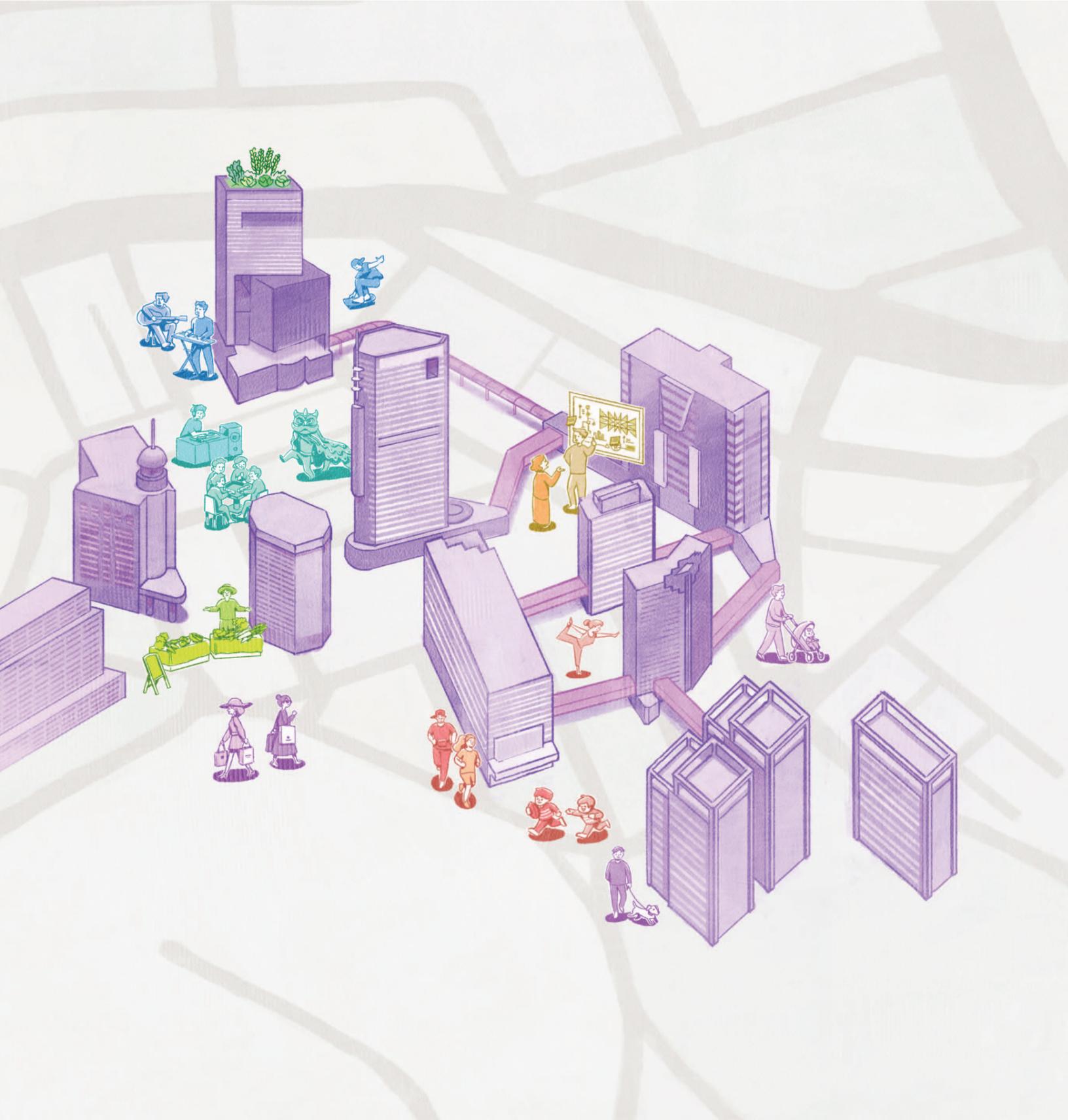
### Site Safety and Wellness

As a responsible property developer, Hysan remains committed to safeguarding the health and safety of our employees and business partners as well as the communities we serve. We communicate our Health & Safety Policy standards to contractors via tender documents and method statements.

In 2025, our main contractor Hip Hing reported no work-related fatalities at our Lee Garden Eight construction site.

To promote safe working practices, over 73,000 hours of health and safety training were delivered at the site during the year. All workers were required to undergo mandatory registration, site inductions and daily morning safety briefings on emergency response arrangements. Project teams also conducted regular site walks, reviewed safety plans with contractors, and implemented risk mitigation measures to reflect site conditions. These measures supported a safe working environment throughout construction activities.

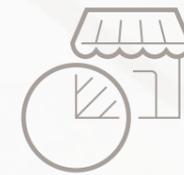
# The Community



Curated  
**>3,000,000**  
Happy Hours



Engaged  
**>3,300,000**  
participants through  
**>220** events in 2025



Maintained traditional trade and  
modern urban culture shops  
**>25:75**  
ratio



Provided support to  
**>30%**  
of the stakeholders in the Lee  
Gardens neighbourhood to help  
sustain their businesses

## The Community

At Hysan, connecting with the community is at the heart of our approach to sustainable development. In 2025, we remained committed to advancing sustainability and resilience while creating vibrant neighbourhoods where residents, businesses and stakeholders can thrive together. In line with our Community Business Model, we consider the impacts of our development projects and collaborate with partners to build a more dynamic and inclusive society.

Our community-focused actions are designed to enhance social wellbeing and produce positive economic impacts. To promote social good, we offer opportunities for personal and community growth through various programmes and initiatives. In our community initiatives, we curate memorable moments that make art and culture more accessible and promote mental and physical wellness. We also provide platforms for organisations to connect with the Lee Gardens community and advocate respectful and inclusive talent development.

We also empower entrepreneurs, with the objective of invigorating the local community, equipping businesses to deliver essential services. with The Community Lab. We also work in partnership with Hong Kong Science and Technology Park ("HKSTP") to incubate smart city technology startups and host events that reinforce the Lee Gardens' tech-friendly branding. These efforts have positioned Lee Gardens as a preferred place to work, live and visit.

In 2025, we successfully met our community objectives through initiatives focused on art and culture, health and wellness, family and children, and environmental sustainability. This section outlines key programmes from the year, including community events and long-standing programmes.

## Traditional trade meets Modern Urban Culture at Lee Gardens

In 2025, the Lee Gardens Area continued to reflect a distinct balance between traditional trades and modern urban culture. Long-established shops remained an active part of the neighbourhood, operating alongside newer, culture-driven retailers that bring fresh energy and ideas to the area.

Through ongoing support and engagement, this mix of old and new has allowed traditional businesses to adapt and thrive, while giving emerging brands space to grow. Together, they contribute to a streetscape that is both rooted in local heritage and responsive to contemporary lifestyles.

This balance strengthens the character of Lee Gardens and supports a diverse local ecosystem, where small businesses, entrepreneurs and modern urban culture shops can coexist and develop within a shared community setting.



# The Community

Positive Economic Impacts



## The Community Lab: Advancing Smart, Sustainable Innovation in Lee Gardens

With its diverse audiences, mixed-use portfolio and adaptable spaces, the Lee Gardens Area offers an ideal and practical environment for startups to test and refine innovative technological solutions in a real urban setting. The concentration of offices, retail, residential uses and high pedestrian flow allows new ideas to be trialled where people live, work and interact.

Established in collaboration with the **Hong Kong Science and Technology Parks Corporation (HKSTP) in 2021**, **The Community Lab** supports Hysan's sustainability journey while contributing to Hong Kong's smart city development. Through this partnership, startups gain access to Hysan's **Last Mile Testing Programme (LMTP)**, which enables proof-of-concept trials within the Lee Gardens Area and facilitates direct feedback from users and operational teams. In parallel, Hysan also conducts solution trials based on operational needs across the precinct, with successful trials considered for adoption and potential longer-term collaboration.

Since the collaboration began, **three LMTP cohorts** have been completed, with a **fourth cohort currently underway**. Over time, the Community Lab has evolved into a platform that connects innovators with the operational realities of the district. The Area's blend of commercial, retail and residential activities mirrors the complexity of Hong Kong's wider urban environment, making it well suited for testing solutions related to liveability, sustainability and community experience.

In May 2025, Hysan and HKSTP launched the **second three-year phase** of the programme. This expanded phase extends beyond LMTP to include pitching sessions, TechTalks, technology training and STEM workshops. These activities support startups as they move from concept testing towards practical applications, while contributing to Hong Kong's **Smart City Blueprint**.

### Celebrating The Community Lab Milestone



The first three-year phase of the Last Mile Testing Programme concluded with the completion of three cohorts. In May 2025, Hysan and HKSTP marked this milestone by launching the second phase of the programme, continuing their collaboration to support sustainable urban innovation.

Cohort 3 focused on smart sustainability. Three startups — Aurabeat Technology Limited, EC Innovation Limited and i2Cool Limited — piloting proof of concept trials with the Lee Gardens Area, covering solutions related to indoor air quality, circular water systems and passive cooling.

Through its continued collaboration with HKSTP, the Community Lab positions the Lee Gardens Area as a practical testing ground for people-centred innovation, contributing to the development of smarter and more sustainable urban solutions for Hong Kong.

Since the collaboration launched in 2021 until the end of 2025:

**3** cohorts of Last-mile Testing Programme (10 startups)

**17** trials, with **17** solutions adopted

Over **180** events happened at The Community Lab



#### ▶ Aurabeat Technology Limited

EcoSonic air filter — Trial result showed more than 20% energy savings in air handling unit (AHU) energy use while meeting MERV 13 filtration standards and delivering disinfection performance comparable to UV technology.



#### ▼ EC Innovation Limited

EC Flow System — Pilot trial on a green wall of an electrocatalytic solution demonstrating the reuse of irrigation runoff and nutrients, supported by remote system monitoring, within an urban planting context.



#### ▲ i2Cool

i2Ceramic — A zero-energy cooling construction material evaluated for its cooling performance, with preliminary results indicating potential surface-temperature reduction and scope for further refinement to support urban heat island mitigation.

## Supporting Local Businesses, Fuelling Economic Growth



As a major stakeholder in the Lee Gardens Area, Hysan works with local businesses and partners to support a vibrant local economy and active community life. In 2025, this was reflected in events such as the **“Bang! Pop! Spark! Party”** Lunar New Year campaign, which brought together festive activities, local creativity and community participation.

Initiatives like this highlighted the area’s cultural energy, encouraged local spending and reflected the collective efforts of Hysan and its partners in shaping an active and sustainable community environment.

### ◆ Bang! Pop! Spark! Party

The “Bang! Pop! Spark! Party” campaign infused festive vibrancy into the Lee Gardens Area during Lunar New Year 2025, transforming Pak Sha Road and Kai Chiu Road into the focal points of celebration in Causeway Bay. Families, visitors and neighbourhood residents gathered to take part in interactive street games, cultural performances and a lively artisan market, creating a dynamic and welcoming festive atmosphere.

Traditional Lunar New Year elements were presented in fresh and engaging ways. Lion dances were reimagined with modern twists, including hip hop collaborations, LED dragon dances, while large-scale community activities such as the 100-person Mahjong Challenge and Red Dog Debate encouraged participation across generations. Together, these activities created moments of shared enjoyment, strengthened social connections and supported overall community wellbeing.

The campaign was delivered in partnerships with local shops, tenants and NGOs, including A Drop of Life, helping to celebrate cultural traditions while building community spirit. Charity games raised funds for meaningful causes, and event materials were donated for reuse after the campaign, reducing waste and extending its positive impact.

Over the campaign period, the event attracted over 261,000 visitors, generating direct economic benefits for the neighbourhood. The increased footfall supported small businesses, encouraged spending in traditional trades and reinforced the Lee Gardens Area’s role as an active cultural destination within Causeway Bay.



**261,000+**  
visitors across the campaign curating  
**785,000+**  
Happy Hours



Charity games raising funds for community causes



Over \$47K raised for the services of A Drop of Life



Intergenerational participation through games, performances and workshops



Activation designed to enhance community wellbeing and social cohesion

### Cultural performances

- ▶ Hip Hop Lion Dance [New X Old]
- ▼ DJ (remix of classic Canto pop)[West X East]



### Local customs

- Mahjong Tournament 100 ◀
- Hawkers Run with HK Athletes’ Participation ▼



### Community Engagement

- ▶ Booth Tenant Participation
- ▼ Charity Games





### Inclusive Art and Culture

Hysan values the role that art and culture play in sustaining our community. For this reason, we support local and international artists and celebrate creative expression that preserves our unique heritage. By partnering with arts and culture organisations, we can create inspiring experiences that unite the community and promote social inclusiveness.

#### hy! Up Your Balance: Reviving our Martial Arts Heritage

The “hy! Up Your Balance” campaign celebrated Hong Kong’s martial arts heritage by bringing kung fu and lion dance traditions to a modern wellness experience. Held across the Lee Gardens Area from September to October 2025, the campaign connected generations through creative programming and added new life to public spaces.

In partnership with the renowned lion dance team NEEDLESS, the campaign featured the Lion Dance Art Exhibition at Urban Park, guided tours of a rooftop martial arts school, an interactive Urban Lion Dance Game and a lively Martial Arts and Lion Dance Fun Day. These activities brought new visibility to traditional practices while making them accessible in a modern urban context.

Alongside cultural programming, the campaign also emphasised physical wellbeing. More than 20 yoga, running and Pilates sessions were organised in collaboration with tenants, integrating everyday wellness activities into the broader cultural experience and encouraging active participation across the area.

Across the campaign period, 108,000+ people were engaged through a combination of cultural and wellness activities.

By revitalising these martial arts traditions in urban settings, the campaign supported local practitioners, celebrated cultural heritage, and created welcoming settings where people could connect through movement, culture and healthy lifestyles.



108,000+ people engaged

210,000+ Happy Hours generated

20+ yoga, running and Pilates activities with tenants

#### Urban Talks: Connecting Culture, Community and Sustainable City Living

In 2025, the Urban Talks programme brought artists, cultural practitioners and experts together to reveal Causeway Bay’s hidden stories. Through hands-on workshops and guided tours, participants could engage more deeply with our local culture and reinforce their sense of place and community connection.

The year opened with the Cultural Symphony edition of Urban Talks, which featured a stand-up comedy series that transformed the Lee Gardens Area into a lively cultural space. Performers used humour to encourage audiences to reflect on everyday urban life, inspiring new ways of seeing familiar surroundings.

A highlight of the programme, “Echoes in Iron”, involved heritage specialists sharing the history of Hong Kong’s trade in galvanised iron. During this event, participants learned traditional crafting skills and created their own galvanised iron boxes, keeping knowledge of this disappearing craft alive.

The 2025 Urban Talks series supported cultural preservation, enhanced community wellbeing and encouraged appreciation for local creativity. By spotlighting diverse voices and offering accessible public programmes, the Urban Talks promoted inclusive cultural dialogue and contributed to a more connected, culturally rich Lee Gardens Area.

A total of 9 Urban Talks with 220 participants

Over 500 Happy Hours curated



#### gLEEFul Music: Bringing Music, Community and Wellbeing to Lee Gardens

Over 7,700 participants engaged

16 live performances held

Over 5,700 Happy Hours curated

In 2025, the gLEEFul Music programme brought emerging local musicians to Urban Sky on the ninth floor of Hysan Place and to Urbanhood on the second basement level. These performances injected new life into public spaces, supported local talent and added vitality to the everyday experience of people passing through the Lee Gardens Area.

The chapter-based programme featured a wide mix of styles including jazz, acoustic folk, pop, heartfelt ballads and rhythm and blues. During the sixteen shows of this programme, the music invited shoppers, residents and office workers to pause, unwind and enjoy shared moments in the heart of the city.

By providing a professional platform for young musicians and creating welcoming spaces for the public, gLEEFul Music strengthened community connections and contributed to a more vibrant, people-centred urban environment in Causeway Bay.



# The Community

Social Wellbeing Liveability

## Community Health and Wellness



During the year, Hysan hosted a range of sports and wellness programmes that supported community health and wellbeing. These activities included rugby, family-oriented physical activities and community wellness initiatives. The programmes brought the community together through shared experiences that encouraged active lifestyles, teamwork and social connection.

### Partnership with HKCR: Empowering Youth Through Rugby

Hysan continued its longstanding partnership with Hong Kong China Rugby (“HKCR”) in 2025, marking the fourth year of support for a comprehensive youth rugby ecosystem. This collaboration focuses on promoting physical wellbeing while expanding access to rugby through more inclusive and structured development pathways for young people.

Rugby’s strong local roots and global reach make it a powerful platform for youth engagement and community participation. Through this partnership, Hysan supports initiatives that encourage wider participation, nurture talent and create progression pathways for youth, including local students. Since 2022, the collaboration has engaged more than 5,000 students through rugby activities and provided 70 young athletes with specialised training under the Hysan HKCR Academy.

Through its “Youth Community Co-creation” partnership with HKCR, Hysan supports sport accessibility, youth development and community participation, contributing to more inclusive and active neighbourhoods for Hong Kong’s next generation.

Key programmes under the partnership include:

#### Hysan HKCR Academy

- ✓ Provides structured weekly training to prepare young athletes for potential progression into senior Hong Kong China representative teams.

#### Youth Domestic League

- ✓ Provides training and competition opportunities to bridge the gap between mini rugby and senior levels.

#### Hysan Youth Regional Hub Initiative

- ✓ Connects local schools, community clubs, NGOs and district-based organisations to support smoother transitions from school-based programmes into accessible development pathways.

#### Hysan Secondary School Pilot Programme

- ✓ Bridges participation gaps among secondary schools. A total of 12 schools each received 20 training sessions.

#### Hysan DARE (District Active Rugby Engagement) for Primary Schools

- ✓ Targets underserved districts by introducing non-contact touch rugby in local primary schools, offering a fun and safe entry point for Primary 4 to Primary 6 students.

#### Hysan New Year’s Day Tournament 2025

- ✓ Provides an annual competition opportunity, attracting an audience of over 1,000 and featuring more than 6,000 Happy Hours curated for this iconic event in 2025.

>5,000 students participated in Hysan rugby activities since 2022

Nurtured 70 young athletes through the Hysan HKCR Academy



# The Community

## ❖ Mini Touch Rugby — For Families and Children

Hysan partnered with the South China Athletic Association (“SCAA”) to establish a progressive, structured Mini Touch Rugby Pathway for families and children, progressing from introductory Class A to advanced Class B and into SCAA RFC (a rugby club). The programme leverages SCAA’s professional venues and club networks to deliver accessible training and clear development pathways for local youth.

By reaching more families across the community, the partnership expands participation in rugby through age-appropriate, non-contact formats that encourage physical activity and early skill development. Together with SCAA, Hysan supports the nurturing of young talent while strengthening connections within Lee Gardens.

38 sessions

>36,000  
Happy Hours

>970  
participants



## ❖ Hysan Running Community: Advancing Social Wellbeing

2,200+ participations

4,500+  
training hours recorded in the  
Hysan Running Community

In 2025, the Hysan Running Community expanded its activities in support of community health and wellbeing, recording over 2,200 participations across a range of events. In collaboration with various organisations, the programme introduced social-themed runs designed to promote inclusivity and community connection. One such initiative was the women-focused “STRONG HER: Run & Box Challenge” held in June, which combined partner-based boxing sessions with guided runs around Causeway Bay, offering participants an engaging way to build both physical and mental resilience.

### The Lee Gardens Area Run

In 2025, Hysan launched the inaugural Lee Gardens Area Run, activating Causeway Bay as an inclusive and interactive setting for fitness and exploration. The event brought together over 150 participants across more than 50 mixed-ability teams, each designing its own routes to collect stickers at six checkpoints, promoting creativity and teamwork among runners of all different experience levels.

The run attracted participation from a broad cross-section of the running community, including more than 20 local running clubs. Through this shared experience, the event promoted physical activity while strengthening neighbourhood ties and deepening engagement with the local running community.

By inviting participants to explore the district on foot, the Lee Garden Area Run supported physical and mental wellbeing, encouraged social interaction and demonstrated the potential of public spaces in creating a healthier, more connected urban community.

150+ runners

50+ mixed-ability teams

20+ local running  
clubs involved

600+ Happy Hours



Environmental Stewardship Social Wellbeing Liveability

### Environmental Sustainability Awareness

To raise environmental awareness, we organise green initiatives such as our Urban Farm and Farmers' Market, where the public can learn how to minimise their ecological footprint and live sustainably.



#### Urban Farmers' Market- Promoting Sustainable Living

Hysan continued to support the Lee Gardens Urban Farmers' Market in partnership with the Sustainable Ecological Ethical Development Foundation (SEED). The market brings together local farmers and homegrown brands from across Hong Kong, offering organic produce while creating direct connections between the community and food producers. Alongside fresh, locally sourced products, the market provides opportunities for learning about sustainable agriculture and responsible consumption. By prioritising local organic offerings, the initiative supports healthier choices, reduces food miles and contributes to environmental wellbeing and neighbourhood vitality.



#### Urban Farm — Enriching Lives Through Agriculture

The Hysan Urban Farm, spanning 8,000 sq ft on rooftop of Hysan Place, integrates urban agriculture with community engagement and environmental education. In addition to supporting urban biodiversity and organic farming practices, the farm provides an interactive setting for learning about sustainability within a dense urban environment.

In 2025, Hysan organised guided educational activities at the Urban Farm for tenants and schools, including one delivered in collaboration with a tenant. The programme welcomed 30 underprivileged children, who explored the Urban Farm and Sky Wetland through structured learning and hands-on planting and harvesting activities. Participants learned about urban farming practices, plant lifecycles and the role of biodiversity in cities.

The experience raised environmental awareness among the young participants and strengthened community connections among tenants, local youth and Hysan. By transforming rooftop spaces into learning centres, the initiative contributes to the development of a greener, and more inclusive urban community.



Environmental Stewardship Social Wellbeing

### Volunteering and Donations

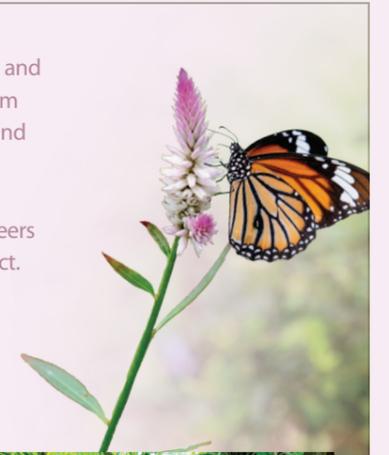


We work with stakeholders and mobilise our resources to help the underserved and achieve long-term positive community impacts. In 2025, we continued partnering with Time Auction to give our employees the opportunity to join volunteering activities other than Hysan's through its online platform.

#### A Collective Effort to Protect Botanic Treasures

In October 2025, Hysan assembled over 20 volunteers, including staff, their families and friends, for a hands-on mission to remove invasive species of plants at Kadoorie Farm and Botanic Garden. The initiative supported the protection of native biodiversity and contributed to the conservation of Hong Kong's natural heritage.

The activity began with an expert-led educational forest walk, during which volunteers learned about invasive threats, ecosystem dynamics and their environmental impact. Volunteers subsequently applied these learnings by identifying and safely cleared the invasive plants. The event also provided a shared learning experience for families, with children gaining exposure to ecological balance and adults deepening their understanding of biodiversity conservation.



## The Community

### ✦ Tackling Food Waste Through Community Rescue

This year, Hysan supported food waste reduction efforts by participating in wet market redistribution and Feeding Hong Kong food rescue initiatives, recovering surplus produce for redistribution to vulnerable groups.

Volunteers collected unsold fruits and vegetables from Shek Kip Mei wet market, sorting and repackaging the produce for timely distribution to low-income families and the elderly. The recovered food was redirected for consumption while addressing immediate needs. Volunteers later took part in a separate activity with Feeding Hong Kong, where they supported the sorting, checking and packing of donated food. The packaged items were subsequently distributed to social welfare organisations across the city.

These volunteer activities diverted surplus food from disposal and channelled it towards social support, demonstrating how environmental action and community care can be advanced through practical, collaborative efforts.



### ✦ Supporting Fire-Affected Communities

In 2025, Hysan allocated a HK\$5 million donation to provide 1,000 new laptops to residents impacted by the Tai Po Wang Fuk Court fire, addressing critical disruptions to study, work and daily routines. Partnering with Lenovo Hong Kong for preferential pricing and long-term partner Po Leung Kuk for coordinated distribution, Hysan volunteers supported in direct delivery of laptops to the households in need.

This timely response enhanced the efficiency of support through cross-sector collaboration and addressed the immediate need for essential tools during recovery. By mobilising resources and working closely with community partners, Hysan supported affected households and contributed to broader relief efforts across society.

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# Three-year ESG Performance and Impact Data

## Environmental

	Unit of Measure <sup>1</sup>	2023	2024	2025	Y-o-y % change
<b>Air Emissions</b>					
Nitrogen oxide (NO <sub>x</sub> )	kg	2.30	3.25	2.86	
Sulphur oxide (SO <sub>x</sub> )	kg	1.89	0.09	0.08	
Particulate matters (PM <sub>10</sub> )	kg	0.14	0.21	0.21	
<b>Energy Consumption</b>					
Towngas	Unit	2,146	2,056	1,326	
	GJ	103	99	64	
Petrol	Litres	4,285	5,948	5,570	
	GJ	149	207	194	
Diesel <sup>2</sup>	Litres	4,389	4,103	3,612	
	GJ	170	159	140	
Purchased electricity	MWh	51,232	49,767	49,550	-0.4%
	GJ	184,398	179,161	178,380	
Purchased electricity intensity	MWh/sq ft	0.011	0.011	0.011	
<b>Total energy consumption</b>	MWh	51,349	49,896	49,660	-0.5%
	GJ	184,709	179,625	178,777	
<b>Total energy consumption intensity</b>	MWh/sq ft	0.011	0.011	0.011	-0.5%
	GJ/sq ft	0.041	0.040	0.039	
On-site renewable energy generation <sup>3</sup>	kWh	34,062	32,106	38,381	
Renewable energy certificate (REC) purchased <sup>4</sup>	kWh	29,503	38,492	39,979	
<b>Refrigerants</b>					
Refrigerant refilled	Tonne	1.12	0.66	0.73	
GHG Emissions from refrigerants	Tonne CO <sub>2</sub> e	1,724	1,018	1,090	

1 Majority of figures are rounded to whole number unless otherwise presented with decimals as appropriate. Intensity figures are normalised using gross floor area (GFA).

2 Diesel was used for routine maintenance and checking of emergency generators only.

3 All renewable energy (RE) generated comes exclusively from the solar PVs installed at our commercial properties. The RE generated in commercial buildings (HP, LG1, LG3) is fed into the grid of Hongkong Electric Company Limited. However, the RE generation in Bamboo Grove is not metered and, therefore, not included in the overall RE calculation.

4 RECs purchased was not used to offset any of Hysan's GHG emissions.

	Unit of Measure <sup>1</sup>	2023	2024	2025	Y-o-y % change
<b>Greenhouse Gas ("GHG") Emissions<sup>5 6</sup></b>					
Scope 1 <sup>7</sup>	Tonne CO <sub>2</sub> e	1,754	1,051	1,118	
Scope 2 <sup>8</sup>	Tonne CO <sub>2</sub> e	34,839	32,847	29,731	
Total GHG emissions (Scope 1 & 2)	Tonne CO <sub>2</sub> e	36,593	33,898	30,849	-9.0%
Total GHG emissions (Scope 1 & 2) intensity	Tonne CO <sub>2</sub> e/sq ft	0.00803	0.00748	0.00681	-9.0%
<b>Water Consumption</b>					
Municipal water use	m <sup>3</sup>	291,295	335,962 <sup>9</sup>	313,091	-6.8%
Water use intensity	m <sup>3</sup> /sq ft	0.064	0.074 <sup>9</sup>	0.069	
Wastewater generation <sup>10</sup>	m <sup>3</sup>	235,855	268,770 <sup>9</sup>	250,473	
<b>Waste<sup>11</sup></b>					
<b>Hazardous waste disposed</b>					
Chemical waste (solid)	kg	465	621	201	
<b>Non-hazardous waste disposed</b>					
General waste disposed to landfill	Tonnes	4,620	4,688	4,408	-6.0%
<b>Materials recycled</b>					
Paper	Tonnes	555	558	574	
Aluminium cans	Tonnes	1	2	4	
Glass	Tonnes	4	3	2	
Plastic bottles	Tonnes	1	2	3	
Food waste	Tonnes	43	64	57	
<b>Total materials diverted from landfill</b>	Tonnes	602	629	639	

5 Greenhouse Gas (GHG) emissions were calculated based on the Department for Environment Food and Rural Affairs (DEFRA) Conversion Factors 2025, (IPCC) Intergovernmental Panel on Climate Change — GWP Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong, 2010 Edition published by the Environmental Protection Department and the Electrical and Mechanical Services Department, which includes carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), HFCs and CFCs.

6 Scope 2 GHG emissions are reported on a location-based basis. Emission factor (EF) adopted for purchased electricity is 0.6 kg CO<sub>2</sub>e/kWh as provided by HK Electric Investments Sustainability Report 2024. The EF for Towngas is 0.548 kg CO<sub>2</sub>e/unit as provided by The Hong Kong and China Gas Company Limited ESG Report 2024. The EF for Water Consumption and Sewage discharge, which being categorised into Scope 3 carbon emissions are 0.256 kg CO<sub>2</sub>e/m<sup>3</sup> and 0.22 kg CO<sub>2</sub>e/m<sup>3</sup> as provided by Water Supplies Department Annual Report 2023/24 and Drainage Services Department Sustainability Report 2023-24 respectively.

7 Scope 1 GHG emissions included direct emissions from Towngas, diesel, petrol and refrigerants.

8 Scope 2 GHG emissions included in direct emissions from purchased electricity and Towngas.

9 Following a water audit and inventory review in 2025, previously unrecorded meter readings were identified, resulting in a restatement of 2025 water consumption data.

10 Quantity of sewage is estimated to be 80% of total municipal water consumed.

11 Refer to waste collected from head office, tenants, and common areas, unless otherwise specified.

## Appendix 1

# Three-year ESG Performance and Impact Data

## Social

		Unit of Measure	2023	2024	2025
<b>Workforce <sup>12</sup> (as of 31 December 2025)</b>					
<b>Total number of employees</b>			514	518	505
by gender	Male	No. of employee	316	325	310
	Female	No. of employee	198	193	195
	Male in management position <sup>13</sup>	%	56	48	47
	Female in management position <sup>13</sup>	%	44	52	53
By employment type	Full-time	No. of employee	514	518	505
	Part-time	No. of employee	0	0	0
By employment grades	Assistant general manager and above	No. of employee	25	24	23
	Senior manager and manager	No. of employee	70	75	75
	General staff	No. of employee	166	164	160
	Operation staff	No. of employee	253	255	247
By employment contract	Permanent	No. of employee	456	455	434
	Temporary	No. of employee	58	63	71
By age group	≤ Aged 29	No. of employee	78	62	52
	Aged 30–49	No. of employee	285	283	274
	Aged ≥ 50	No. of employee	151	173	179
By geographical region	Hong Kong	No. of employee	501	505	495
	Mainland China	No. of employee	13	13	10
Number of employee entitled paternal leave	Male	No. of employee	316	325	310
	Female	No. of employee	198	193	195
Number of employee applied paternal leave	Male	No. of employee	2	5	2
	Female	No. of employee	6	3	3
Number of employee return to work	Male	No. of employee	2	5	2
	Female	No. of employee	6	3	3
Return to work rate	Male	%	100	100	100
	Female	%	100	100	100

<sup>12</sup> Workforce-related figures included all Hysan's employees, excluding Chairman, Executive Director & Chief Operating Officer and the Board of Directors.

<sup>13</sup> Manager grade staff and above.

		Unit of Measure	2023	2024	2025
<b>Training</b>					
<b>Total training hours</b>		No. of hours	17,676	20,102	21,302
By type of training	Anti-corruption	No. of hours	119	828	1,885
	Cybersecurity training	No. of hours	1,020	2,180	2,217
	Environmental	No. of hours	93	168	481
	Health & safety related topics	No. of hours	7,014	6,966	8,175
	Professional training	No. of hours	9,061	7,367	6,875
	Diversity & inclusivity	No. of hours	NA	296	373
	Wellness	No. of hours	NA	885	622
	Others	No. of hours	368	1,414	673
<b>Average training hours per employee</b>		No. of hours	34	39	42
By gender	Male	No. of hours	32	44	50
	Female	No. of hours	38	30	30
By employment grades	Assistant general manager and above	No. of hours	18	18	22
	Senior manager and manager	No. of hours	33	26	26
	General staff	No. of hours	25	35	32
	Operation staff	No. of hours	43	47	55
<b>New Hires</b>					
<b>Total new hires</b>		No. of employee	142	106	121
<b>New hires rate<sup>14</sup></b>		%	28	20	24
By age group	≤ Aged 29	%	45	29	40
	Aged 30–49	%	25	19	24
	Aged ≥ 50	%	23	19	19
Gender breakdown	Male	%	27	19	21
	Female	%	29	23	28
By geographical region	Hong Kong	%	28	21	24
	Mainland China	%	23	8	10

14 New hires rate is calculated as the total number of new hires divided by total number of employees. New hires rate for specific categories is calculated by dividing the total number of new hires in that category by total number of employees in that category.

## Appendix 1

# Three-year ESG Performance and Impact Data

		Unit of Measure	2023	2024	2025
<b>Turnover</b>					
<b>Total number of leavers<sup>15</sup></b>		No. of employee	104	78	74
<b>Turnover rate<sup>16</sup></b>		%	20	15	15
By employment grade	Assistant general manager and above	%	12	13	4
	Senior manager and manager	%	19	19	9
	General staff	%	22	19	19
	Operation staff	%	20	12	15
By gender	Male	%	20	11	14
	Female	%	21	22	15
By age group	≤ Aged 29	%	26	39	29
	Aged 30–49	%	25	14	16
	Aged ≥ 50	%	9	8	9
By geographical region	Hong Kong	%	21	15	15
	Mainland China	%	8	0	10
<b>Health and Safety</b>					
	Total number of workdays	No. of days	137,212	142,800	138,905
	Total number of workhours	No. of hours	1,072,720	1,117,399	1,087,016
	Total number of lost days due to work-related injuries	No. of days	158	67	314
	Total number of work injuries	No. of cases	9	15	15
	Total number of lost time incidents	No. of cases	5	11	9
	Injury rate <sup>17</sup>	General injuries per 100 employees	1.75	2.90	2.97
	Lost day rate <sup>18</sup>	Lost days per 100 employees	29.46	11.90	57.77
	Lost time incident Rate (Itir) <sup>19</sup>	Lost time incidents per 100 employees	0.93	1.97	1.66
	Total number of fatality	No. of cases	0	0	0
	Work-related fatality rate <sup>20</sup>	%	0	0	0
<b>Supplier<sup>21</sup></b>					
By geographical region	Hong Kong	No. of supplier	1,534	1,563	1,893
	Mainland China	No. of supplier	4	4	4
	Others	No. of supplier	15	17	28

NA: Data not available or not collected

15 Total number of leavers includes voluntary leavers as of 31 Dec of the respective year.

16 Turnover rate is calculated as the total number of leavers divided by total number of employees. Turnover rate for specific categories is calculated by dividing the total number of leavers in that category by total number of employees in that category.

17 Injury rate is calculated by the total number of work injuries divided by total number of employees and then multiplied by 100 employees.

18 Lost day rate is calculated by the total number of lost days due to work-related injuries divided by total number of workhours and then multiplied by 200,000. The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.

19 Lost time incident rate is calculated by the total number of lost time incidents divided by total number of workhours and then multiplied by 200,000.

20 Work-related fatality rate is calculated as the total number of work-related fatalities divided by the total number of employees.

21 The number of suppliers is the number of "active service providers" in the reporting period. "Active" is defined as the service providers used or with an active contract in the past 3 years.

# Scope 3 Carbon Emissions Mapping

## Scope 3 Mapping

Value Chain	Category No.	Scope 3 Category	% of 2024 Total Scope 3 Emissions	% of 2025 Total Scope 3 Emissions	Notes <sup>22 23</sup>
<b>Upstream</b>	1&2	Purchased goods and services & Capital Goods	49%	63%	Emissions from utility like use of fresh water, use of paper products, purchased services and maintenance (spend-based) and property management services (spend-based). Emissions from physical assets used in the production process were considered. Per GHG Protocol and lifecycle assessment, stages A1 to A5 of these goods' lifecycle were included, covering key construction materials like concrete, rebar, timber formwork, and steel. <sup>24 25</sup>
	3	Fuel and Energy Related Activities	4%	3%	Upstream emissions from fuel use due to consumption of electricity, diesel and Towngas.
	4	Upstream Transportation and Distribution	0%	0%	Emissions from transportation and distribution of products purchased between suppliers. Transportation of construction materials is covered in Category 2, while other administrative purchases are local and not material, and thus not estimated.
	5	Waste Generated in Operations	4%	3%	Emissions from disposal and treatment of waste generated in our operations.
	6	Business Travel	<1%	<1%	Emissions from transportation of employees for business-related activities. Flights and taxi rides are covered.
	7	Employee commuting	<1%	<1%	Emissions from transportation of employees between their homes and office.
	8	Upstream leased Assets	0%	0%	Emissions from operation of assets leased by Hysan which is not applicable as we own our offices.
	<b>Downstream</b>	9	Downstream transportation and distribution	0%	0%
10		Processing of sold products	0%	0%	Emission from downstream manufacturing, which is irrelevant to Hysan.
11		Use of Sold Product	4%	3%	Emissions from end use of goods and services sold, of which refers to residential units sold by Hysan.
12		End-of-life treatment of sold products	<1%	<1%	Emissions from waste disposal and treatment of products sold, which is insignificant to Hysan.
13		Downstream leased assets	32%	26%	Emissions from operational emissions from tenants that is not included in Scope 1 & 2. (e.g., energy use)
14		Franchises	0%	0%	Emissions from operation of franchises, which is irrelevant to Hysan.
15		Investments	5%	2%	Emissions from real estate related and health services related investments. (refer to Annual Reports for more details related to our investments.)
<b>Total scope 3 carbon emissions (kgCO<sub>2</sub>e)</b>			161,782,399 <sup>26</sup>	205,161,842	The year-on-year change is 27%.

22 Due to data limitations, a hybrid approach combining both spend-based and activity-based methods was applied to estimate Scope 3 emissions.

23 Emission factor (EF) adopted for purchased electricity is 0.6 kgCO<sub>2</sub>e/kWh as provided by HK Electric Investments Sustainability Report 2024. The EF for Towngas is 0.548 kg CO<sub>2</sub>e/unit as provided by The Hong Kong and China Gas Company Limited ESG Report 2024. The EF for Water Consumption and Sewage discharge, which being categorised into Scope 3 carbon emissions are 0.256 kg CO<sub>2</sub>e /m<sup>3</sup> and 0.22 kg CO<sub>2</sub>e/m<sup>3</sup> as provided by Water Supplies Department Annual Report 2023/24 and Drainage Services Department Sustainability Report 2023–24 respectively.

24 The increase in emissions reflected the progression into reinforced concrete (RC) works at LG8 Tower 3, together with curtain wall and fit-out activities at Towers 1 and 2 during more intensive construction stages in 2025.

25 Due to data limitations, Stage A4 emissions for 2025 are estimated as 8% of the combined Stage A1–A3 emissions, based on a 2022 publication by the Institution of Structural Engineers (UK).

26 The 2024 emission data were updated in response to SBTi validation comments to include the "Fuel and Energy Related Activities" and "Use of Sold Products" categories.

## Appendix 3

# Charters and Membership, Awards and Recognitions

## Charter and Memberships

### **ULI – Corporate Member**

Urban Land Institute

### **HKGBC Platinum Patron Member**

Hong Kong Green Building Council

### **BEC Council Member**

**Climate Change Business Forum Advisory Group**  
**Circular Economy Advisory Group**  
**Net-zero Carbon Charter**

Business Environment Council

### **HKCSS Caring Company – Coral Member**

The Hong Kong Council of Social Service

### **The Racial Diversity & Inclusion Charter for Employers**

Equal Opportunities Commission

### **Good Employer Charter**

Hong Kong Labour Department

### **Energy Saving Charter**

Environmental Protection Department

### **Green Event Pledge**

Environmental Protection Department

### **Sustainable Procurement Charter**

Green Council

### **Bring Your Own Containers (BYOC) Eateries Scheme**

Environmental Protection Department and Environmental Campaign Committee

### **Glass Container Recycling Charter of EPD**

Environmental Protection Department

## Awards and Recognition

### **Best Corporate Governance and ESG Awards 2025**

**Gold Award – Most Sustainable Organisations Awards (Medium and Small Market Capitalization Category)**

Hong Kong Institute of Certified Public Accountants

### **Sustainability Award 2025**

**Distinction Award (Large Organization)**

The Hong Kong Management Association

### **Best Annual Reports Awards 2025**

**Excellence Report Award**

**Excellence Award in Environmental, Social and Governance Reporting**

The Hong Kong Management Association

### **11th Investor Relations Awards 2025**

**Best IR Company (Mid Cap)**

**Best Annual Report (Mid Cap)**

**Best ESG (E) (Mid Cap)**

**Best ESG (S) (Mid Cap)**

**Best ESG (G) (Mid Cap)**

Hong Kong Investor Relations Association

### **Green Building Award 2025**

**Grand Award – New Buildings Category (Projects Under Construction and/or Design – Commercial) (Lee Garden Eight)**

Hong Kong Green Building Council

### **MIPIM Asia Awards 2025**

**Best New Development – Silver (Lee Garden Eight)**

MIPIM Asia

### **Asia Pacific Property Awards 2025-2026**

**Best Mixed-Use Development (Hong Kong) (Lee Garden Eight)**

**Best Sustainable Commercial Development (Hong Kong) (Lee Garden Eight)**

International Property Media

### **MiC/MiMEP Achievement Award 2025**

**Outstanding MiMEP Project (Design) (Lee Garden Eight)**

Construction Industry Council

**CIC MiC/MiMEP Achievement Award 2025  
Outstanding MiMEP Project (Design) (Lee Garden Eight)**

Construction Industry Council

**buildingSMART openBIM Awards 2025  
Winner in the Category of Sustainability (Lee Garden Eight)**

Hong Kong Chapter of buildingSMART International

**LEED Certification – Platinum and Gold**

US Green Building Council

**BEAM Plus Certification (New Building and Existing Building)**

The Hong Kong Green Building Council

**China Green Building Label**

China Green Building (Hong Kong) Council

**Zero-Carbon-Ready Building Certification Scheme – Existing Building – EUI Pathway**

**Hong Kong portfolio including Hysan Place, Lee Garden One, Lee Garden Two, Lee Garden Three, Lee Garden Five, Lee Garden Six, Lee Theatre Plaza, Leighton Centre and One Hysan Avenue**

Hong Kong Green Building Council

**Well Certification – Platinum (Lee Garden Eight)**

The International WELL Building Institute

**Well Health Safety Rating Certificate**

The International WELL Building Institute

**WiredScore Certification – Platinum Portfolio Award  
Certificate of Excellence for Mobile Performance**

WiredScore

**31st Considerate Contractors Site Award Scheme (Lee Garden Eight)**

**Considerate Contractors Site Award  
Outstanding Environmental Management & Performance Award**

**Innovation Award for Safety and Environmental Excellence**

**Appreciation of Contract Supervisory Team for Winning Contract**

Development Bureau and Construction Industry Council

**Hong Kong Green Organisation Certificate**

Environmental Campaign Committee

**Breastfeeding friendly premise and workplace – Gold**

Hong Kong Committee for UNICEF

**Indoor Air Quality Certificate Awards – Excellent and Good Class**

Environmental Protection Department

**IAQwi\$e Certificate – Excellent and Good Class**

Environmental Campaign Committee

**Quality Water Supply Scheme for Buildings – Flushing Water Certificate (Silver)**

Water Supplies Department

**Quality Water Supply Scheme for buildings – Fresh Water (Management System) Certificate (Gold, Silver and Blue)**

Water Supplies Department

**Wastewi\$e Certification – Excellence and Good Level**

Environmental Campaign Committee

**Project Green Moon 2025 – Certificate of Appreciation**

Greeners Action

**Mooncake Madness 2025 – Thank you Certificate**

Feeding Hong Kong

# HKEX ESG Reporting Code Index

Hysan continues to comply fully with the requirements of the provisions contained in the Environmental, Social and Governance Reporting Code (“ESG Code”), Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## Part C: “Comply or explain” Provisions

Aspect & Key Performance Indicator	General Disclosure and Key Performance Indicators (KPIs)	Section/Remarks
General structure	A statement from the board containing the following elements: <ol style="list-style-type: none"> <li>1. a disclosure of the board’s oversight of ESG issues</li> <li>2. the board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses); and</li> <li>3. how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses.</li> </ol>	<ul style="list-style-type: none"> <li>▪ Sustainability Governance</li> </ul>
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: <ol style="list-style-type: none"> <li>1. Materiality</li> <li>2. Quantitative</li> <li>3. Balance</li> <li>4. Consistency</li> </ol>	<ul style="list-style-type: none"> <li>▪ About This Report</li> </ul>
Reporting Boundary	Reporting boundaries of the ESG report and process of setting them	<ul style="list-style-type: none"> <li>▪ About This Report</li> </ul>

## A. Environmental

Aspect & Key Performance Indicator	General Disclosure and Key Performance Indicators (KPIs)	Section/Remarks
<b>A1 Emissions</b>		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	<ul style="list-style-type: none"> <li>Environment</li> <li>Corporate website – Group Policies and Governance</li> </ul> <p>In 2025, there was no non-compliance with relevant laws and regulations that had a significant impact on Hysan.</p>
KPI A1.1 The types of emissions and respective emissions data	The types of emissions and respective emissions data.	<ul style="list-style-type: none"> <li>Environment</li> <li>Appendix 1: Three-year ESG Performance and Impact Data — Environmental</li> </ul>
KPI A1.3 Total hazardous waste produced and intensity	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) GHG emissions and intensity	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
KPI A1.4 Total non-hazardous waste produced and intensity	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
KPI A1.5 Description of emission target(s) set and steps taken to achieve them	Description of measures to mitigate emissions and results achieved.	<ul style="list-style-type: none"> <li>Sustainability at Hysan</li> <li>Environment</li> </ul>
KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	<ul style="list-style-type: none"> <li>Environment</li> </ul> <p>Hazardous waste is not material to our operations. We manage it according to the local regulatory requirements, from storage to disposal, where the use of a qualified third-party contractor is mandatory.</p>

## Appendix 4

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Aspect & Key Performance Indicator	General Disclosure and Key Performance Indicators (KPIs)	Section/Remarks
<b>A2 Use of resources</b>		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	<ul style="list-style-type: none"> <li>Environment</li> </ul>
KPI A2.1 Direct and/or indirect energy consumption by type in total and intensity	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	<ul style="list-style-type: none"> <li>Appendix 1: Three-year ESG Performance and Impact Data – Environmental</li> </ul>
KPI A2.2 Water consumption in total and intensity	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	<ul style="list-style-type: none"> <li>Appendix 1: Three-year ESG Performance and Impact Data – Environmental</li> </ul>
KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them	Description of energy use efficiency initiatives and results achieved.	<ul style="list-style-type: none"> <li>Sustainability at Hysan</li> <li>Environment</li> </ul>
KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set taken to achieve them	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	<ul style="list-style-type: none"> <li>Environment</li> </ul> <p>There were no problems in sourcing water encountered in our operations. Freshwater is municipally sourced which is considered adequate and fit for use and thus not anticipating any material impact on the Group, yet we strive to conserve water consumption.</p>
KPI A2.5 Total packaging material used for finished products	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Data not tracked. The use of packaging material is not material to the Group.
<b>A3 The environment and natural resources</b>		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	<ul style="list-style-type: none"> <li>Environment</li> </ul>
KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	

## B. Social

Aspect & Key Performance Indicator	General Disclosure and Key Performance Indicators (KPIs)	Section/Remarks
<b>Employment and Labour Practices</b>		
<b>B1 Employment</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	<ul style="list-style-type: none"> <li>People</li> <li>Corporate website – Group Policies and Governance</li> </ul> <p>There were no reported cases of non-compliance related to employment that had a significant impact on the Group in 2025.</p> <p>There is no collective bargaining legislation in Hong Kong, yet we do respect the right of association of our employees as stated in our Human Rights Policy.</p>
KPI B1.1 Total workforce by gender, employment type, age group and geographical region	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	<ul style="list-style-type: none"> <li>Appendix 1: Three-year Performance and Impact Data – Social</li> </ul>
KPI B1.2 Employee turnover rate by gender, age group and geographical region	Employee turnover rate by gender, age group and geographical region.	
<b>B2 Health and safety</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	<ul style="list-style-type: none"> <li>People</li> <li>Corporate website – Group Policies and Governance</li> </ul> <p>There were no reported cases of non-compliance related to health and safety that had a significant impact on the Group in 2025.</p>
KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Number and rate of work-related fatalities.	<ul style="list-style-type: none"> <li>People</li> <li>Appendix 1: Three-year Performance and Impact Data – Social</li> </ul>
KPI B2.2 Lost days due to work injury	Lost days due to work injury.	
KPI B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored	Description of occupational health and safety measures adopted, how they are implemented and monitored.	<ul style="list-style-type: none"> <li>People</li> </ul>
<b>B3 Development and training</b>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	<ul style="list-style-type: none"> <li>People</li> </ul>
KPI B3.1 The percentage of employees trained by gender and employee category	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	All staff receive corporate training and subject to the job nature, specific training is further provided and thus training percentage to our employees is 100%. More relevant data including the average training hours completed per employee by gender and employee category, and total training hours by training topics completed is available.
KPI B3.2 Average training hours completed per employee by gender and employee category	The average training hours completed per employee by gender and employee category.	<ul style="list-style-type: none"> <li>People</li> <li>Appendix 1: Three-year Performance and Impact Data – Social</li> </ul>

## Appendix 4

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Aspect & Key Performance Indicator	General Disclosure and Key Performance Indicators (KPIs)	Section/Remarks
<b>Employment and Labour Practices</b>		
<b>B4 Labour standards</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	<ul style="list-style-type: none"> <li>People</li> <li>Corporate website – Group Policies and Governance</li> </ul> <p>There were no reported cases of non-compliance related to child and forced labour in 2025.</p>
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour	Description of measures to review employment practices to avoid child and forced labour.	While child and forced labour is illegal and absolutely forbidden, any identified or suspected incidents can be reported and will be followed-through as per our Whistleblowing Policy.
KPI B4.2 Description of steps taken to eliminate such practices when discovered	Description of steps taken to eliminate such practices when discovered.	
<b>Operating Practices</b>		
<b>B5 Supply chain management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	<ul style="list-style-type: none"> <li>Sustainability Governance</li> <li>Environment</li> <li>Corporate website – Group Policies and Governance</li> </ul>
KPI B5.1 Number of suppliers by geographical region	Number of suppliers by geographical region.	<ul style="list-style-type: none"> <li>Appendix 1: Three-year Performance and Impact Data – Social</li> </ul>
KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	<ul style="list-style-type: none"> <li>Sustainability Governance</li> <li>Environment</li> <li>People</li> </ul>
KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	

Aspect & Key Performance Indicator	General Disclosure and Key Performance Indicators (KPIs)	Section/Remarks
<b>Operating Practices</b>		
<b>B6 Product responsibility</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	<ul style="list-style-type: none"> <li>▪ Sustainability Governance</li> </ul> <p>In 2025, there was no non-compliance with relevant laws and regulations that had a significant impact on Hysan.</p> <p>We are committed to ensuring that our marketing and communications materials comply with relevant government regulations and industry guidelines, including the Residential Properties (First-hand Sales) Ordinance in Hong Kong and the Consent Scheme of the Lands Department, HKSAR.</p>
KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Recalls of product sold is immaterial to our business operations.
KPI B6.2 Number of products and service related complaints received and how they are dealt with	Number of products and service related complaints received and how they are dealt with.	<p>In order to effectively handle complaints and requests from tenants and customers, Hysan has an automated case management system with electronic standard operating procedures ("SOPs") to ensure efficient resolution of cases through real time updates and quick access to information. We also have a standardised customer complaint handling procedure to ensure written requests or complaints shall be answered in a timely manner.</p> <p>In 2025, there were no substantiated complaints received relating to products and services provided that had a significant impact on Hysan.</p>
KPI B6.3 Description of practices relating to observing and protecting intellectual property rights	Description of practices relating to observing and protecting intellectual property rights.	<ul style="list-style-type: none"> <li>▪ Sustainability Governance</li> </ul> <p>We respect property rights, including intellectual property rights, and require our employees to comply with applicable legal requirements relating to the collection, holding, processing, disclosure, and use of personal data, and respect the privacy of others and the confidentiality of information received through our operations.</p>
KPI B6.4 Description of quality assurance process and recall procedures	Description of quality assurance process and recall procedures.	<ul style="list-style-type: none"> <li>▪ Sustainability Governance</li> <li>▪ People</li> </ul> <p>Hysan has always placed the highest priority on safety and quality in our property development projects. We do not consider recall procedures to be material to our operations.</p>
KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	<ul style="list-style-type: none"> <li>▪ Sustainability Governance</li> </ul> <p>We respect personal data privacy and are committed to fully implementing and complying with the data protection principles under the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) (the "Ordinance"). Employees are required to comply with the Ordinance and the Group's privacy compliance policies and procedures. Please refer to our Privacy Policy Statement for further details.</p>

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Aspect & Key Performance Indicator	General Disclosure and Key Performance Indicators (KPIs)	Section/Remarks
<b>Operating Practices</b>		
<b>B7 Anti-corruption</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	<ul style="list-style-type: none"> <li>■ Sustainability Governance</li> </ul> <p>In 2025, there was no non-compliance with relevant laws and regulations that have a significant impact on Hysan.</p>
KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	In 2025, there were no concluded legal cases regarding corrupt practices brought against Hysan or its employees.
KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	<ul style="list-style-type: none"> <li>■ Sustainability Governance</li> </ul>
KPI B7.3 Description of anti-corruption training provided to directors and staff	Description of anti-corruption training provided to directors and staff.	<p>Anti-corruption training is provided to Directors and all employees. Training materials for Directors are embedded in a comprehensive memorandum on Directors' Duties and Responsibilities and are available at a digital board portal for Directors to access anytime and anywhere.</p> <p>Senior management are reminded of their relevant duties on a half-yearly basis with training materials accessible on our Intranet.</p> <p>All employees are required to complete anti-corruption training courses within the first three months of their employment. Training materials are available on Hysan's Mobile Learning Platform, which features with live videos and interactive features to support employee learning at any time, any pace and any place.</p>
<b>Community</b>		
<b>B8 Community investment</b>		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	<ul style="list-style-type: none"> <li>■ The Community</li> </ul>
KPI B8.1 Focus areas of contribution	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	
KPI B8.2 Resources contributed	Resources contributed (e.g. money or time) to the focus area.	

## Part D: Climate-related Disclosures

Disclosure Description	Section/Remarks
<b>Disclosure Obligation</b>	
(16)(1) An issuer must report on the climate-related disclosures set out in this part in the ESG report on a “comply or explain” basis. An issuer who has yet to disclose information required under any of the provisions must provide considered reasons for non-disclosure.	Climate related disclosures are being implemented on a phased basis. Ongoing work and planned enhancements are described in the relevant sections of the Report. See Environment – Climate Resilience and Adaptation.
(16)(2) An issuer that has yet to disclose information required under any of the provisions set out in this part, is encouraged to provide information on the work plan, progress and timetable for making the required disclosure.	
(17)(1) An issuer must disclose its Scope 1 greenhouse gas emissions and Scope 2 greenhouse gas emissions.	Appendix 1: Three-year Performance and Impact Data – Environmental
(17)(2) An issuer that is a constituent of the Hang Seng Composite LargeCap Index (HSCLI) must report on the provisions set out in this part on a mandatory basis.	Not applicable. As during the reporting period, Hysan is not a constituent of the HSCLI.
(17)(3) An issuer is encouraged, but not required, to disclose industry-based metrics	<ul style="list-style-type: none"> <li>▪ Appendix 1: Three-year Performance and Impact Data – Environmental</li> <li>▪ Appendix 5: GRI Content Index</li> </ul>
<b>Governance</b>	
(19) An issuer shall disclose information about:	
(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:	The Board is kept informed of climate related risks and opportunities through regular reporting from management and the Sustainability Committee, supported by internal analysis and external expertise where appropriate. Supported collectively by disclosures in:
(i) How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	<ul style="list-style-type: none"> <li>▪ Sustainability Governance</li> <li>▪ Board Oversight and Sustainability Committee</li> <li>▪ Climate Resilience and Adaptation</li> <li>▪ Risk Management</li> </ul>
(ii) How and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	
(iii) How the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer’s strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	
(iv) How the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	
(b) management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate related risks and opportunities, including information about:	
(i) Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	<ul style="list-style-type: none"> <li>▪ Sustainability Governance</li> <li>▪ Environment</li> </ul>
(ii) Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	

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Disclosure Description	Section/Remarks
<b>Strategy</b>	
<b>Climate-related risks and opportunities</b>	
(20) An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	
(a) Describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	Climate related disclosures are provided in Environment chapter:
(b) Explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	<ul style="list-style-type: none"> <li>▪ Climate Resilience and Adaptation</li> <li>▪ Climate Risk Assessments</li> <li>▪ Scope and methodology</li> <li>▪ Scenario and time horizon discussion</li> <li>▪ Physical risks</li> <li>▪ Transition risks</li> </ul>
(c) Specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	
(d) Explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	
<b>Business model and value chain</b>	
(21) An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:	
(a) A description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	<ul style="list-style-type: none"> <li>▪ Environment</li> </ul>
(b) A description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	
<b>Strategy and decision-making</b>	
(22) An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:	
(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	<ul style="list-style-type: none"> <li>▪ Sustainability Governance</li> <li>▪ Environment</li> </ul>
(i) Current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;	
(ii) Current and anticipated adaptation and mitigation efforts (whether direct or indirect);	
(iii) Any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan;	
(iv) How the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	
(b) Information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	
(23) An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	

Disclosure Description	Section/Remarks
<b>Financial position, financial performance and cash flows</b>	
(24) An issuer shall disclose qualitative and quantitative information about:	
(a) How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	<ul style="list-style-type: none"> <li>▪ Environment</li> </ul>
(b) The climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	There is no significant risk of a material adjustment within the next annual reporting period.
(25) The issuer shall provide qualitative and quantitative disclosures about:	
(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	In line with HKEX's phased implementation approach and the principle of proportionality, the Group has adopted a <b>comply-or-explain approach</b> in the current reporting year. The related data is under review and we will further develop and quantify the amount and percentage of assets vulnerable to climate-related risks in subsequent reporting periods.
(i) Its investment and disposal plans; and	
(ii) Its planned sources of funding to implement its strategy; and	
(b) How the issuer expects its financial performance and cash flow to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	
<b>Climate resilience</b>	
(26) An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:	
(a) The issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:	
(i) The implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;	<ul style="list-style-type: none"> <li>▪ Sustainability at Hysan</li> <li>▪ Environment</li> </ul>
(ii) The significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and	
(iii) The issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term	

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Disclosure Description	Section/Remarks
(b) how and when the climate-related scenario analysis was carried out, including:	
(i) Information about the inputs used, including:	<ul style="list-style-type: none"> <li>▪ Environment</li> <li>▪ The climate-related scenario analysis includes a scenario aligned with the Paris Agreement (1.5°C pathway), together with other scenarios to assess resilience under different transition and physical risk conditions. The analysis focuses on strategic and operational resilience rather than assumptions on carbon pricing or emissions trading, which are not currently applicable in Hong Kong.</li> </ul>
(1) Which climate-related scenarios the issuer used for the analysis and the sources of such scenarios;	
(2) Whether the analysis included a diverse range of climate-related scenarios;	
(3) Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;	
(4) Whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change;	
(5) Why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;	
(6) Time horizons the issuer used in the analysis; and	
(7) What scope of operations the issuer used in the analysis (for example, the operation locations and business units used in the analysis);	
(ii) The key assumptions the issuer made in the analysis; and	
(iii) The reporting period in which the climate-related scenario analysis was carried out.	

### Risk management

(27) An issuer shall disclose information about:	
(a) how and when the climate-related scenario analysis was carried out, including:	
(i) The inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	<ul style="list-style-type: none"> <li>▪ Sustainability Governance</li> <li>▪ Environment</li> </ul>
(ii) Whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	
(iii) How the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	
(iv) Whether and how the issuer prioritises climate-related risks relative to other types of risks;	
(v) How the issuer monitors climate-related risks; and	
(vi) Whether and how the issuer has changed the processes it uses compared with the previous reporting period;	
(b) The processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	
(c) The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	

Disclosure Description	Section/Remarks
<b>Metrics and targets</b>	
<b>Greenhouse gas emissions</b>	
(28) An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO <sub>2</sub> equivalent, classified as:	
(a) Scope 1 greenhouse gas emissions;	<ul style="list-style-type: none"> <li>▪ Appendix 1: Three-year Performance and Impact Data – Environmental</li> </ul>
(b) Scope 2 greenhouse gas emissions; and	
(c) Scope 3 greenhouse gas emissions.	<ul style="list-style-type: none"> <li>▪ Appendix 2: Scope 3 Carbon Emissions Mapping</li> </ul>
(29) An issuer shall:	
(a) Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	<ul style="list-style-type: none"> <li>▪ Appendix 1: Three-year Performance and Impact Data – Environmental</li> </ul>
(b) Disclose the approach it uses to measure its greenhouse gas emissions including:	
(i) The measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;	<ul style="list-style-type: none"> <li>▪ Environment</li> <li>▪ Appendix 1: Three-year Performance and Impact Data – Environmental</li> </ul>
(ii) The reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	
(iii) Any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	No change is made to the measurement approach.
(c) For Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and	<ul style="list-style-type: none"> <li>▪ Appendix 1: Three-year Performance and Impact Data – Environmental</li> </ul>
(d) For Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	<ul style="list-style-type: none"> <li>▪ Appendix 2: Scope 3 Carbon Emissions Mapping</li> </ul>

<b>Climate-related transition risks</b>	
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(30) An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	In line with HKEX's phased implementation approach and the principle of proportionality, the Group has adopted a <b>comply-or-explain approach</b> in the current reporting year. The related data is under review and we will further develop and quantify the amount and percentage of assets vulnerable to climate-related risks in subsequent reporting periods.
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<b>Climate-related physical risks</b>	
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(31) An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	In line with HKEX's phased implementation approach and the principle of proportionality, the Group has adopted a <b>comply-or-explain approach</b> in the current reporting year. The related data is under review and we will further develop and quantify the amount and percentage of assets vulnerable to climate-related risks in subsequent reporting periods.
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## Appendix 4

# HKEX ESG Reporting Code Index

Disclosure Description	Section/Remarks
<b>Climate-related opportunities</b>	
<p>(32) An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.</p>	<p>In line with HKEX's phased implementation approach and the principle of proportionality, the Group has adopted a <b>comply-or-explain approach</b> in the current reporting year. The related data is under review and we will further develop and quantify the amount and percentage of assets vulnerable to climate-related risks in subsequent reporting periods.</p>
<b>Capital deployment</b>	
<p>(33) An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.</p>	<p>In line with HKEX's phased implementation approach and the principle of proportionality, the Group has adopted a <b>comply-or-explain approach</b> in the current reporting year in relation to the quantification of capital expenditure, financing and investment deployed towards climate-related risks and opportunities, and will enhance disclosure as tracking and classification of climate-related expenditure are further developed in subsequent reporting periods.</p>
<b>Internal carbon prices</b>	
<p>(34) An issuer shall disclose:</p> <hr/> <p>(a) An explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and</p> <hr/> <p>(b) The price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;</p> <hr/> <p>or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.</p>	<p>We are considering conduct a study on utilising internal carbon pricing for optimising decarbonisation investments.</p>
<b>Remuneration</b>	
<p>(35) An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).</p>	<ul style="list-style-type: none"> <li>▪ Sustainability Governance</li> </ul>
<b>Industry-based metrics</b>	
<p>(36) An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterize participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.</p>	<ul style="list-style-type: none"> <li>▪ Appendix 1: Three-year Performance and Impact Data – Environmental</li> <li>▪ Appendix 5: GRI Content Index</li> </ul>

**Disclosure Description**

**Section/Remarks**

**Climate-related targets**

(37) An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:

(a) The metric used to set the target;	<ul style="list-style-type: none"> <li>▪ Sustainability at Hysan</li> <li>▪ Sustainability Governance</li> <li>▪ Appendix 1: Three-year Performance and Impact Data – Environmental</li> </ul>
(b) The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	
(c) The part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);	
(d) The period over which the target applies;	
(e) The base period from which progress is measured;	
(f) Milestones or interim targets (if any);	
(g) If the target is quantitative, whether the target is an absolute target or an intensity target; and	
(h) How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	

(38) An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:

(a) Whether the target and the methodology for setting the target has been validated by a third party;	<ul style="list-style-type: none"> <li>▪ Sustainability at Hysan</li> <li>▪ Sustainability Governance</li> <li>▪ Appendix 1: Three-year Performance and Impact Data – Environmental</li> </ul>
(b) The issuer’s processes for reviewing the target;	
(c) The metrics used to monitor progress towards reaching the target; and	
(d) Any revisions to the target and an explanation for those revisions.	

(39) An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity’s performance.

(40) For each greenhouse gas emissions target disclosed in accordance with paragraphs 37–39, an issuer shall disclose:

(a) Which greenhouse gases are covered by the target.	<ul style="list-style-type: none"> <li>▪ Sustainability at Hysan</li> </ul>
(b) Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	
(c) Whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target.	We consider our target is a gross GHG target.
(d) Whether the target was derived using a sectoral decarbonisation approach.	Our targets are not derived using a sectoral decarbonisation approach
(e) The issuer’s planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. The issuer shall disclose information including:	
(i) The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	We currently do not use carbon credits to offset our carbon emissions.
(ii) Which third-party scheme(s) will verify or certify the carbon credits;	
(iii) The type of carbon credit, including whether the underlying offset will be nature-based or based on technology carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	
(iv) Any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset)	

**Applicability of cross-industry metrics and industry-based metrics**

(41) In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	<ul style="list-style-type: none"> <li>▪ Appendix 1: Three-year Performance and Impact Data –Environmental</li> </ul>
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## Appendix 5

# GRI Content Index

Statement of use	Hysan Development Company Limited has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	NA

GRI Indicator	Description	Section/Remarks
<b>GRI 2: General Disclosures 2021</b>		
<b>The Organisation and its reporting practices</b>		
2-1	Organisational details	<ul style="list-style-type: none"> <li>About this Report</li> <li>Sustainability at Hysan</li> </ul>
2-2	Entities included in the organisation's sustainability reporting	<ul style="list-style-type: none"> <li>About this Report</li> </ul>
2-3	Reporting period, frequency and contact point	<ul style="list-style-type: none"> <li>About this Report</li> </ul>
2-4	Restatements of information	<ul style="list-style-type: none"> <li>Appendix 1: Three-Year ESG Performance and Impact Data</li> </ul>
2-5	External assurance	<ul style="list-style-type: none"> <li>Appendix 6: Verification Statement</li> </ul>
<b>Activities and Workers</b>		
2-6	Activities, value chain and other business relationships	<ul style="list-style-type: none"> <li>Sustainability at Hysan</li> <li>Stakeholder Engagement and Materiality Assessment</li> <li>Corporate website – Business</li> </ul> <p>There is no significant change in the sector of our operation and thus the value chain and business relationships.</p>
2-7	Employees	<ul style="list-style-type: none"> <li>People</li> <li>Appendix 1: Three-Year ESG Performance and Impact Data</li> </ul>
2-8	Workers who are not employees	<ul style="list-style-type: none"> <li>Sustainability Governance</li> <li>Stakeholder Engagement and Materiality Assessment</li> <li>Environment</li> <li>People</li> </ul> <p>Examples of the most common types of workers who are not Hysan's employees include consultants, construction contractors, and service providers who support our business operations.</p>
<b>Governance</b>		
2-9	Governance structure and composition	<ul style="list-style-type: none"> <li>Sustainability Governance</li> <li>Annual Report 2025 – Corporate Governance Report</li> </ul>
2-10	Nomination and selection of the highest governance body	<ul style="list-style-type: none"> <li>Annual Report 2025 – Corporate Governance Report</li> <li>Corporate Website- Group Policies and Governance</li> </ul>
2-11	Chair of the highest governance body	<ul style="list-style-type: none"> <li>Sustainability Governance</li> </ul>
2-12	Role of the highest governance body in overseeing the management of impacts	<ul style="list-style-type: none"> <li>Annual Report 2025 – Corporate Governance Report</li> </ul>
2-13	Delegation of responsibility for managing impacts	
2-14	Role of the highest governance body in sustainability reporting	
2-15	Conflicts of interest	
2-16	Communication of critical concerns	
2-17	Collective knowledge of the highest governance body	
2-18	Evaluation of the performance of the highest governance body	
2-19	Remuneration policies	
2-20	Process to determine remuneration	
2-21	Annual total compensation ratio	<ul style="list-style-type: none"> <li>Annual Report 2025 – Financial Statements, Valuation and Other Information</li> </ul>

GRI Indicator	Description	Section/Remarks
<b>Strategy, Policies and Practices</b>		
2-22	Statement on sustainable development strategy	<ul style="list-style-type: none"> <li>Message from the Executive Director and Chief Operating Officer</li> </ul>
2-23	Policy commitments	<ul style="list-style-type: none"> <li>Sustainability Governance</li> <li>Corporate website – Group Policies and Governance</li> </ul>
2-24	Embedding policy commitments	
2-25	Processes to remediate negative impacts	<ul style="list-style-type: none"> <li>Sustainability Governance</li> <li>People</li> </ul>
2-26	Mechanisms for seeking advice and raising concerns	<ul style="list-style-type: none"> <li>Corporate website – Group Policies and Governance</li> </ul>
2-27	Compliance with laws and regulations	<ul style="list-style-type: none"> <li>Sustainability Governance</li> </ul> <p>In 2025, there was no non-compliance with laws and regulations that had a significant impact on Hysan.</p>
2-28	Membership associations	<ul style="list-style-type: none"> <li>Appendix 3: Charters and Membership, Awards and Recognitions</li> </ul>
<b>Stakeholder engagement</b>		
2-29	Approach to stakeholder engagement	<ul style="list-style-type: none"> <li>Stakeholder Engagement and Materiality</li> </ul>
2-30	Collective bargaining agreements	There are no formal collective bargaining agreements in place within the Group. Yet, we do respect the right of association of our as stated in our Human Right Policy
<b>GRI 3: Material Topics 2021</b>		
<b>Disclosure on Material Topics</b>		
3-1	Process to determine material topics	<ul style="list-style-type: none"> <li>Stakeholder Engagement and Materiality</li> </ul>
3-2	List of material topics	
<b>Economic</b>		
<b>GRI 201: Economic Performance 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>Annual Report 2025 – Business Performance</li> </ul>
201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> <li>Annual Report 2025 – Financial Statements, Valuation and Other Information</li> </ul>
201-2	Financial implications and other risks and opportunities due to climate change	<ul style="list-style-type: none"> <li>Stakeholder Engagement and Materiality</li> </ul>
201-3	Defined benefit plan obligations and other retirement plans	<ul style="list-style-type: none"> <li>Annual Report 2025 – Financial Statements, Valuation and Other Information</li> </ul>
<b>GRI 203: Indirect Economic Impacts 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>Sustainability at Hysan</li> <li>Sustainability Governance</li> </ul>
203-1	Infrastructure investments and services supported	<ul style="list-style-type: none"> <li>Stakeholder Engagement and Materiality</li> <li>The Community</li> </ul>
203-2	Significant indirect economic impacts	
<b>GRI 205: Anti-corruption 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>Sustainability Governance</li> <li>Annual Report 2025 – Corporate Governance</li> </ul>
205-1	Operations assessed for risks related to corruption	
205-2	Communication and training about anti-corruption policies and procedures	
205-3	Confirmed incidents of corruption and actions taken	In 2025, there was no confirmed incident of corruption brought against Hysan.

## Appendix 5

# GRI Content Index

GRI Indicator	Description	Section/Remarks
<b>Environmental</b>		
<b>GRI 301: Materials 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>Environment</li> </ul>
<b>GRI 101: Biodiversity 2024</b>		
101-2	Management of biodiversity impacts	<ul style="list-style-type: none"> <li>Environment</li> </ul> <p>None of our properties are located near protected areas or areas of high biodiversity value outside protected areas.</p>
<b>GRI 302: Energy 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>Environment</li> </ul>
302-1	Energy consumption within the organisation	<ul style="list-style-type: none"> <li>Appendix 1: Three-year Performance and Impact Data</li> </ul>
302-3	Energy intensity	<ul style="list-style-type: none"> <li>Appendix 1: Three-year Performance and Impact Data</li> </ul>
302-4	Reduction of energy consumption	<ul style="list-style-type: none"> <li>Environment</li> </ul>
<b>GRI 303: Water and Effluents 2018</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>Environment</li> </ul>
303-1	Interactions with water as a shared resource	<ul style="list-style-type: none"> <li>Environment</li> </ul> <p>Municipal water is the only source for our properties in Hong Kong and Shanghai.</p>
303-2	Management of water discharge-related impacts	<ul style="list-style-type: none"> <li>Environment</li> </ul> <p>All wastewater from our operations is discharged to the municipal wastewater system for treatment.</p>
303-5	Water consumption	<ul style="list-style-type: none"> <li>Appendix 1: Three-year Performance and Impact Data</li> </ul>
<b>GRI 305: Emissions 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>Environment</li> </ul>
305-1	Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> <li>Environment</li> </ul>
305-2	Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> <li>Appendix 1: Three-year Performance and Impact Data</li> </ul>
305-3	Other indirect (Scope 3) GHG emissions	
305-4	GHG emissions intensity	
305-5	Reduction of GHG emissions	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	<ul style="list-style-type: none"> <li>Appendix 1: Three-year Performance and Impact Data</li> </ul>
<b>GRI 306: Waste 2020</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>Environment</li> </ul>
306-3	Waste generated	<ul style="list-style-type: none"> <li>Appendix 1: Three-year Performance and Impact Data</li> </ul>
306-4	Waste diverted from disposal	
306-5	Waste directed to disposal	
<b>GRI 308: Supplier Environmental Assessment 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>Sustainability Governance</li> <li>Environment</li> <li>People</li> </ul>

GRI Indicator	Description	Section/Remarks
<b>Social</b>		
<b>GRI 401: Employment 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>People</li> </ul>
401-3	Parental leave	<ul style="list-style-type: none"> <li>People</li> <li>Appendix 1: Three-year Performance and Impact Data</li> </ul>
<b>GRI 403: Occupational Health and Safety 2018</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>People</li> </ul>
403-2	Hazard identification, risk assessment, and incident investigation	
403-9	Work-related injuries	<ul style="list-style-type: none"> <li>Appendix 1: Three-year Performance and Impact Data</li> </ul>
<b>GRI 404: Training and Education 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>People</li> </ul>
404-1	Average hours of training per year per employee	<ul style="list-style-type: none"> <li>People</li> <li>Appendix 1: Three-year Performance and Impact Data</li> </ul>
<b>GRI 405: Diversity and Equal Opportunity 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>People</li> </ul>
405-1	Diversity of governance bodies and employees	<ul style="list-style-type: none"> <li>People</li> <li>Appendix 1: Three-year Performance and Impact Data</li> <li>Annual Report 2025 – Corporate Governance</li> </ul>
<b>GRI 406: Non-discrimination 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>People</li> </ul>
406-1	Incidents of discrimination and corrective actions taken	In 2025, there is no confirmed incident of discrimination at Hysan.
<b>GRI 410: Security Practices 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>People</li> </ul>
410-1	Security personnel trained in human rights policies or procedures	In 2025, 100% of security personnel have received formal training in our SOP Manual.
<b>GRI 413: Local Communities 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>Community</li> </ul>
<b>GRI 414: Supplier Social Assessment 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>Sustainability Governance</li> <li>Environment</li> <li>People</li> </ul>
<b>GRI 416: Customer Health and Safety 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>Stakeholder Engagement and Materiality</li> <li>People</li> </ul>
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	In 2025, there are no incidents of non-compliance concerning the health and safety impacts of services at Hysan.
<b>GRI 418: Customer Privacy 2016</b>		
3-3	Management of material topics	<ul style="list-style-type: none"> <li>Sustainability Governance</li> </ul>
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2025, Hysan has not received complaints concerning breaches of customer privacy and losses of customer data.

# Independent Assurance Report



## Independent Assurance Report

### 1. Introduction

Hong Kong Quality Assurance Agency (“HKQAA”, “we”, “our”, “us”) was engaged by Hysan Development Company Limited (“the Company”) to conduct an independent assurance of the sustainability disclosures (“Sustainability Disclosures”) presented in its Sustainability Report 2025 (“the Report”) for the reporting period from 1st January 2025 to 31st December 2025 (“Verification Period”) and issue this Independent Assurance Report. For the avoidance of doubt, all Appendices listed at the end of this Independent Assurance Report and as attached hereto are hereby incorporated by reference and form an integral part of this Independent Assurance Report. The Report outlines the Company’s sustainability performance, including climate-related financial impacts, and covers aspects such as governance, strategy, risk management, and metrics and targets.

The objective of this sustainability assurance service is to provide an independent opinion, with a limited level of assurance, on whether the sustainability disclosures have been prepared in accordance with the following reporting criteria:

- The Environmental, Social and Governance Reporting Code (“ESG Reporting Code”) set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited.

The assurance team also reviews the Sustainability Disclosures by making reference to the following disclosure frameworks, as the Report has been prepared with references to:

- Global Reporting Initiative Sustainability Reporting Standards (“GRI Standards”)

For the avoidance of doubt, our sustainability assurance activities and the Independent Assurance Report is subject at all times to the assumptions, dependencies, boundaries, limitations, exclusions and scope of roles and responsibilities as set out under Appendix A attached hereto. Appendix A is also available on the HKQAA website ([www.hkqaa.org](http://www.hkqaa.org)) under the navigation path: News & Resources > Guides & Forms > Guidelines > Sustainability Assurance.

### 2. Assurance Methodology

HKQAA’s assurance procedure was conducted:

- with reference to the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (“ISAE 3000”), issued by the International Auditing and Assurance Standards Board (“IAASB”).

The evidence gathering processes were designed to obtain a limited level of assurance, as set out in the international standards, using a risk-based approach.

Our assurance procedures included, but were not limited to:

- Reviewing relevant policies, procedures, relevant documentation and records provided by the Company, including those related to climate-related information such as governance, risk identification, and performance metrics.
- Interviewing key management and personnel responsible of the Company for reporting and climate-related governance.
- Conducting analytical reviews of disclosures for plausibility and consistency with sector benchmarks, external frameworks, and internal supporting data.
- Understanding the data aggregation and reporting mechanism, internal control procedures and checking the accuracy of calculations. Reviewing the Company's processes for the collection, aggregation, consolidation and validation of sustainability information; on a sample basis, tracing disclosures to underlying supporting records, evaluating the consistency of definitions applied, and assessing the transparency of key assumptions, boundaries and dependencies described in the Report. These procedures were designed to obtain a limited level of assurance and do not constitute an audit or a comprehensive assessment of system effectiveness.
- Selecting representative samples of disclosures, with a focus on materiality and risk, and assessing the underlying evidence for each sample using judgmental sampling.
- Evaluating the transparency of disclosed assumptions, dependencies, and boundaries.
- Assessing the completeness of coverage with respect to the requirements of the reporting criteria, including reviewing methodologies used for estimations, sensitivity analyses, and disclosures of uncertainties.

### 3. Conclusion

Based on the procedures performed, evidence obtained, and subject to the stated assumptions, dependencies, boundaries, limitations, and exclusions, nothing has come to our attention that causes us to believe that the sustainability disclosures in the Company's Sustainability Report 2025 for the Verification Period from 1st January 2025 to 31st December 2025 are not presented, in all material respects, in accordance with the requirements of the ESG Reporting Code, and with reference to GRI Standards.

This Independent Assurance Report on limited assurance is made solely for the use of Hysan Development Company Limited and the users of its Sustainability Report 2025 for the purpose of use in accordance with and with reference, to the reporting criteria set out in the Introduction section of this report. We do not accept or assume responsibility for any other purpose or to any other person to whom this Independent Assurance Report is shown or into whose hands it may come. We confirm our independence from the Company in conducting this engagement.

The engagement leader on the assurance engagement resulting in this independent assurance report is Mr. Tommy Lo.

**Signed on behalf of Hong Kong Quality Assurance Agency**



12 March 2026  
Ref: 14993986

## Appendix 7

# Glossary of Key Terms

Abbreviation	Full form
AHU	Air Handling Units
AI	Artificial Intelligence
AR6	The Sixth Assessment Report
BEAM	Building Environmental Assessment Method
BIM	Building Informational Modelling
BMS	Building Management System
C&D	Construction and Demolition
CBM	Community Business Model
CGBL	China Green Building Label
CH <sub>4</sub>	Methane
CO <sub>2e</sub>	Carbon Dioxide Equivalent Emission
COSO	Committee of Sponsoring Organisations of the Treadway Commission
DPMG	Data Privacy Management Group
EC	Electronically Commutated
EF	Emission Factor
EOC	Equal Opportunities Commission
EPD	Environmental Protection Department
ESG	Environmental, Social and Governance
ETS	Emission Trading System
F&B	Food and Beverage
FSC	Forest Stewardship Council
GHG	Greenhouse Gas
GJ	Gigajoule
GRI	Global Reporting Initiative
GWP	Global Warming Potential
H&S	Health and Safety
HFC	Hydrofluorocarbon
HFO	Hydrofluoroolefin
IAQ	Indoor Air Quality
ILO	International Labour Organisation
IoT	Internet of Things
IPCC	Intergovernmental Panel on Climate Change
ISAE	International Standard on Assurance Engagement

Abbreviation	Full form
ISSB	International Sustainability Standards Board
IUCN	International Union for Conservation of Nature
IWBI	International WELL Building Institute
kWh	Kilowatt Hour
LEED	Leadership in Energy and Environment Design
LMTF	Last-Mile Testing Programme
MDM	Mobile Device Management
MDR	Managed Detection and Response
MWh	Megawatt Hour
NGFS	Network for Greening the Financing System
NGO	Non-government Organisation
NO	Nitrogen Oxide
OTV	Old and Valuable Tree
PAU	Primary Air Handling Units
PM <sub>10</sub>	Particulate Matter (10 micrometers or less in diameter)
PM <sub>2.5</sub>	Particulate Matter (2.5 micrometers or less in diameter)
PoCs	Proof-of-concepts
RE	Renewable Energy
REC	Renewable Energy Certificate
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets initiative
SDG	Sustainable Development Goal
SO	Sulphur Oxide
SOP	Standard Operation Procedure
sq ft	Feet Squared (ft <sup>2</sup> )
sq m	Meter Squared (m <sup>2</sup> )
SRB	Smart Recycling Bin
SSP	Shared Socioeconomic Pathways
TCFD	Task Force on Climate-related Financial Disclosures
UNGC	United Nations Global Compact
VOCs	Volatile Organic Compounds
ZCRB	Zero-Carbon Ready Building

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