

# Webinar: Integrating Sustainable Development Goals into Corporate Sustainability

***Championing change through New World Sustainability Vision 2030***

Ms Venisa Chu,

Senior Manager, Sustainability, New World Development Company Limited

**Remarks:**

**This material/event is funded by the Professional Services Advancement Support Scheme of the Government of the Hong Kong Special Administrative Region. Any opinions, findings, conclusions or recommendations expressed in this material/any event organised under this project do not reflect the views of the Government of the Hong Kong Special Administrative Region or the Vetting Committee of the Professional Services Advancement Support Scheme.**



# Championing Change through New World Sustainability Vision 2030

Venisa Chu  
Senior Manager, Sustainability  
New World Development  
7 July 2020

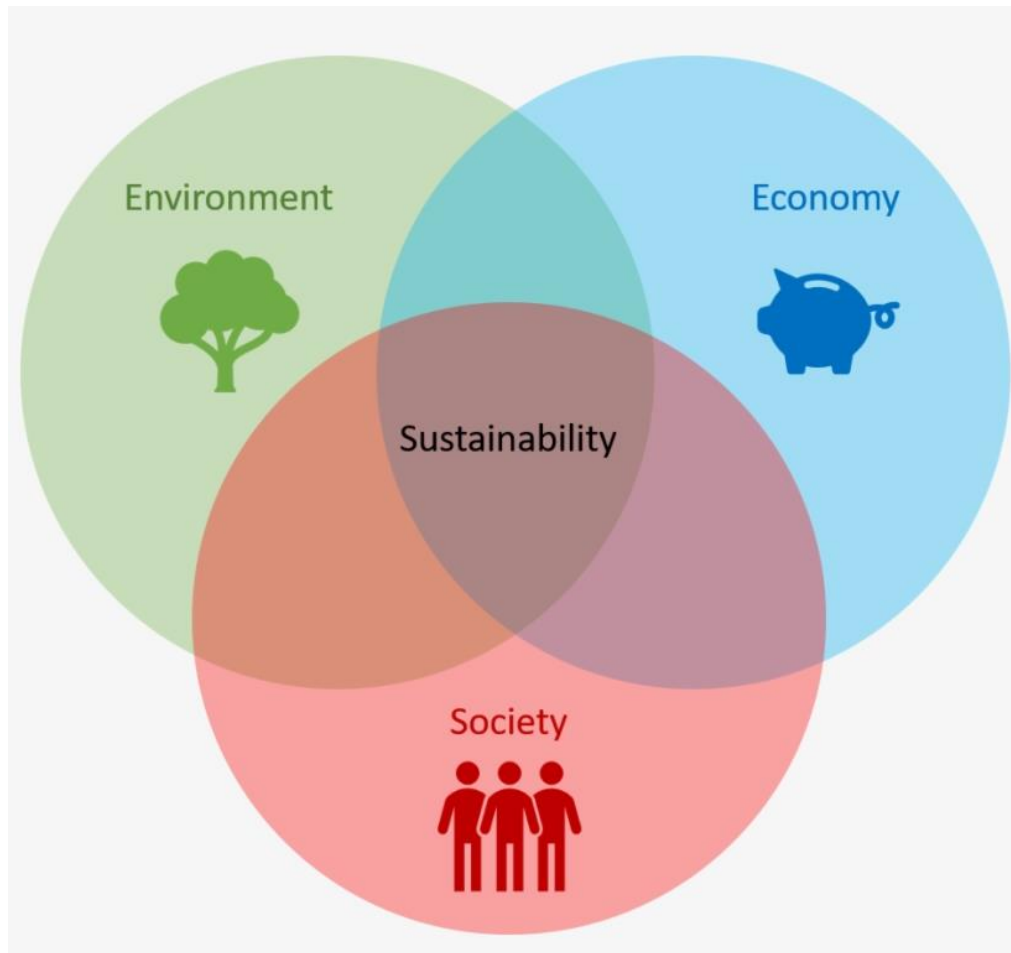
# Corporate Social Responsibility (CSR) 1980s-2000s

- “Global citizenship” & business ethics
- Voluntary reporting on CSR practices
- Charity and volunteering



**Do well and then do good.**

# Corporate Sustainability (2000-2010)



- Strategy
- Operation
- Disclosure
- Community engagement
- Communications
- Risk management
- Sustainable finance...

# Environmental, Social and Governance (ESG) (2010 – present)

- Emerged as an investment term from Socially Responsible Investment (SRI) to ESG
- 20+ stock exchanges have an annual ESG disclosure requirement

 <b>ENVIRONMENTAL</b>	 <b>SOCIAL</b>	 <b>CORPORATE GOVERNANCE</b>
<ul style="list-style-type: none"><li>• Carbon emissions</li><li>• Climate change risks</li><li>• Energy usage</li><li>• Raw material sourcing</li><li>• Supply chain management</li><li>• Waste and recycling</li><li>• Water management</li></ul>	<ul style="list-style-type: none"><li>• Community relations</li><li>• Diversity issues</li><li>• Employee relations</li><li>• Health and safety</li><li>• Human rights</li><li>• Product responsibility</li></ul>	<ul style="list-style-type: none"><li>• Board structure</li><li>• Bribery and corruption</li><li>• CEO/Chairman duality</li><li>• Executive compensation</li><li>• Shareholder rights</li><li>• Vision and strategy</li><li>• Voting procedures</li></ul>

**Do well and do good through your business.**

# ESG Reporting Rules: from the company's perspective

- Globally – aligning on core set of metrics and disclosures of ESG  
→ facilitate investors' evaluation
- China – all listed companies must report on ESG issues\*
- HK – HKEx recently tightened ESG reporting requirement (effective FY2021)
  - Board statement - consideration of ESG matters
  - Disclose significant climate-related issues
  - Upgrade "Social" KPIs disclosure to "comply or explain"

\*Requirements TBC

# UN Sustainable Development Goals (SDGs) (2016-2030)



UNITED NATIONS



# Key Take-Aways

1. Bar is getting higher – Have the mind to unlearn and learn
2. Educate all stakeholders – internal and external – everyone plays a part
3. Always go back to your core business and identify materiality



# New World Group's experience

---

# A connected ecosystem



## More than the sum of its parts

This diverse portfolio represents more than the sum of its parts.



### We are listeners

who treasure the voice of customers in everything we do



### We are innovators

who combine art, culture, heritage and technology to craft unique products, services and business models



### We are incubators

who nurture talent, innovation and entrepreneurship across the Group and the communities

### Major recognitions from sustainability benchmarks and indices



Ranked 1<sup>st</sup> among 12 diversified listed businesses in Eastern Asia in 2019



Listed for the 1st time on DJSI Asia Pacific



Member since 2015

**Sustainalytics** – Rated as an ESG "Outperformer" in 2019

we create  
we are artisans  
we are csv.



*The Artisanal Movement*

WE CREATE, WE ARE ARTISANS

# Creating Shared Value: It's the Future

Adrian Cheng & New World - Pioneer in Asia



Forbes Asia  
February 2020

“

作為亞洲的業界領導者，新世界發展致力以創新思維，為持份者創造共享價值。  
- 鄭志剛

As an industry leader in Asia, NWD is committed to driving innovation and creating shared value for all stakeholders.

- Adrian Cheng ”

# NEW WORLD SUSTAINABILITY VISION 2030



GREEN	WELLNESS
SMART	CARING



“ ...Through our broader strategy “New World Sustainability Vision 2030”, we make it a top priority to **align our business goals with the United Nations Sustainable Development Goals (UN SDGs)** and make sure our business contributes to society. Our **ultimate goal is to create shared value** for our local communities, customers, employees and shareholders, and to make sure our business is benefitting all our stakeholders. ”



**Adrian Cheng**

Executive Vice-Chairman & CEO,  
New World Development  
Company Limited

Chairperson, Board Sustainability  
Committee

Chairperson, New World Group  
Sustainability Steering Committee

Based on the **United Nations Sustainable Development Goals, SV2030** enhances our customer experience with the elements of **Green**, **Wellness**, **Smart** and **Caring**.



**NEW WORLD  
SUSTAINABILITY  
VISION 2030**

## GREEN



### Moving us towards a greener future

Sustainable buildings; green financing; and support stakeholders to reduce environmental impacts

## WELLNESS



### Promoting health in body and mind

Safe and healthy built environment; and healthcare/wellness ventures and programmes

## SMART



### Using innovation to unlock potential

Digitalisation of internal processes and customer services; and support entrepreneurship and innovation

## CARING



### Nurturing our communities and culture

Family-friendly and inclusive environments; provide quality education offerings; improve social mobility; nurture young entrepreneurs and cultural creatives; preserve local culture; and promote staff volunteering

# Bring Change through Targets

## Certifications for New Buildings

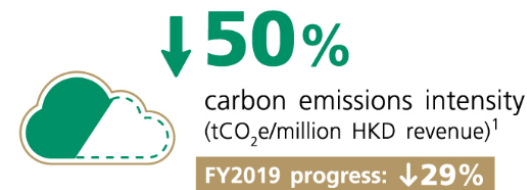
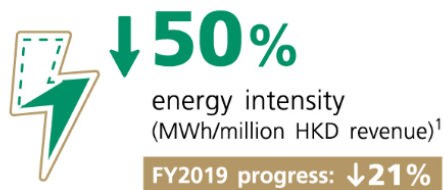


## Operational Targets (baseline year: FY2015)

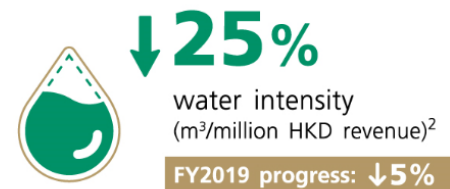


New World Group -

Halve our environmental impact in energy and carbon emissions<sup>1</sup>



Construction<sup>2</sup>



**CARING**

Enhance the quality of life of



**WELLNESS**

Improve the well-being of



Commit to

**>340,000**

staff volunteering hours

FY2019 progress: >160,000 hours



Maintain the lost-time injury rate (LTIR)<sup>4</sup> at/below

**3.0** per 100 employees

FY2019 LTIR: 2.5

# SCALING IMPACTFUL CHANGE THROUGH SUSTAINABLE FINANCE

**NWD Green Finance Framework** was developed with reference to **international frameworks** incl. Green Bond Principles 2018 & Green Loan Principles 2018.

Major green finance deals incl.

- **HK's 1<sup>st</sup> Green Loan** for **K11 ATELIER King's Road** (HKD 3.6 Billion)
- NW Group's 1<sup>st</sup> **Green Bond** for 2 mixed-use development projects (USD 310 million)
- **Sustainability-linked Loan** (5-year loan, HKD 1 Billion)



K11 ATELIER King's Road



Qianhai CTF Finance Tower (retail, hotel & serviced apartments)



New World Guangzhou Zengcheng Comprehensive Development Project (commercial & retail)



# INTRODUCE CHANGE TO TENANTS: SUSTAINABLE TENANCY PLEDGE

Hong Kong's first voluntary program to empower **office and retail tenants** to adopt **sustainable practices** and reduce environmental impact.

**Launched in K11 MUSEA, K11 ATELIER VD & KR**

Participating tenants are committed to taking action in:



## Sustainable Operations

- Sustainable fit-out and operations guidelines
- F&B: Sustainable menu offering (ex. no shark fin)



## Waste and Plastic Reduction

- Waste and recycling management
- F&B: Food waste handling, single-use-plastic reduction

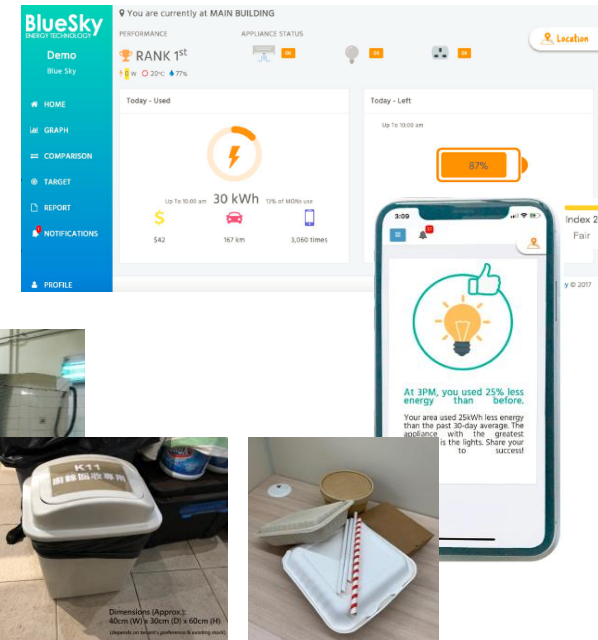


## Energy and Water Efficiency

- Retail: environmental assessments, ex. energy / LEED audit
- Office: smart metering



- Staff and Customer Engagement
- K11 ATELIER/KULTURE ACADEMY



# Activating Change Through Education

## Nature Discovery Park (8/F, K11 MUSEA)

Hong Kong's first **urban biodiversity museum** and **sustainability themed education park** promoting **UN SDGs**.

**Social mission** to promote a **sustainable lifestyle** through:

- Education programs (with the Jane Goodall Institute HK & HKU)
- Nature and green building tours
- Lifestyle and wellness workshops
- Urban farming experience
- Sustainability knowledge-building events
- Corporate and private venue rental



Follow us!  
@NatureDiscoveryPark



# Activating Change Through Startup Acceleration



IMPACT KOMMONS is a startup accelerator in Hong Kong that offers a common platform for high-impact startups to collaborate with New World Group businesses, sustainability experts and global partners to scale solutions that fulfill United Nations Sustainable Development Goals for a better tomorrow.



POWERED BY:



# Promoting Creating Shared Value internally and in the community



- Supporting local social innovation projects
- Promoting diversity & inclusion
- Promoting social mobility through wellness and sports

# Activating Change Through SUSTAINABILITY FORUM 2020

**FOR  
CULTURE  
TOMORROW**



# Pioneering in Social Housing Innovation

Donation of 3mil sq ft land and Extended Partnership with Light Be 要有光

## First HK-Listed company in offering 3M sq ft of farmland for creative social housing

- A pioneering model to partner with social enterprises/NGOs to create innovative housing
- To offer farmland to the Government for public housing purpose in second phase

## Expanded vision & action with Light Be since 2016:

- Under CTF Charity Foundation's support, *Light House* (光屋) in Shem Tseng has been benefiting ~100 families
- Further partnership to co-create *Light Village* (光村)
  - 28,000 sq ft of land next to Tin Shui Wai West Rail Station at a nominal rent of HK\$1 (MOU signed in 2018)
  - No other connected development of the Group
  - Target beneficiaries: 10,000 low-income families with children or deprived youth



# Rapid Response to COVID-19: Creating Shared Value with the Community



**1<sup>st</sup> HK-listed company to invest HK\$10M in R&D in NanoDiamonds Technology masks** for potential high-performance, breathable and waterproof antiviral masks



**Set up to 2 production lines to manufacture 200K masks in Hong Kong daily, to be distributed through 8 NGOs and “Mask-To-Go” Dispensers** installed in local service centers



**Donated medical supplies and financial resources to support medical professionals in Wuhan** through Chow Tai Fook Jewelry, New World China and K11



**Donated 1.5 million masks to European Hospitals and NGOs, working with UK, French and Italian Embassies.**

#LoveWithoutBorders

**“Made In HK”**

**Medical face masks by NWD**  
**Available for free at NGOs**  
**in 18 Districts**

**One card. One QR Code.**  
**No Queue. Quick and Easy.**



**1<sup>st</sup> HK-listed company to announce flexible working arrangements in HK and PRC**

**Daily free masks for employees**

**Distributed free “anti-virus” packs with high quality masks, hand sanitizer, and disinfecting wipes to employees in February 2020**



Contact:  
[venisachu@nwd.com.hk](mailto:venisachu@nwd.com.hk)