

Environmental, Social and Governance (ESG) Management Manual Terms of Reference (with effect from January 1, 2018)

Purpose of the ESG Management Manual

KaiLong (the “Company”, “we” or “our”) adheres to the principle of honest service and firmly believes that creating value for stakeholders is the core of the Company's sustainable development. This ESG Management Manual serves as a guidance, directing the Company to find out resources allocated to ESG-related management and procedures required for the correct sustainability decision making. The policy applies to all ESG issues of existing, redevelopment, renovation and decoration projects related to the operations of KaiLong.

Applicability

This Manual applies to the related management personnel, employees and consultants of KaiLong Holdings Limited and its affiliated companies, associated entities, funds under management and companies invested by the funds (collectively “KaiLong”), no matter in what form they work for KaiLong, be it full-time, part-time, consulting or ad-hoc (individually an “employee” and collectively “every employee”).

ESG Objectives

ESG objectives of KaiLong are developed to guide our efforts to build sustainable development capability and ensure that ESG considerations are integrated into all of our business decisions and every operational level. Our ESG objectives are based on six strategic pillars:

1. Governance

- **Objective:** we strive to conduct business according to the highest ethical and legal/regulatory standards, while being timely in communicating our performance
- To achieve this, we are pursuing and strengthening the following:
 - Corporate governance
 - Risk management
 - Disclosure and reporting

2. Economic Performance:

- **Objective:** we strive to create long-term and sustainable value for investors and shareholders.
- To achieve this, we are pursuing and strengthening the following:
 - Financial performance
 - Investor relations

- Green financing

3. Environmental Performance:

- **Objective:** we strive to design, construct and manage our buildings sustainably with the aim of minimizing the environmental impact of our operations and improving the efficient use of resources.
- To achieve this, we are managing the following key impact areas of our operations:
 - Climate change
 - Energy management
 - Waste management
 - Water management
 - Green building certificates
 - Green building materials

4. Employees:

- **Objective:** we strive to ensure that all employees receive fair and impartial treatment, operate in a safe and comfortable working environment as well as a sustainable career platform.
- To achieve this, we are focused on the core areas of:
 - Talent attraction and retention
 - Health, Safety and well-being
 - Diversity and inclusion

5. Partners:

- **Objective:** we strive to forge long-term and responsible partnerships with our business partners and other key parties to enhance ESG performance together.
- We have identified a number of important partners who can support and benefit from our ESG objectives:
 - Tenants
 - Suppliers
 - Contractors
 - Industrial associations

6. Communities:

- **Objective:** we strive to transform places into vibrant and sustainable communities as well as appropriately integrate communities' livability into our decision-making.
- To achieve this, we are focused on the core areas of:
 - Community investment and volunteering
 - Community engagement
 - Local economy

ESG Committee

An ESG Committee dedicated to identifying, managing and evaluating environmental, social and governance issues shall be established. The ESG Committee is chaired by the Chief Operating Officer and comprises managers from core departments.

ESG Performance Evaluation System

To further consolidate our commitment to sustainable development, we have developed a vision with specific targets for 2030, with the aim of monitoring the continuous improvement of ESG performance. The ESG committee should review on an annual basis the ESG performance of the Company in achieving targets. The employees' ESG-related performance is incorporated into their overall functional performance, though the evaluation criteria may differ in different employee types. Written recognition, rewards as well as monetary benefits are contingent upon the achievement of the annual performance targets.

Stakeholder Engagement Measures

Six key stakeholder groups have an impact on KaiLong and are closely related to our business, which are shareholders/investors, government authorities, tenants, partners, employees and communities/ non-governmental, non-profit organizations (NGOs). We are committed to establishing multi-faceted communication and contacts with all stakeholders in order to have in-depth understanding and actively respond to stakeholders' opinions and demands. The impacts of our operations on stakeholders should be periodically assessed, measured and reported.