



CORPORATE SUSTAINABILITY

URA's sustainability vision is to meet our community's aspirations for quality living and benefit the next generation through environmentally-friendly urban renewal. By default our mission of arresting urban decay in Hong Kong is to sustain the growth of the city. In pursuit of this vision and mission, our work has strived for high environmental standards while fuelling the vibrancy of the neighbourhood.

Given that urban renewal involves public interests, our stakeholders are diverse and include those who are directly affected by our businesses and various local groups. When defining the sustainability framework for the organisation, we have to take into account the inputs from stakeholders as well as broader societal expectations. We also have to consider environmental, social and economic aspects that are important at both the global and local levels. In this section, we will discuss our sustainability performance exemplified through our core businesses and different initiatives or programmes.

CARE FOR THE ENVIRONMENT

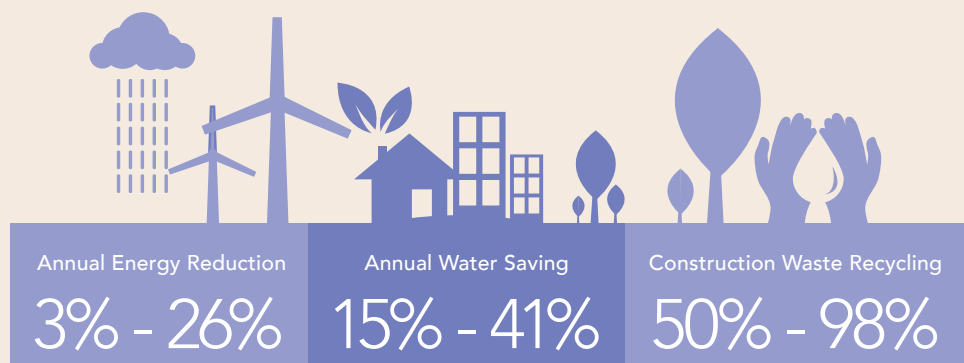
Greening Our Operation

Since our first carbon audit in 2012, the URA has been making steady progress in reducing the carbon footprint of our own operations and managed properties. The impacts of the annual carbon audit assessment provide us the opportunity to identify measures to enhance our environmental performance, enable us to review and benchmark our performance against other organisations and in turn instigate more conscientious behaviour among our colleagues and business partners.

In 2015/16, carbon emissions from our own operations have achieved a year-on-year reduction of 17.1% while the Energy Use Intensity (EUI) has decreased from 91.4 to 76.1 kWh/m² (note: our own operations take place in a mix of properties with central air-conditioning provided separately, those with only tenant lighting and

power, as well as whole buildings), equivalent to 16.7% reduction. On the other hand, carbon emissions from our managed properties have decreased by 5.1%. Continued environmental measures, e.g. using energy efficient system and green purchases, will be implemented in the coming year.

While climate change is a key global environmental issue, waste management is also a pressing local issue. Therefore, the URA has participated in the Hong Kong Awards for Environmental Excellence's (HKAEE) WasteWi\$e Labelling Scheme in the 2015/16 fiscal year to raise awareness among our colleagues and to introduce additional waste management measures. By meeting four of the goals covering reduced resources consumption and waste recycling, the URA has received the provisional Good Class label.



(Based on 12 Projects attaining BEAM Platinum (Final) Rating as of March 2016)



■ 12 projects including Park Metropolitan, Lime Stardom and Trinity Towers have achieved the Hong Kong BEAM Platinum (final) rating.

Promoting Green Buildings

The URA is aware that our impacts on the environment are not limited to those resulting from our own operations and managed properties. In fact, the impacts associated with our urban renewal projects are more substantial and far-reaching. Therefore, high environmental standards have continued to be imposed on both our self-developed projects and projects that are implemented through joint ventures. In 2015/16, one more redevelopment project has achieved the Hong Kong BEAM Platinum (final) rating after construction completion, making a total of twelve projects with Platinum rating thus far. Setting a high green building standard for these twelve projects has motivated the respective designs to optimise the use of resources through various measures. It also propagates an important supply chain effect on the downstream consumers as the residential flats were installed with energy-efficient and water-efficient appliances.

Green buildings are also promoted through rehabilitation. With effect from 1 July 2015, the URA introduced the Green Item Subsidy (GIS) under the “Common Area Repair Works Subsidy” to encourage property owners to use environmentally-friendly building materials and to install energy-saving facilities when carrying out building maintenance and repair works, with an aim to assist building owners to enhance their living environment in a more environmentally-friendly manner. In view of this new initiative, the URA received an award of “Outstanding Corporate Social Responsibility – HKGBC Green Product Accreditation and Standards (HK G-PASS) (Statutory Body) from the Hong Kong Green Building Council in early 2016.

CARE FOR THE PEOPLE

Assisting Displaced Households

Redevelopment is more than just renewing the building stock but about improving the living standards of the displaced households. A majority of the buildings in our redevelopment projects are severely dilapidated with safety hazards and hygiene problems. During 2015/16, acquisition offers were made to owners of 78 property interests. The cash compensation and ex-gratia payment enable affected owner-occupiers to purchase premises that are in better condition than their existing ones. A flat-for-flat option is also available for the owner-occupiers of domestic properties.

On the other hand, tenants were offered cash compensation or rehousing to public rental housing (PRH) flats, if eligible. The patience and compassion of the URA staff involved in the rehousing arrangement were rewarded with a number of commendation letters in 2015/16 from the beneficiaries from several redevelopment projects including Pine Street/Oak Street, Reclamation Street/Shandong Street, Tonkin Street/Fuk Wing Street and Castle Peak Road/Un Chau Street etc.



(For Projects in progress during 2015/16 financial year)

Stewarding Rehabilitation

As of 2015, over 5,500 buildings more than 30-years old are in poor and varied conditions. In order to empower the community to tackle the problem of aging buildings, the URA staff have established trust with the building owners through providing professional advice and technical support. The personal assistance is valued as much by the building owners as the financial assistance provided through the rehabilitation schemes.

Accommodating the Underprivileged

While we have taken a caring approach when delivering our core businesses of redevelopment and rehabilitation, we also identified other opportunities to help people in need with our available resources. We have extended the offering of some renovated flats of the acquired properties at Wing Lee Street and Staunton Street to non-governmental organisations (NGOs) and Social Enterprises (SEs) including the Hong Kong Federation of Youth Groups, Light Be, and International Social Service (Hong Kong Branch) so that they can arrange short-term accommodation for underprivileged groups such as single-parent families and needy youths.



■ Community Service Partnership Scheme offers a variety of programmes to serve the residents in old districts.

Reaching Out with Our Partners

Our care for the people extends beyond our urban renewal works. We bring love and care to the residents of old districts through a series of programmes under the Community Service Partnership Scheme (CSPS), which is a collaboration among the URA, universities and social service organisations. In 2015/16, we have partnered with seven tertiary institutions and NGOs to serve the underprivileged children, senior citizens and mentally-challenged people. Since the launch of CSPS in 2012, some 4,700 service hours have been achieved by about 550 volunteers comprising URA staff and university students, benefitting some 1,200 people.

An appreciation ceremony was held by the URA to recognise the contribution of volunteers over the past year, while giving an opportunity to the volunteers and grassroots families to paint a 15-metre long mural painting at Comix Home Base in Wanchai to mark the URA 15th Anniversary.

ENGAGE THE COMMUNITY

Inspiring the Young People

The URA needs the concerted efforts from the society to tackle urban decay in a sustainable way. Through collaboration and partnership programmes with various organisations, we have reached out to the community and schools to introduce URA's work and the significance of urban renewal to the general public and youngsters.

During the year, a wide range of programmes have been organised for the young people, such as guided visits to the Urban Renewal Exploration Centre, docent tours of old urban areas and URA's projects, talks, roving drama workshops for primary schools, inter-school drama competition for secondary schools, the "Urban Renewal Class in Action" outreach programmes and touring of a roving education vehicle to schools. Besides, the online tools, namely Urban Renewal Web Academy and Urban Renewal City Fun mobile app, have provided teachers and students with instant information of urban renewal for experiential learning. We have also collaborated with NGOs and professional bodies to promote better understanding of urban renewal.



■ The education and outreach activities help promote urban renewal to young people in an interactive way.



■ URA supports various art and cultural programmes to enrich the quality of living for residents in the old urban districts.

Integrating Community Arts and Culture

Neighbourhood is more than its physical environment. It is the local culture and characteristics that give its identity. An appreciation of the local arts and culture will allow for a deeper understanding of the community while enriching their quality of life. In view of this, the URA has implemented the “Arts and Cultural Partnership Programme in Old Urban Districts: Pilot Scheme” (ACPP) for nearly five years, supporting non-profit organisations to organise various arts and cultural programmes for the benefits of people living in old urban districts in enhancing their living quality. As of end of March 2016, ACPP has supported 38 arts and cultural programmes, benefitting about 580,000 people in old urban areas.

DIVERSIFIED USE OF URBAN SPACE

As a mission-driven organisation, the URA sees its role to catalyse the development of a sustainable built environment to serve the community and that goes beyond green buildings. Over the years, as far as practicable we have endeavoured to include open space and community / institutional areas in our moderate to large scale projects. Our redevelopment projects in various districts have provided easily accessible institution and community facilities including residential care homes for elderly, youth centres, day nurseries, health centres, markets, cooked food centres and an indoor stadium.

To embrace more diversified uses of the urban space, the URA has allocated properties to serve for social purposes, such as the Mallory Street revitalisation project to promote local comics culture, the Prince Edward Road West preservation project to provide a supporting hub for SEs, and the Urban Renewal Resource Centre at Fuk Tsun Street to provide mediation facilities. During 2015/16, the URA has continued to render more properties for concessionary tenancy to NGOs and SEs both in our acquired properties and dedicated preserved historical buildings, e.g. Hong Chi Association, Association of the Hong Kong Central and Western District Limited, Hong Kong Federation of Youth Groups, Light Be, International Social Service (Hong Kong Branch), Social Venture Hong Kong and New Life Charitable Foundation.

The URA also provides space for various Government Departments and organisations to carry out a wide range of activities, training, displays and exhibitions, including the arts, youth activities, education, tourism, hobbies and so on. With the URA’s assistance and support, 114 events have been staged at venues operated by the URA and its joint-venture partners such as Central Market, the Urban Renewal Resource Centre, Citywalk and Western Market.

One Team One Goal

BUILD AN
EFFECTIVE
AND
SUSTAINABLE
WORKFORCE

Building Our Capacity

Our staff members are our key stakeholders. Without a dedicated and competent team, the URA cannot sustain its urban renewal efforts. During the year, the number of training hours per employee exceeded 24 hours, an increase of 19% compared to 2014/15 and 36% higher than the industry average, reflecting the URA's commitment to a learning culture. Addressing the need to build effective teams for aligned objectives and collaborative working relationships, a 'One Team One Goal' teambuilding workshop was organised for managerial staff and above. The workshop shared the aligned vision, mission and strategic priorities to maximize our value creation for society.

Mapping out the Core Competencies for Succession Management / Performance Management and Training & Development

Subsequent to the revamp of core competencies for directors, general managers and senior managers, the core competencies and attributes for managers and below were reviewed and redefined. This complete set of core competencies defined the knowledge, skills and attitude for different staff levels to achieve set objectives. The new core competencies also enable the identification, evaluation, training and development of desirable employee behaviour.

Attracting, motivating and retaining the right staff

To ensure competitive remuneration offered to attract, motivate and retain the right staff to support our mission, a consultant was engaged to conduct a comprehensive remuneration review for all jobs of the Authority. A new grading structure with fewer levels was recommended and approved for implementation. To facilitate cross divisional communication and collaboration under the new organisation structure, office accommodation was reviewed with office layout modifications and relocations implemented for efficiency.



■ Training programmes equip staff with ability and mindset to build effective teams.

Planning Ahead

With persistent demands from the community and rising expectations from external stakeholders, our staff face more challenges daily. In Hong Kong's tight labour market, the need for effective measures to attract, retain, train, develop and motivate the right talent has never been as high.

To cater for the changing operating environment and incorporating the new core competencies requirements into the training curriculum for staff at different levels, a new series of management training programmes, communication and developing oneself programmes will be launched in the coming year. These programmes will enhance individual knowledge, skills and attitude in line with identified profiles of success, and aid talent assessment and development.

In addition, to foster the skills and knowledge for succession assessment and development, new competencies are being incorporated into the job profiles of critical positions. The same sets of competencies will be used to assess potential successors, to evaluate their readiness and to identify gaps for further development.

Furthermore and building on the successful pilot run experience with one division in 2014/15, Work Improvement Teams will be launched across the whole organisation to promote a continuous improvement culture within the Authority.

The URA has gone through a number of organisational changes in recent years. Data on employee engagement and feedback from URA staff will be collected through an Employee Engagement Survey to identify areas of best practice of URA and the concerns of its workforce.