

BEYONDHLA IMPACT PROGRAMME POLICY

As an established multinational with operations across Asia, Hong Leong Asia Ltd ("HLA" or "the Group") is guided by its sustainability framework to implement key Environmental, Social and Governance ("ESG") targets to improve its business impact. Going further, in alignment with its core value, "*Create an Impact Beyond our Business*", HLA has also developed an impact programme called *Beyond***HLA**.

1. PURPOSE

The purpose of this policy is to articulate the rationale behind the selection of key pillars and themes under any *Beyond***HLA** impact programme. This document also outlines the guiding principles that will enable HLA and its subsidiaries to make sustainable and positive impact within the communities they serve and should be read together with other HLA's board/corporate policies at <u>https://www.hlasia.com.sg/corporate-governance</u>

2. KEY PILLARS AND THEMES

HLA has defined the key pillars and themes below to be adopted in the development of all *Beyond***HLA** impact programmes.

2.1 Sustainable Cities and Communities

To create long-term value for its stakeholders, the Group is committed to developing innovative solutions to transform the way urban cities are built and mobilised. To support this ambition, programmes must be aligned with the United Nations Sustainable Development Goal 11, *"Sustainable Cities and Communities"*. This challenges HLA and its subsidiaries to work towards making cities of the future inclusive, safe, resilient and sustainable.

Under this pillar, initiatives that HLA aspires to achieve are listed below and are not limited to:

- participate and/or contribute to urban and rural development projects such as affordable housing, public green spaces and greener transportation;
- promote circular systems as an industry practice to promote innovation, zero-waste and lower-carbon future urban cities;
- promote education towards future urban cities.

2.2 Enabling Solutions for Healthier Environments and Communities

Climate change is and will continue to be a great disruptor of the global economy. Hence, it is vital to build awareness and educate HLA employees on the effects of climate change on the environment, society and business. This enables HLA employees to learn of effective interventions needed in the fight against climate change and ultimately, empower them to take individual action.



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Over the longer term, the Group believes in cultivating a stronger sense of responsibility amongst its employees to enable collective action towards positive environmental and social impact.

Under this pillar, initiatives that HLA aspires to achieve are listed below and are not limited to:

- promote climate mitigation and adaptation for future urban cities in the Asia region;
- contribute towards nature solutions that restore and protect natural ecosystems on land and sea;
- promote women's entrepreneurship and rural communities in adapting to climate change challenges;
- support generation of income for underprivileged families and disadvantaged communities impacted by climate change such as through tourism, agriculture, financing and education;
- participate in and champion the zero-waste movement.

2.3 Educating Future Generations

In honour of HLA's Founder's mission to create equal opportunities amongst youth through education, the Group remains committed to educating future generations, particularly in the fight against climate change. Climate change being a complex, multi-faceted problem, requires early awareness and education amongst our future leaders from a young age. At the same time, this supports the Group's goals in developing people over the long term and in recruiting like-minded employees to align the individual's values with our vision and goals.

Under this pillar, initiatives that HLA aspires to achieve are listed below and are not limited to:

- promote climate change awareness and education amongst students;
- promote and support youth entrepreneurship to develop climate change solutions;
- advocate for and support climate change action and leadership amongst youth.

3. KEY GUIDING PRINCIPLES

To ensure HLA employees understand the rationale behind this policy, these key guiding principles defined by the Group form the foundation of *Beyond***HLA**.

3.1 Alignment with HLA Vision and Core Value

All programmes must align with HLA's vision and core value, "*Create an Impact Beyond our Business*". This serves as a guide to prioritise and develop initiatives and partnerships that are synergistic with the Group's long-term goals, culture and strengths.



3.2 "Not Just Another Money Cheque"

To create an impact beyond our business, HLA believes that the act of giving requires active participation and partnership to effectively create value for all parties and a greater ecosystem. It is therefore imperative that HLA does not prioritise cash donations and that every HLA employee participate in activities that promote the betterment of society and environment.

3.3 Stakeholder Inclusivity

Ensure active involvement and consideration of stakeholders, including employees, customers and local communities, in the decision-making process. At the Group and subsidiary level, the country management team and respective organising committees are responsible to ensure programmes are recognised by building awareness and encouraging active participation amongst employees and ensuring the commitment of partners.

3.4 Scalability

Programmes should select or develop solutions that have potential to scale over the longer term to extend the Group's reach of impact. To scale up impact, ways that include replicating the model, funding expansion of an operation or influencing policy or behavioural change can be considered if the programme is concluded to be effective.

3.5 Green Procurement

Aligned to our Sustainability Pillar "Driving Innovation for a Low-Carbon and Circular Economy" and the Zero Waste Masterplan under Singapore's Ministry of Sustainability and Environment policies and initiatives, HLA has committed to the Green Nation Pledge which includes ensuring greener office and company event practices such as phasing out plastic bottled water and single-use plastics/disposables as well as using energy efficient appliances. Employees who oversee facility management and organise company events/activities are to refer to the national guidelines¹ on green procurement where they operate to guide their purchasing decisions.

¹Note:

- Singapore: Employees may refer to the <u>Singapore Green Labelling Scheme Directory</u> by Singapore Environment Council
- Malaysia: Employees may refer to the <u>MyHIJAU Directory</u> by the Malaysian Green Technology and Climate Change Corporation

4. EXCLUSION CRITERIA

HLA will not consider proposals that engage in the following:

- Harmful practices: Activities that may cause harm to individuals, communities, and/or the environment.
- Discrimination: Organisations promoting discrimination based on race, gender, religion, ethnicity, sexual orientation or any other protected characteristic.
- Political⁴ affiliations: Organisations with direct political affiliations or engaged in political campaigning.



 Unfair practices: Activities that only benefit employees or families of employees of the company.

^₄Note:

- HLA is politically neutral and any premises or assets may not be used to raise funds or to campaign for particular
 political party or candidate for office. Political donations may not be made in the name of HLA and its subsidiaries.
- No Contribution (donation or sponsorship) shall be promised, offered or made to secure a business advantage.

5. CONCLUSION

This policy aims to guide and empower HLA and its subsidiaries in creating a meaningful and lasting impact through *Beyond***HLA** impact programmes. By adhering to these key principles and pillars, the organisation aspires to contribute positively to society and enhance the well-being of its stakeholders.