
HEKTAR REIT - SUSTAINABILITY

Hektar REIT'S Flagship Shopping Centre Subang Parade Wins Award for Energy Efficiency Initiatives



Kuala Lumpur, August 5 2019 - Hektar Asset Management is pleased to announce that its flagship shopping centre under Hektar REIT, Subang Parade, emerged as the sole recipient at the National Energy Awards (NEA) ceremony on August 1, 2019 under the Energy Efficiency Building - Retrofitted Building sub-category.

The prestigious NEA Awards was first organised by the Ministry of Energy, Science, Technology, Environment and Climate Change (MESTECC) in 2018 and is part of the Ministry's initiative to encourage and promote energy efficiency and renewable energy in Malaysia. According to MESTECC, the objective of the annual recognition by the government of Malaysia is to acknowledge the organisations driving the country's sustainable energy sector and highlight the research & development (R&D) of innovation in local technology and best practices in the country.

A total of 145 contestants vied for the impressive awards and of that number, 77 were shortlisted for three main categories – energy efficiency buildings, energy management and renewable energy. The Award presentation ceremony took place at Majestic Hotel, Kuala Lumpur, where the Guest of Honor, YB Yeo Bee Yin, Minister of Energy, Science, Technology, Environment and Climate Change, presented the award to Dato' Hisham bin Othman, Chief Executive Officer of Hektar Asset Management Sdn Bhd.

For the Energy Efficiency – Retrofitted Building sub-category, the winner selection criteria included overall site design, energy saving achieved in total, the “Passive” and “Active Design” aspects of the project, maintenance & management of the property and lastly the permanent environmental impact achieved with the initiatives.

Hektar partnered with Intellisense Sdn Bhd, a leading Air Conditioning & Mechanical Ventilation (ACMV) design and project implementation company. Hektar carried out its Energy Efficiency (EE) initiatives in Subang Parade by retrofitting the system which included the replacement of the less efficient chillers, pumps and cooling towers as well as installation of an automated Building Management System in 2017.

“Hektar’s management had the foresight and boldness to embark on this first mover’s adoption with great implementation success. An autonomous and fine-tuned ACMV system which is designed to operate dynamically with factors of external weather, building load or building utilization, indoor human activities and statistical sensory analysis will generate substantial energy savings.” comments Fairuz Mohd Azrul, the Managing Director of Intellisense Sdn Bhd.

Through these initiatives, achievements accomplished included a 34% average reduction in electricity consumption which also translated to a 34% reduction in carbon emission i.e. from 10.6 million kgCO₂ in 2016 to 7.0 million kgCO₂ in 2018. This had translated into savings of up to 36% in the average monthly electricity bill in 2018. The effort continued with the progressive deployment of LED lightings and optimisation of water usage which resulted in a reduction of almost 50,000 m³ in water consumption in 2018.

Hisham, the Chief Executive Officer of Hektar Asset Management, the Manager for Hektar REIT which owns Subang Parade commented that in their business, the biggest impact to the environment is energy consumption and generally, more than two-thirds of their malls’ energy consumption is contributed by the Air Conditioning and Mechanical Ventilation. Among the measures that were taken is to review and re-adjust the loading of all chillers, control the temperature, reset all major equipment operation times which included chillers, exhaust system, smoke spill, pumps, lifts and escalators on top of imposing strict requirements on the servicing of AHU and FCU systems. Subang Parade also carried out the application for Tenaga’s OPTR programme and reduced maximum demand which meant coordinating with tenants’ equipment operation time.

Hisham further expressed that with this recognition by MESTECC, Hektar is driven to continue its efforts and strive to ‘go green’. Efforts including improving the lighting design system in its other shopping centres by replacing bulbs to LED to help reduce electricity cost as well as reduce the frequency of bulbs replacement. Other methods undertaken include taking advantage of day lighting as much as possible, dimming lights when there is sufficient day light, monitoring energy-intensive electric lighting systems and controlled lighting systems to introduce less waste heat into the space, which in turn decreases the space cooling loads.

“The management believes that the initiatives should go beyond us. We plan to introduce the “green lease” by providing new and existing retailers with “green” guidelines for store fit-out design, and educating tenants on the various awareness activities to encourage them to become “green” and sustainable. We will also carry out more educational campaigns for shoppers and the public to help us reduce the mall’s carbon footprint,” concluded Hisham.

ABOUT HEKTAR REAL ESTATE INVESTMENT TRUST

Hektar Real Estate Investment Trust (“Hektar REIT”) is Malaysia’s first listed retail-focused REIT. The primary objectives of Hektar REIT are to provide unitholders with sustainable dividend income and to achieve long-term capital appreciation of the REIT. Hektar REIT was listed on the Main Market of Bursa Malaysia Securities Berhad on 4 December 2006 and currently owns 2 million square feet of retail space in 4 states with assets valued at RM1.2 billion as at 31 December 2018. The REIT’s cornerstone investor is Frasers Centrepoint Trust, part of Frasers Property Ltd, headquartered in Singapore. Hektar REIT is managed by Hektar Asset Management Sdn Bhd and the property manager is Hektar Property Services Sdn Bhd. Hektar REIT’s portfolio of commercial properties includes Subang Parade in Subang Jaya, Selangor; Mahkota Parade in Melaka; Wetex Parade & Classic Hotel in Muar, Johor; Central Square in Sungai Petani, Kedah; Kulim Central in Kulim, Kedah and Segamat Central in Segamat, Johor. For more information, please visit www.HektarREIT.com



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