

SUSTAINABLE PROCUREMENT POLICY

1. Introduction

Sunlight Real Estate Investment Trust (“**Sunlight REIT**”) 2030 Sustainability Vision, our sustainability strategy framework set in the financial year 2019/20, guides our efforts in managing the most material sustainability issues to the business and stakeholders. In the sustainability strategy framework, Henderson Sunlight Asset Management Limited (“**the Manager**”) identified eleven focus areas under four strategic pillars, in which supply chain management is one of the focus areas under the pillar of Partnership. To operate our business and our relationships with our suppliers with sustainability in mind, we strive to maintain fair relationships with our suppliers to ensure continuous improvement of our sustainability performance.

We are committed to managing supply chain risks across our operations, guided by global best practices such as with reference to ISO 20400 Sustainable Procurement Guidance, and as part of our corporate risk management process. We will work with our suppliers to ensure we operate on the basis of a sustainable supply chain.

The objective of this Policy is to extend our sustainability commitments from our own operations to our supply chain partners.

2. Scope

The main responsibility of the Manager is to manage Sunlight REIT and all of its assets in accordance with the Trust Deed in the sole interest of the unitholders of Sunlight REIT. Henderson Sunlight Property Management Limited (“**HSPM**”) has been delegated the responsibilities of providing property management, lease management and marketing services solely and exclusively for the properties of Sunlight REIT located in Hong Kong, subject to the overall management and supervision of the Manager.

This Sustainable Procurement Policy applies to all directly-managed properties, and will be communicated to the Deed of Mutual Covenant Managers (“**DMC Mangers**”) of all non-directly managed properties and suppliers whenever necessary.

3. Approach

Our Sustainable Procurement Policy stresses the integration of the following sustainability principles within the procurement process:

Supplier selection and engagement

- We will identify and analyze potential environmental, social and governance (ESG) risks associated with products and services as appropriate, and where necessary engage suppliers in the development of a risk management plan.

- Where potential procurement risks are identified, we will review based on our own risk mitigation measures. If risks are considered serious or cannot be mitigated, suspension of collaboration with supply chain partners will be considered.
- We will integrate sustainability into new supplier selection based on their environmental and social performance, and give preference to suppliers who demonstrate commitment to sustainable development and have their own sustainability policies and systems in place.
- Preference will be given to those suppliers who share our commitment to sustainability. We will explore procurement from diverse suppliers that support social and environmental causes, the local economy and vulnerable groups.
- We will suspend suppliers or contractors who fail to meet local environmental regulations or our environmental requirements as appropriate.

Integration of sustainability requirements into procurement process

- When making purchasing decisions, we will consider the environmental and social impacts of the products and services being procured and seek to source products that are environmentally and socially responsible, and conducive to the health and wellness of our stakeholders.
- We integrate sustainability into the procurement process, such as establishing environmentally responsible requirements in the specifications on the procurement of materials from suppliers.
- We will review procurement processes regularly to incorporate sustainable procurement practices and establish sustainable procurement objectives.

Stakeholder communications

- We will communicate this Policy with relevant stakeholders and provide training and / or guidance to staff and suppliers as necessary.
- We will ensure sufficient resources and guidance are in place to support our employees to incorporate environmental and social objectives in their procurement practices
- Where applicable, we will seek to support and adopt local sustainable procurement initiatives to promote sustainable procurement in Hong Kong

4. Monitoring

We will monitor, track and report on the implementation of this Sustainable Procurement Policy on a regular basis. We will monitor risks associated with the performance and behaviour of our suppliers. We will keep appropriate records over time and report to the ESG Committee and the Board (if applicable) on progress towards our targets. We welcome

scrutiny from our stakeholders and seek to be accountable for all our actions and decisions relating to procurement.

5. Review

This Sustainable Procurement Policy will be periodically reviewed by the ESG Committee and be amended and updated according to latest codes, regulations and standards as appropriate.