

Sustainable Building Policy

Sun Hung Kai Properties Limited (“SHKP”) has adopted a vertically integrated development model, which ensures sustainability in the entire life cycle of its buildings, from land acquisition, project planning, material sourcing and construction to property management. We are committed to developing premium properties that are low-carbon, climate resilient and beneficial to the wellness of the users.

This Policy is applicable to all new and existing buildings of SHKP and its subsidiaries (collectively: the Group). All operations are expected to abide by the Policy to continuously improve the Group’s sustainable building performance. This Policy covers the following areas:

Land Acquisition

- Prefer sites with less impact on the environment, biodiversity and ecosystem.
- Seek to achieve best practice on sustainability and conservation over and above the regulatory requirements.
- Avoid any developments in World Heritage areas or International Union for Conservation of Nature (IUCN) Category I-IV protected areas without government approval.
- Apply mitigation hierarchy to avoid, minimize, restore and offset any adverse impact when operating in areas with globally or nationally important biodiversity.
- As part of our due diligence process for agricultural land projects, we partner with external specialists to perform environmental and ecological impact assessment to identify environmental risks of the projects, with consideration of a list of environmental criteria such as climate change, ecology and pollution control.

Project Planning

- Incorporate environmental and sustainability elements in the design, where applicable, with reference to the standards related to landscaping, green building and WELL building. Where feasible, consider achieving the WELL Building Standard.
- Aim to achieve the Leadership in Energy and Environmental Design (LEED) certification for all its new investment properties. In particular, the Group targets to obtain LEED Gold or Platinum ratings for its core commercial projects under development.
- Adopt Building Information Modelling (BIM) in stages of project planning, construction and property management to improve productivity and building quality.

Material Sourcing

- Encourage the use of eco-friendly materials, technologies and practices during the design, construction, operation and maintenance phases.
- Prefer regional suppliers whenever possible to reduce carbon emissions from transportation.
- Prefer suppliers and contractors that are committed to environmental and social responsibility.

Construction

- Use innovative technologies, such as Precast/Prefabricated Units, to streamline the construction process and avoid material waste resulting from abortive work.
- Maximize the reuse of construction materials and promote proper sorting for recycling.
- Protect the surrounding biodiversity and minimize disturbance to natural habitat during construction in accordance with the relevant government regulations.
- Maintain effective control over air, water, waste and noise pollution, and make every possible effort to prevent environmental accidents.

Property Management and Maintenance

- Adopt environmental, quality and health and safety management systems in managed properties.
- Constantly review existing rental properties to look for areas of environmental performance enhancements and earn green certification, including Building Environmental Assessment Method (BEAM Plus), LEED or other recognized sustainable building rating standards.
- Explore opportunities to expand the production and use of renewable energy in owned properties.
- Enhance the climate resilience of buildings.

Stakeholder Engagement

- Engage employees, suppliers, contractors, tenants, residents and other stakeholders in green building initiatives.
- Promote sustainable tenancy when applicable to enhance stakeholders' environmental awareness and property environmental performance across our buildings.

Monitoring and Reporting

- Report on sustainable building work on an annual basis.
- Review this policy by the Sustainability Steering Committee periodically for adequacy and effectiveness, as appropriate.

If there is any inconsistency or ambiguity between the English version and the Chinese version, the English version shall prevail.

Remarks: Examples of recognized sustainable building rating standards include BEAM Plus (HK), BREEAM (Building Research Establishment Environmental Assessment Method, UK), Green Building Label (China), Green Mark (Singapore), LEED (US) and WELL (US).