“Second-party Opinion” on

Hong Kong Housing Society’s

Social Finance Framework[1]

by Hong Kong Quality Assurance Agency (HKQAA)

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[1] This Second-party Opinion service assesses Hong Kong Housing Society’s Social Finance Framework against the market standards as stated in this Second-party Opinion report without considering the related debt instruments. The opinion on the proposed eligible social Projects, their relation to the social objective(s) and the expected impact of the use of proceeds, reflects the Group’s core sustainability and business strategy, and relevant ESG challenges of the industry sector and market status as of the date of the assessment from a comprehensiveness perspective. The views of individual lenders may vary due to their own policies and requirements in relation to sustainable lending, which are based on their risk tolerance and sustainability goals.

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Introduction

Hong Kong Housing Society ("HKHS") has developed a Social Finance Framework (the "Framework") in which subject matters, including Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds and Reporting are described. Under the Framework, HKHS intends to enter into social financing transactions (and other financing transactions which include social financing tranches) (together the "SFT") ,i.e. issue a bond or borrow a loan from financial institution(s), to fund projects that will deliver social benefits, to facilitate and support socially sustainable economic activity and growth.

HKHS has engaged Hong Kong Quality Assurance Agency ("HKQAA") to provide a second party opinion on the Framework. As part of this engagement, HKQAA requested and reviewed a broad set of documentation in order to understand the relationship between the SFTs to be structured under the Framework and the company's overall sustainability strategy. Through this engagement, elements of HKHS' Framework were clarified to ensure an alignment with the core components of The Social Bond Principles 2023 ("SBP") and The Social Loan Principles 2023("SLP") and the level of disclosure expected by them.

This document contains HKQAA's opinion on HKHS' Framework, it should be read in conjunction with the Framework.

Overview of HKHS

Hong Kong Housing Society ("HKHS") was established in 1948 and incorporated as a body corporate in 1951 under the Hong Kong Housing Society Incorporation Ordinance (Cap. 1059). It is an independent, not-for-profit and self-financing organization aiming to provide quality housing and related services for the people of Hong Kong. HKHS is an important partner of the Hong Kong Special Administrative Region ("HKSAR") government and plays an active role in providing low to middle-income families with rental units and subsidized sale flats ("SSF"). HKHS is also uniquely positioned as the "housing laboratory", which aims to try out innovative housing schemes. HKHS strives to be a world-class housing solution provider and innovator. The establishment of HKHS has prospered the housing market of Hong Kong and improved the living environment of tens of thousands of families.

HKHS firmly upholds and promotes social mission as its primary focus. It is committed to developing quality public housing and enhancing housing management business and services to improve people's livelihood. HKHS has two main core businesses, namely housing development and property management, and five main income streams - property sales, property management services, property leasing, interest income and investment income.

HKHS is responsible for providing specific categories of subsidized housing to meet the housing needs of the general public. Throughout the years, HKHS has been developing subsidized sale and rental housing projects on a self-financing basis on sites granted to HKHS by the Government at a concessionary land premium. These projects received high demand from low to middle-income families, which proves HKHS' unique and important position in the affordable housing market of Hong Kong.

HKHS is a Members-run organization. Any person subscribing to the aims and objects of HKHS shall be eligible to become a member of HKHS. HKHS adopts a two-tier board structure, a Supervisory Board and an Executive Committee, made up of Government officials and professionals coming from different sectors of the community. The Supervisory Board determines the mission, vision, core values and guiding principles; the Executive Committee sets the strategies and policies to achieve the mission and objectives; and the Management is accountable for the implementation of the strategies in the business operations.

To ensure effective implementation of the sustainability strategy, a clear governance structure was adopted. The Directors' Meeting ("DM") is responsible for reviewing and approving sustainability priorities, strategies, targets and initiatives and overseeing the progress in their implementation. It also takes a leading role in assessing the impact of material sustainability risks and opportunities as well as their associated implications for HKHS in the long run.

Under the direction of DM, the Sustainability Working Group ("SWG"), chaired by the Director (Corporate Planning & Finance) and comprises of senior representative from all divisions, is formed. The SWG is responsible for formulating and implementing sustainability targets and initiatives that are compatible with the strategic direction and context of HKHS. It is also responsible for identifying, monitoring and reporting to DM on sustainability risks and opportunities and the current sustainability performance.

To ensure sustainability values are incorporated into the day-to-day operation, other relevant staff from operating divisions/sections are responsible for implementing sustainability initiatives and operational control as well as providing performance data on sustainability initiatives.

The Framework has been developed to demonstrate how HKHS would fund projects that that will deliver social benefits and foster sustainable practices with SFTs to support HKHS' business strategy and vision.

Framework Overview and Comment

3.1 Use of Proceeds

As described in the Framework, HKHS commits to allocating an amount equivalent to the net proceeds of the SFT (or, as applicable, the relevant tranche of the SFT) (the SFT Proceeds) will be used to finance or refinance, in whole or in part, new or existing eligible social projects defined under the Framework. While the Framework does not limit the proportion of the proceeds allocated for refinancing, the Company confirmed that information concerning the estimated share of refinancing for each SFT will be made available to investors in the case of social bond; or to those institutions participating in the case of social loan. The Framework defines that the look-back period for refinancing on eligible projects will be limited to 24 months prior to the issuance date or drawdown date of the respective SFT.

Eligible Project Category defined in the Framework as below:

Eligible Social Project Category	Eligibility Criteria
Affordable housing	Enable access to adequate, safe and affordable housing for - Low-income families fulfilling eligibility criteria in terms of income and/or asset limit set by Hong Kong Housing Authority - Disadvantaged communities (e.g. elderly)
Affordable basic infrastructure	Support projects related to development of community and recreational facilities that are accessible to residents of the affordable housing projects referred to above as well as the general public free of cost or subsidized, and operated by government departments, quasi-governmental bodies or non-profit organizations.

The Framework has defined two Eligible Social Project Categories, Affordable housing and Affordable basic infrastructure, which are aligned with that recognized by the SBP and SLP and in line with SDG 11 Sustainable cities and Communities. HKHS intends to fund Affordable housing and Affordable basic infrastructure projects, to benefit the low-income families fulfilling eligibility criteria in terms of income and/or asset limit set by Hong Kong Housing Authority or disadvantaged communities (e.g. elderly) .

The Eligible Project Categories are consistent with HKHS’ strategic vision. HKHS’ use of proceeds arrangement is considered to be in alignment with this component of SBP and SLP.

3.2 Process for Project Evaluation and Selection

HKHS has a Directors' Meeting (DM) that composed of representatives from various departments, including Chief Executive Officer and Executive Director , Director (Corporate Planning and Finance), Development and Marketing Director , Director (Projects), Director (Property Management), Social and Elderly Wellness Director, Human Resources Director, Corporate Communication Director to overseeing the process of selecting, evaluating and monitoring Eligible Social Projects according to the criteria specified in the Framework. The DM will meet as frequently as required, to review project submissions from Planning and Development Division to ensure the Eligible Social Projects are in line with the Eligibility Criteria set out in the Use of Proceeds section of this Framework, and the mission, vision, core values and Sustainability Framework of HKHS. The shortlisted project(s) would be presented to the DM for approval.

If the DM identifies social and/or environmental risks associated with the relevant projects deemed as material, HKHS commits to engaging in-house expert or independent consultant(s) (if necessary) to conduct appropriate review and recommend mitigation measures. The review process adopts a balanced approach based on factors such as expert knowledge, practicality, efficiency and fairness. Additional stakeholders will also be involved and/or consulted if deemed necessary.

The Framework specifies fossil fuel and nuclear related assets and projects, activities deemed illegal under the laws or regulations in HKSAR as the exclusion criteria. The Company commits that throughout the lifetime or duration of the SFTs, for any project(s) considered to be no longer meeting the Eligibility Criteria, the corresponding proceeds will be reallocated to other eligible project that complies with the Eligibility Criteria as soon as reasonably practicable.

3.3 Management of Proceeds

The Framework specifies that HKHS will manage the proceeds of each SFT under the general funding accounts; an amount equals to the net proceeds will be earmarked for allocation to eligible social project(s) and its utilization will be tracked using a internal register. The register will contain information of the SFT including key information about that SFT, including the transaction date, percentage of financing and refinancing of Eligible Social Projects, total principal amount of proceeds and outstanding principal amount of proceeds, maturity date and (if applicable) amortization schedule, interest or coupon rate and (in the case of public bonds) the ISIN number etc.; and allocation of use of proceeds including the name and description of project(s) to which the proceeds have been allocated, amount of the proceeds to the project(s), confirmation of DM endorsement that the project is considered to be an Eligible Social Project, aggregate amount of the SFT Proceeds allocated earmarked to Eligible Social Projects, the remaining balance of unallocated SFT Proceeds yet to be earmarked, estimated social benefit and other necessary information.

As described in the Framework, HKHS commits to fully allocating the SFT Proceeds into Eligible Social Projects within 24 months from the issuance or drawdown (as applicable) of the SFT; If for any reason, an Eligible Social Project ceases to meet the Eligible Criteria set out in this Framework, the project will be removed and substituted as soon as reasonably practical. Pending allocation, the net SFT Proceeds will be kept in HKHS general account and/or invested according to the treasury department's general liquidity guidelines for short term investments.

The process for the management and tracking of proceeds allocation towards funded projects is considered to be in alignment with this component of SBP and SLP. HKHS confirmed that the management of proceeds will be tracked in accordance with its internal process; HKHS will engage an independent party to verify the internal tracking and the allocation of proceeds to enhance transparency.

3.4 Reporting

HKHS commits to provide information on proceeds allocation and impact associated with the projects to bond investors and/or loan lenders within one year from the issuance date of each SFT and annually thereafter until full allocation. Such information will be reported in the Company's website, annual report or sustainability report. The allocation reporting, to be verified by a third party, will include the following:

a. Details of each of the SFT with any amount outstanding at any point during the reporting period. Key information to be provided will include the transaction date, percentage of financing and refinancing of Eligible Social Projects, outstanding principal amount of proceeds, maturity date and (if applicable) amortization schedule, interest or coupon rate and (and in the case of public bonds) the ISIN number.
b. Aggregate amount of the SFT Proceeds of each SFT earmarked to Eligible Social Projects
c. The remaining balance of the SFT Proceeds of each SFT yet to be earmarked
d. A list of Eligible Social Projects earmarked to be funded by the SFT Proceeds, and key project details
e. A selection of more detailed project examples (where competition and confidentiality considerations allow)

Where the Eligible Social Project to which the SFT Proceeds of a SFT will be allocated is known at the time of launching the SFT, this will be disclosed at the time of launch. HKHS has also committed to report on material developments related to the Eligible Social Projects.

The Framework describes examples of impact reporting indicators (refer to the table below) for the Eligible Project Category for reporting.

Eligible Social Project Category	Examples of Impact Reporting Indicators
Affordable housing	- Number of beneficiaries/benefited families - Number of housing units created or rehabilitated
Affordable basic infrastructure	- Capacity of community and recreational facilities developed - Population enabled with access to the infrastructure

Based on the above, the reporting arrangement defined in the Framework is considered to be aligned with this component of SBP and SLP.

Conclusion

The assessment team of Hong Kong Quality Assurance Agency has determined that the Social Finance Framework of Hong Kong Housing Society is transparent, well-structured and in accordance with the requirements of Social Loan Principles 2023 and Social Bond Principles 2023. For detail information, please refer to Appendix 2: External Review Form.

Appendix 1: Documents reviewed or referenced

No.	Author	Title
1	United Nations Environmental Programme (UNEP)	Sustainable Development Goals: United Nations Environment Programme: Annual Report 2015 https://wedocs.unep.org/bitstream/handle/20.500.11822/7506/-Sustainable_Development_Goals_-_UNEP_annual_report_2015-2016UNEP-AR-2015-SustainableDevelopmentGoals.pdf.pdf?sequence=3&isAllowed=y
2	UNEP	About the Sustainable Development Goals on UNEP https://www.unenvironment.org/explore-topics/sustainable-development-goals/about-sustainable-development-goals
3	Asia Pacific Loan Market Association (APLMA), Loan Market Association (LMA), Loan Syndications and Trading Association (LSTA)	Social Loan Principles (February 2023 version)
4	the International Capital Market Association (ICMA)	Social Bond Principles (June 2023 version)
5	Hong Kong Housing Society	HKHS' Social Finance Framework-July 2024
6	Hong Kong Housing Society	Cap 1059 Consolidated version for the Whole Chapter (15-12-2022)
7	Hong Kong Housing Society	Hong Kong Housing Society's website: https://www.hkhs.com/en/index
8	Hong Kong Housing Society	Sustainability Report 2023 Hong Kong Housing Society Sustainability Report 2022/23 (hkhs.com)

Appendix 2: External Review Form

Green, Social and Sustainability Bonds

External Review Form

This form complements the Bond Information Template that should have been filled in by the issuer. It provides additional information on the role of the External Reviewer when assessing the issuer's sustainability framework. This form may be used or adapted, where appropriate, to summarise the scope of the review.

Section 1. Basic Information

Issuer name: Hong Kong Housing Society
Bond ISIN[2]*:* Not applicable
Issuer Social Finance Framework Name, if applicable: Hong Kong Housing Society, Social Finance Framework, dated July 2024
Independent External Review provider's name: Hong Kong Quality Assurance Agency (HKQAA)
Completion date of this form: 13-Aug-2024
Date of the review: Not applicable

Section 2. Overview

SCOPE OF REVIEW

The review:

☒ assessed the 4 core components of the principles (**complete review**) and confirmed the alignment with the SBP/SLP.

☒ assessed only some of them (**partial review**) and confirmed the alignment with the SBP/SLP; please indicate which ones:

☒ Use of Proceeds	☒ Process for Project Evaluation and Selection
☒ Management of Proceeds	☒ Reporting

☐ assessed the alignment with other regulations or standards (CBI, EU GBS, ASEAN Green Bond Standard, ISO 14030, etc.); please indicate which ones:

ROLE(S) OF INDEPENDENT EXTERNAL REVIEW PROVIDER

☒ Second Party Opinion	☐ Certification
☐ Verification	☐ Scoring/Rating
☐ Other *(please specify)*:	

[2] *The ISIN code is mandatory for publishing the form in the Sustainable Bond Issuers Database.*

Does the review include a sustainability quality score[3]?

☐ Of the issuer

☐ Of the project

☐ Of the framework

☐ Other (please specify):

☒ No scoring

ASSESSMENT OF THE PROJECT(S)

Does the review include:

☒ The social features of the type of project(s) intended for the Use of Proceeds?

☒ The social benefits and impact targeted by the eligible Social Project(s) financed by the Social Bond or Loan?

☒ The potentially material social risks associated with the project(s) (where relevant)?

ISSUER'S OVERARCHING OBJECTIVES

Does the review include:

☒ An assessment of the issuer's overarching sustainability objectives and strategy, and the policies and/or processes towards their delivery?

☒ An identification and assessment of environmental, social and governance related risks of adverse impact through the Issuer's [actions] and explanations on how they are managed and mitigated by the issuer?

☒ A reference to the issuer's relevant regulations, standards, or frameworks for sustainability-related disclosure and reporting?

CLIMATE TRANSITION STRATEGY[4]

Does the review assess:

☐ The issuer's climate transition strategy & governance?

☐ The alignment of both the long-term and short/medium-term targets with the relevant regional, sector, or international climate scenario?

☐ The credibility of the issuer's climate transition strategy to reach its targets?

☐ The level/type of independent governance and oversight of the issuer's climate transition strategy (e.g. by independent members of the board, dedicated board sub-committees with relevant expertise, or via the submission of an issuer's climate transition strategy to shareholders' approval).

☐ If appropriate, the materiality of the planned transition trajectory in the context of the issuers overall business (including the relevant historical datapoints)?

☐ The alignment of the issuer's proposed strategy and targets with appropriate science-based targets and

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[3] *The external review may indicate the provider's opinion of the overall sustainability quality of a bond or bond framework and assess whether it has a meaningful impact on advancing contribution to long-term sustainable development.*

[4] *Where issuers wish to finance projects towards implementing a net zero emissions strategy aligned with the goals of the Paris Agreement, guidance on issuer level disclosures and climate transition strategies may be sought from the Climate Transition Finance Handbook.*

transition pathways [5] that are deemed necessary to limit climate change to targeted levels?

☐ The comprehensiveness of the issuer's disclosure to help investors assess its performance holistically[6]?

Overall comment on this section: Refer to sections 3.1 to 3.4 of this report.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Does the review assess:

☒ the social benefits of the project(s)?

☒ whether those benefits are quantifiable and meaningful?

☒ for social projects, whether the target population is properly identified?

Does the review assess if the issuer provides clear information on:

☒ the estimated proceeds allocation per project category (in case of multiple projects)?

☒ the estimated share of financing vs. re-financing (and the related lookback period)?

Overall comment on section *:* Refer to sections 3.1 of this report.

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Does the review assess:

☒ whether the eligibility of the project(s) is aligned with official or market-based taxonomies or recognised international standards? Please specify which ones.[7]SBP and SLP

☒ whether the eligible projects are aligned with the overall sustainability strategy of the issuer and/or if the eligible projects are aligned with material ESG-related objectives in the issuer's industry?

☒ the process and governance to set the eligibility criteria including, if applicable, exclusion criteria?

☒ the processes by which the issuer identifies and manages perceived social and environmental risks associated with the relevant project(s)?

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[5] *GHG emissions reduction targets that are in line with the scale of reductions required to keep the average global temperature increase to ideally 1.5°C, or at the very least to well below 2°C above pre-industrial temperatures. Science Based Targets Initiative (SBTi) is a branded verification body for science-based targets and SBTi verification is one way for issuers to validate the alignment of their emission reduction trajectories with science-based reference trajectories. In addition, ICMA has published a [Methodologies Registry] which includes a list of tools to specifically help issuers, investors, or financial intermediaries validate their emission reduction trajectories.*

[6] *Including information such as the respective contribution (e.g. %) of the different measures to the overall reduction, the total expenses associated with the plan, or the issuer's climate policy engagement.*

[7] The EU Taxonomy, CBI Taxonomy, UK Taxonomy, China catalogue, etc.

☒ any process in place to identify mitigants to known material risks of negative social and/or environmental impacts from the relevant project(s)?

Overall comment on section: Refer to sections 3.2 of this report.

3. MANAGEMENT OF PROCEEDS

Does the review assess:

☒ the issuer's policy for segregating or tracking the proceeds in an appropriate manner?

☒ the intended types of temporary investment instruments for unallocated proceeds?

☒ Whether an external auditor will verify the internal tracking of the proceeds and the allocation of the funds?

Overall comment on section: Refer to sections 3.3 of this report.

4. REPORTING

Does the review assess:

☒ the expected type of allocation and impact reporting (bond-by-bond or on a portfolio basis)?

☒ the frequency and the means of disclosure?

☒ the disclosure of the methodology of the expected or achieved impact of the financed project(s)?

Overall comment on section: Refer to sections 3.4 of this report.

Section 4. Additional Information

Useful links *(e.g. to the external review provider's methodology or credentials, to the full review, to issuer's documentation, etc.)* NA

Analysis of the contribution of the project(s) to the UN Sustainable Development Goals: The Framework has defined two Eligible Social Project Categories, Affordable housing and Affordable basic infrastructure, which is aligned with that recognized by the SBP and SLP and in line with SDG 11 Sustainable cities and Communities.

Additional assessment in relation to the issuer/bond framework/eligible project(s): NA

Appendix 3: About role(s) of review providers as defined by the SBP and SLP

1. Consultant review: a borrower can seek advice from consultants and/or institutions with recognised expertise in environmental sustainability or other aspects of the administration of a social loan or bond. "Second party opinions" may also fall into this category.

2. Verification: a borrower can have its social loan, bond, associated social finance framework, or underlying assets independently verified by qualified parties, such as auditors or independent ESG rating providers. In contrast to certification, verification may focus on alignment with internal standards or claims made by the borrower.

3. Certification: a borrower may have its social loan, bond or associated social finance framework certified against an external social assessment standard. An assessment standard defines criteria, and alignment with such criteria is tested by qualified third parties/certifiers.

4. Rating: a borrower can have its social loan, bond or associated social finance framework rated by qualified third parties, such as specialised research providers or rating agencies.

Appendix 3: About role(s) of review providers as defined by the ICMA

1. Second Party Opinion: An institution with environmental/ social/sustainability expertise that is independent from the issuer may provide a Second Party Opinion (either required or recommended pre-issuance as described in the respective Principles). The institution should be independent from the issuer's adviser for its green, social, sustainability and sustainability-linked bond framework, or appropriate procedures such as information barriers will have been implemented within the institution to ensure the independence of the Second Party Opinion. Any concerns on the institution's independence should be disclosed to investors.

2. Verification: An issuer can (or "needs to" in the case of sustainability-linked bonds post issuance) obtain independent verification against a designated set of criteria, typically pertaining to environmental/social/sustainability or KPI performance and sustainability targets for the SLBs.

3. Certification: An issuer can have its green, social, sustainability and sustainability-linked bond or associated green, social, sustainability and sustainability-linked bond framework or Use of Proceeds or Key Performance Indicators (KPIs) and Sustainability Performance targets (SPTs) certified against a recognised external green/ social/sustainability standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.

4. Green, Social, Sustainability and Sustainability-Linked Bond Scoring/Rating: An issuer can have its green, social, sustainability and sustainability-linked bond associated framework or a key feature such as Use of Proceeds, selection of KPIs, calibration of the level of ambitiousness of SPTs, evaluated or assessed by third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology.

Appendix 4: Hong Kong Quality Assurance Agency (HKQAA)

Local Excellence, Global Perspective

Established by Hong Kong Government in 1989, Hong Kong Quality Assurance Agency (HKQAA) is a non-profit public organisation committed to introducing international management standards, promoting good management practices and sustainability in Greater China for decades. As one of the leading conformity assessment organisations in the region, HKQAA not only provides certification, assessment, registration, training and research services to help organisations enhance management performance and competitiveness, but also develops a wide range of good management practices and related criteria to cope with increasingly diversified market demands and the growing need for sustainable development, fostering a better environment and bringing benefits to the community.

Ample Experience in Fostering Sustainable Economy

In recent years, sustainability has become one of the key forces driving organisations towards a prolonged success. To support and encourage them to walk the talk, HKQAA has developed diverse services and obtained ample experience in the field of social responsibility, environmental protection, sustainability and responsible investment:

- With the initial support of **The Hongkong and Shanghai Banking Corporation Limited (HSBC)**, HKQAA introduced the **CSR Index** to provide quantitative metrics to measure organisations' maturity level in practicing their social responsibilities in 2008;
- HKQAA has been **the only Hong Kong organisation accredited as the Designated Operational Entity (DOE)** by the Executive Board of the Clean Development Mechanism (CDM) under the United Nations Framework Convention on Climate Change (UNFCCC) to deliver CDM validation and verification services since 2011;
- HKQAA has been providing assessment and rating services on companies' sustainability performance for the **Hang Seng Corporate Sustainability Index Series** since 2014;
- Since 2017, our expert has been nominated by the **Innovation and Technology Commission of the HKSAR Government** and the **China National Institute of Standardization** respectively to directly take part in the technical committee of ISO/ TC 207/SC 4 and the working group of ***ISO/TC 207/SC 4/ WG 7*** to develop ***ISO 14030 Green bonds – Environmental performance of nominated projects and assets***;
- Since 2018, HKQAA has been admitted as an **Observer of the Green Bond Principles (GBP) under the International Capital Market Association (ICMA)**;
- Since 2018, HKQAA has become an **approved verifier under the Climate Bonds Standard**.
- Since 2018, the HKQAA expert was nominated by the **Innovation and Technology Commission of the HKSAR Government** to participate in the **ISO Technical Committee, Sustainable Finance (ISO/TC 322)** for the development of sustainable finance related standards.

Contact HKQAA

Website: http://www.hkqaa.org

Appendix 5: Methodologies and Limitation

Level of Assurance and Methodology

The process applied in this assessment was based on the International Standard on Assurance Engagements 3000 (Revised) – "Assurance Engagement Other Than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board (ISAE 3000). Our evidence gathering process was designed to obtain a limited level of assurance as set out in ISAE 3000 for the purpose of devising the assessment.

Our assessment. procedure performed covered reviewing of relevant documentation, interviewing responsible personnel with accountability for preparing the framework contents and verifying the selected representative sample of project, data and information. Raw data and supporting evidence of the selected samples were also examined during the assessment process.

Independence

Hong Kong Housing Society is responsible for the collection and presentation of the information presented. HKQAA does not involve in calculating, compiling, or in the development of the Framework. Our assessment activities are independent from Hong Kong Housing Society.

Limitations

There are inherent limitations in performing assurance as follows. Assurance engagements are based on selective testing of the information and data being examined and it is possible that fraud, error or non-compliance may occur and not be detected. The assurance did not provide assurance on information outside the defined reporting boundary and period. There are additional inherent risks associated with assurance over non-financial information including reporting against which require information to be assured against source data compiled using definitions and estimation methods that are developed by the reporting entity. Finally, adherence to ISAE 3000 is subjective and will be interpreted differently by different stakeholder groups.

The information contained in this document is not intended to provide professional advice, constitute any express or implied advice or recommendation by HKQAA for any investments and should not be relied upon in those regards. Persons intending to use any information obtained from this document are advised to obtain appropriate professional advice. Our assurance was limited to the Framework, and did not include statutory financial statements, financial statements and economic performance. Our assurance is limited to policies and procedures in place as of 13/08/2024.

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