

Kerry Properties Limited

Sustainable Procurement Policy

Commitment

Kerry Properties Limited (“Kerry Properties” or “KPL”, which together with its subsidiaries referred to as the “Group” or “we”), is a world-class property company with significant investments in the Mainland and Hong Kong. The Group strongly believes we have the responsibility to facilitate a more sustainable economy and society. To promote an economy which favours sustainable consumption, we are committed to sustainable procurement practices by setting an example in the market we operate.

Our Sustainable Procurement Policy is a supplementary policy to the Group’s Sustainability Policy. It governs the integration of sustainability principles within the procurement process, and applies to any purchasing decisions in the Group whenever applicable. The objective of this Policy is to extend our responsible actions and consideration from our own operation to our supply chain partners.

Guided by this Policy, we strive to purchase products and services with minimal adverse impact on the environment and/or human health, whenever practicable and economically viable. Due consideration is also given to other areas of sustainability, such as humanity, labour rights and fair business practices.

Approach

[Development of sustainable procurement practices](#)

We strive to adopt sustainability principles into our procurement process in a systematic way and with on-going improvements on the following key aspects:

- Develop, document and implement sustainable procurement practices as far as commercially viable;
- Consciously consider consumption needs to reduce the demand of unnecessary products and services;
- Monitor and review regularly on environmental, health and safety-related risks of procuring goods and services; and
- Review regularly and update any sustainable procurement manual to provide clear instructions on procurement process, which includes a list of recommended specification.

[Green and health specifications on procured materials](#)

We strive to procure materials through our supply chain with minimal adverse impacts on the environment and human health on the following key aspects:

- Promote the use of environmentally-friendly materials throughout our properties’ life cycles, including the acquisition, planning, design, construction, operation, maintenance and demolition stages;
- Obtain building materials in a sustainable manner, and encourage the use of alternative materials and avoid using materials that are finite resources derived from natural habitat;
- Avoid single-use disposable products, and give preference to reusable, recyclable or highly durable products;
- Prefer reusable or easily recyclable packaging materials, and strive to minimise packaging in corporate gifts or products;
- Purchase materials with minimal toxicity; and

- Give preference to products with desirable energy and water efficiency.

Communicate our commitment to our stakeholders

We strive to foster an economy which favours sustainable consumption. Communicating our commitment to sustainable procurement to our suppliers, contractors and employees is our approach to extend our influence for a more sustainable supply chain. We offer appropriate training to relevant employees so that they are proficient in executing our sustainable procurement practices.

Review

The Sustainability Steering Committee will conduct regular review of this Policy and update the content if necessary.

Supplementary policies

This Policy clarifies KPL's overall commitment and approach to sustainable procurement. The Vendor Code of Conduct further outlines our requirement to our vendors regarding sustainability and business ethics.