

SUSTAINABILITY REPORT 2021/22 SUMMARY



About this Report

The report highlights our sustainability commitment and achievements for the financial year ending 30 June 2022. The report covers our head office and wholly-owned subsidiaries¹ in Hong Kong.

Sustainability Governance

Our Board of Directors, via the Executive Committee, guides the overall direction of the Group's sustainability and climate-related strategy /initiatives.

The Audit and Risk Management Committee evaluates and monitors ESG-related risks.

The Sustainability Steering Committee oversees the execution of the Group's sustainability strategy, monitors sustainability performance and targets, and evaluates the Group's sustainability risks, including climate-related risks.

Hong Yip, Kai Shing and Sanfield have set up respective sustainability committees or working groups to put the Group's sustainability policies and strategies into practice.

SHKP supports to 8 United Nations' Sustainable Development Goals that are most relevant to our business.



ESG Finance

To demonstrate our commitment to sustainability, SHKP signed two sustainability-linked loan (SLL) facilities with leading banks. Both loans broke records for Hong Kong real estate sector at the respective time.

Sustainability Recognition

Constituent since 2018 FTSE4Good	'A rating' ² MSCI ESG RATINGS [A]	'AAA' rating Hang Seng Corporate Sustainability Index Series Member 2021-2022	 AAA
Rated as 'Low Risk' ³ RATED	Ranked 4th Greater China Business Sustainability Index 2021 大中華區企業可持續發展指數 2021	Ranked 4th Greater Bay Area Business Sustainability Index 2021 粵港澳大灣區企業可持續發展指數 2021	Ranked 4th Hong Kong Business Sustainability Index 2021 香港企業可持續發展指數 2021

Corporate Information

Publicly listed since 1972, Sun Hung Kai Properties Limited (SHKP) is one of the largest property companies in Hong Kong. SHKP specializes in the development and management of premium quality residential properties, offices, shopping malls, industrial buildings and hotels.⁴

For details of corporate information, please check our website: www.shkp.com

Building Homes with Heart

Under our mission Building Homes with Heart, the Group integrates Environmental, Social and Governance (ESG) factors into our decision-making processes. We strive to deliver quality products and premium services, and generate long-term value for our stakeholders.

Download Full Report

https://www.shkp.com/html/CSR/SHKP_SR_2022_EN.pdf



Environment

108 green-building certificates⁵ in Hong Kong. Two IFC is the **1st** building in Hong Kong to get **LEED Platinum certification** under the **v4.1 Operations and Maintenance: Existing Buildings**

NOVO LAND is the **1st** large-scale residential development in Hong Kong certified with both **WELL Building Standard™ version 2 pre-certification** and **Fitwel two-star rating**

On track for **10-year environmental targets**

Building **one of the city's largest solar-energy generation networks**

People

32.5% female representation at management level

Employed **485** people with physical or mental disabilities, and **755** people from ethnic minorities

0 workplace fatalities of staff in the last three years

7,600 online training programmes, totaling **> 216,000** training hours

Customers

Three-year warranty for all new Hong Kong residential units since 2013

The SHKP Club > **470,000** members

The Point by SHKP ~ **2 million** members

Launched Go Royal as **largest hotel and retail loyalty platform** in Hong Kong

5G mobile applications enhance smart living and property management

Supply Chain

Sanfield identified **23** of its **322** suppliers as **Tier-1 critical** and **none of them** were considered to have high sustainability risks

39% procurements selected with environmental considerations and **99%** suppliers locally-based

Below industry average accident rate of **10.3 per 1,000 workers⁶** at construction sites

Pioneered Rotational Bridge Launching Construction

Community

3,000 volunteers contributed **> 65,000** hours⁷ of charity work

Integrate STEM in **Read for More platform**, boasting **> 835,000** users and **3 million** page views

Set up **3** new training centres under the **SHKP Cycling Academy**

Officially launched **United Court**, one of the Hong Kong's largest transitional housing projects with **1,800** units

Fight COVID-19: **lending 2 sites for community isolation facilities**, and **2 venues for community vaccinations**

¹ Wholly-owned subsidiaries include our property management subsidiaries: Kai Shing Management Services Limited (Kai Shing) and Hong Yip Service Company Limited (Hong Yip); construction company Sanfield (Management) Limited (Sanfield); and the five Royal brands – Royal Park Hotel, Royal Plaza Hotel, Royal View Hotel, The Royal Garden and ALVA Hotel by Royal.
² Please refer to MSCI disclaimer: <https://www.shkp.com/html/sustainable-development/mscidisclaimer.html>
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⁴ For details of our economic performance, including key business strategies and a review of operations, please refer to our Annual Report 2021/22.
⁵ Green-building-related certificates include the BEAM Plus new and existing building certificates (both comprehensive and selective scheme), LEED or BREEAM certificates received by projects under development and properties owned or managed by SHKP in Hong Kong.
⁶ Calculation uses the methodology adopted by the Hong Kong Construction Association.
⁷ Volunteer hours are calculated based on calendar year.