

HKEI's Sustainability Report 2018 – GRI Content Index

[Verified independently as “in accordance with” the “Core Option” of GRI’s Sustainability Reporting Standards, and having addressed a significant number of material disclosures required under the “Comprehensive Option”.]

GRI 102: General Disclosures 2016		Cross-Reference / Information (WEB – our website; SR – our Sustainability Report; AR – our Annual Report; INFO – direct / supplementary information; Figures may not add up to the total due to rounding.)																																																																																
ORGANIZATIONAL PROFILE																																																																																		
102-1	Name of the organization	SR: Sustainability at HKEI – Our Business																																																																																
102-2	Activities, brands, products, and services	SR: Sustainability at HKEI – Our Business																																																																																
102-3	Location of headquarters	INFO: Hong Kong.																																																																																
102-4	Location of operations	INFO: Hong Kong.																																																																																
102-5	Ownership and legal form	SR: Sustainability at HKEI – Our Business INFO: Share stapled unit(s) jointly issued by HK Electric Investments (the Trust) and HK Electric Investments Limited (the Company) (collectively HKEI) (Share Stapled Unit(s)) are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the Company and its subsidiaries, collectively the Group). The Trust is a listed business trust (the trustee manager of which is HK Electric Investments Manager Limited (the Trustee-Manager)), and the Company is wholly owned by the Trust.																																																																																
102-6	Markets served	SR: Sustainability at HKEI – Our Business INFO: Please refer to Disclosure Item EU3.																																																																																
102-7	Scale of the organization	SR: Sustainability at HKEI – Our Business; Key Statistics and Targets – Summary of Statistics AR: Consolidated Statement of Profit or Loss; Consolidated Statement of Financial Position; Consolidated Statement of Changes in Equity; Notes to the Financial Statements																																																																																
102-8	Information on employees and other workers	SR: Report Overview; Sustainability at HKEI – Our Business; Working with Partners – Enhancing Employee Relations; Working with Partners – Managing our Supply Chain INFO: <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="text-align: left;">Age</th> <th style="text-align: center;">Senior staff (%)</th> <th style="text-align: center;">General staff (%)</th> <th style="text-align: center;">Workman (%)</th> <th style="text-align: center;">Total (%)</th> </tr> </thead> <tbody> <tr> <td>Age 30 or below</td> <td style="text-align: center;">0.0</td> <td style="text-align: center;">19.0</td> <td style="text-align: center;">0.2</td> <td style="text-align: center;">19.2</td> </tr> <tr> <td>Age 31-40</td> <td style="text-align: center;">0.2</td> <td style="text-align: center;">17.6</td> <td style="text-align: center;">0.7</td> <td style="text-align: center;">18.6</td> </tr> <tr> <td>Age 41-50</td> <td style="text-align: center;">2.6</td> <td style="text-align: center;">21.4</td> <td style="text-align: center;">2.2</td> <td style="text-align: center;">26.2</td> </tr> <tr> <td>Age 51 or above</td> <td style="text-align: center;">5.4</td> <td style="text-align: center;">22.5</td> <td style="text-align: center;">8.2</td> <td style="text-align: center;">36.0</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">8.2</td> <td style="text-align: center;">80.5</td> <td style="text-align: center;">11.3</td> <td style="text-align: center;">100.0</td> </tr> <tr> <td colspan="5"> </td> </tr> <tr> <th style="text-align: left;">Gender</th> <th style="text-align: center;">Senior staff (%)</th> <th style="text-align: center;">General staff (%)</th> <th style="text-align: center;">Workman (%)</th> <th style="text-align: center;">Total (%)</th> </tr> <tr> <td>Female</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">16.4</td> <td style="text-align: center;">0.7</td> <td style="text-align: center;">18.1</td> </tr> <tr> <td>Male</td> <td style="text-align: center;">7.2</td> <td style="text-align: center;">64.1</td> <td style="text-align: center;">10.6</td> <td style="text-align: center;">81.9</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">8.2</td> <td style="text-align: center;">80.5</td> <td style="text-align: center;">11.3</td> <td style="text-align: center;">100.0</td> </tr> <tr> <td colspan="5"> </td> </tr> <tr> <th style="text-align: left;">Employment type</th> <th colspan="2" style="text-align: center;">Male (%)</th> <th style="text-align: center;">Female (%)</th> <th style="text-align: center;">Total (%)</th> </tr> <tr> <td>Permanent</td> <td colspan="2" style="text-align: center;">76.7</td> <td style="text-align: center;">16.8</td> <td style="text-align: center;">93.5</td> </tr> <tr> <td>Contract</td> <td colspan="2" style="text-align: center;">5.1</td> <td style="text-align: center;">1.4</td> <td style="text-align: center;">6.5</td> </tr> <tr> <td>Total</td> <td colspan="2" style="text-align: center;">81.8</td> <td style="text-align: center;">18.2</td> <td style="text-align: center;">100.0</td> </tr> </tbody> </table> <p style="margin-top: 5px;">Notes: 1. We have around 1,900 employees in total. 2. Our operations are based in Hong Kong.</p>	Age	Senior staff (%)	General staff (%)	Workman (%)	Total (%)	Age 30 or below	0.0	19.0	0.2	19.2	Age 31-40	0.2	17.6	0.7	18.6	Age 41-50	2.6	21.4	2.2	26.2	Age 51 or above	5.4	22.5	8.2	36.0	Total	8.2	80.5	11.3	100.0						Gender	Senior staff (%)	General staff (%)	Workman (%)	Total (%)	Female	1.0	16.4	0.7	18.1	Male	7.2	64.1	10.6	81.9	Total	8.2	80.5	11.3	100.0						Employment type	Male (%)		Female (%)	Total (%)	Permanent	76.7		16.8	93.5	Contract	5.1		1.4	6.5	Total	81.8		18.2	100.0
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102-9	Supply chain	<p>SR: Working with Partners – Managing our Supply Chain – Responsible Procurement</p> <p>INFO: The core business of HK Electric is to supply electricity. Our supply chain includes the supply of fuels, goods and services in order to facilitate the supply of safe, reliable and clean electricity to our customers.</p>								
102-10	Significant changes to the organization and its supply chain	<p>INFO: There were no movements in the Share Stapled Units, as well as in the share capital of the Trustee-Manager and the Company during 2018.</p> <p>No significant changes in our operations and our supply chain that caused significant economic, environmental, and social impacts were recorded.</p>								
102-11	Precautionary Principle or approach	<p>SR: Sustainability at HKEI – Corporate Governance – Challenges and Strategies; Sharing our Planet – Management Approach</p>								
102-12	External initiatives	<p>INFO: The Manifesto on Energy Efficiency in Buildings; Carbon Reduction Charter; Food Wise Charter; Energy Saving Charters; 4Ts (Target, Timeline, Transparency and Together) Charter; Charter on External Lighting; Occupational Safety Charter; Workplace Hygiene Charter; Charter on Preferential Appointment of OSH Star Enterprise; Joyful@Healthy Workplace Charter, Sustainable Procurement Charter, etc.</p> <p>All the above charters and principles we subscribe to are voluntary.</p>								
102-13	Membership of associations	<p>INFO: It is important for us to keep updated on developments in our industry, as well as provide thought leadership where appropriate, so we actively support and participate in various professional associations and organisations, including the Business Environment Council (BEC); the Asia Pacific Customer Service Consortium (APCSC); the Hong Kong Call Centre Association (HKCCA); the Hong Kong Retail Management Association (HKRMA); the Hong Kong Federation of Restaurants and Related Trades (HKFORT); Institute of Dining Art (IDA); International Association of Gourmet Master Chefs & Hospitality Executives (IAGMC); the Asian Sub-Bituminous Coal Users’ Group (ASBCUG); and Data Protection Officers’ Club under the Office of the Privacy Commissioner for Personal Data (PCPD), Hong Kong.</p> <p>We also encourage our employees to contribute to their professional sectors. Some of them hold leading positions in major associations, such as The Hong Kong Institution of Engineers (HKIE), American Society of Mechanical Engineers (ASME), Hong Kong Section and The Institution of Engineering and Technology Hong Kong (IET Hong Kong).</p>								
EU1	Installed capacity, broken down by primary energy source and by regulatory regime	<p>SR: Key Statistics and Targets – Summary of Statistics</p>								
EU2	Net energy output broken down by primary energy source and by regulatory regime	<p>INFO:</p> <table border="1" data-bbox="576 1599 1157 1742"> <thead> <tr> <th colspan="2">Electricity sent out (GWh)</th> </tr> </thead> <tbody> <tr> <td>Gas</td> <td>3,537</td> </tr> <tr> <td>Coal & oil</td> <td>7,367</td> </tr> <tr> <td>Renewable energy</td> <td>2</td> </tr> </tbody> </table> <p>The total electricity sent out was 10,906 GWh.</p>	Electricity sent out (GWh)		Gas	3,537	Coal & oil	7,367	Renewable energy	2
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EU3	Number of residential, industrial, institutional and commercial customer accounts	<p>INFO:</p> <table border="1" data-bbox="576 152 903 327"> <thead> <tr> <th colspan="2">Customer accounts</th> </tr> </thead> <tbody> <tr> <td>Residential</td> <td>465,000</td> </tr> <tr> <td>Commercial</td> <td>108,000</td> </tr> <tr> <td>Industrial</td> <td>5,000</td> </tr> <tr> <td>Total</td> <td>579,000</td> </tr> </tbody> </table> <p>Almost all points of connection were of distribution type and no customers who also produced electricity for sale were recorded.</p>	Customer accounts		Residential	465,000	Commercial	108,000	Industrial	5,000	Total	579,000												
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EU4	Length of above and underground transmission and distribution lines by regulatory regime	<p>INFO:</p> <table border="1" data-bbox="576 499 1326 786"> <thead> <tr> <th colspan="4">Circuit length (km)</th> </tr> <tr> <th colspan="2">Above/Underground breakdown</th> <th colspan="2">Voltage breakdown</th> </tr> </thead> <tbody> <tr> <td>Above ground</td> <td>37</td> <td>Transmission (275 kV & 132 kV)</td> <td>439</td> </tr> <tr> <td rowspan="2">Underground</td> <td rowspan="2">6,420</td> <td>Distribution (22 kV & 11 kV)</td> <td>3,851</td> </tr> <tr> <td>Low voltage</td> <td>2,166</td> </tr> <tr> <td>Total</td> <td></td> <td colspan="2">6,457</td> </tr> </tbody> </table> <p>Note: Circuit length is different from conductor length in that one or more conductors may be employed to create a circuit. For instance, a 1-km long three-phase grounded LV interconnection between two points which is built with one conductor per phase plus one neutral conductor has a total of 4 km of conductor; however, it is only a 1-km long circuit. Multiple, independently-switched circuits, e.g. feeders, may be attached on the same structures or located in a common trench along a route. In such instances, the length of each circuit will be counted.</p> <p>The length of underground circuit included the length of submarine circuit.</p>	Circuit length (km)				Above/Underground breakdown		Voltage breakdown		Above ground	37	Transmission (275 kV & 132 kV)	439	Underground	6,420	Distribution (22 kV & 11 kV)	3,851	Low voltage	2,166	Total		6,457	
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EU5	Allocation of CO ₂ e emissions allowances or equivalent, broken down by carbon trading framework	<p>INFO: Not applicable to Hong Kong.</p>																						
STRATEGY																								
102-14	Statement from senior decision-maker	SR: A Word from our CEO																						
102-15	Key impacts, risks, and opportunities	SR: Sustainability at HKEI – Corporate Governance – Challenges and Strategies																						
ETHICS AND INTEGRITY																								
102-16	Values, principles, standards, and norms of behavior	<p>WEB: Vision, Mission and Core Values; Code of Conduct</p> <p>SR: Sustainability at HKEI – Corporate Governance</p> <p>AR: Combined Corporate Governance Report</p>																						
102-17	Mechanisms for advice and concerns about ethics	<p>WEB: Code of Conduct</p> <p>SR: Sustainability at HKEI – Corporate Governance – Governance Practices</p> <p>AR: Combined Corporate Governance Report</p>																						
GOVERNANCE																								
102-18	Governance structure	AR: Combined Corporate Governance Report																						

102-22	Composition of the highest governance body and its committees	AR: Combined Corporate Governance Report; Boards of Directors and Management Team
102-23	Chair of the highest governance body	INFO: The positions of the Chairman and the Chief Executive Officer of the Company are held by separate individuals. The Trustee-Manager does not appoint a Chief Executive Officer due to its specific and limited role to administer the Trust.
102-24	Nominating and selecting the highest governance body	AR: Combined Corporate Governance Report
102-25	Conflicts of interest	AR: Combined Corporate Governance Report
102-32	Highest governance body's role in sustainability reporting	SR: Report Overview
STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder groups	SR: Sustainability at HKEI – Stakeholder Engagement INFO: Please refer to “Table for General Disclosure Items 102-40, 102-42 and 102-43” at the end of this Content Index.
102-41	Collective bargaining agreements	INFO: Not applicable (collective bargaining agreements are not required by law in Hong Kong).
102-42	Identifying and selecting stakeholders	SR: Sustainability at HKEI – Stakeholder Engagement INFO: Please refer to “Table for General Disclosure Items 102-40, 102-42 and 102-43” at the end of this Content Index.
102-43	Approach to stakeholder engagement	SR: Sustainability at HKEI – Stakeholder Engagement; Serving Hong Kong – Serving our Customers – Service Standards, Customer Communication; Key Statistics and Targets – Summary of Statistics INFO: Please refer to “Table for General Disclosure Items 102-40, 102-42 and 102-43” at the end of this Content Index. Following are examples of HK Electric's engagement activities with various stakeholder groups in 2018: <ul style="list-style-type: none"> • A Customer Liaison Group meeting • Safety, Health and Environment Day for our business partners • Home visits to Lamma villages (four rounds) • Joint Consultation (JC) meetings (20 meetings) • Focus group meetings with employees (16 meetings) • Local community events (throughout the year) • Corporate visits (>200 visits)
102-44	Key topics and concerns raised	SR: A Word from our CEO; Sustainability at HKEI – Stakeholder Engagement INFO: Please refer to “Table for General Disclosure Items 102-44, 102-46 and 102-47” at the end of this Content Index.
REPORTING PRACTICE		
102-45	Entities included in the consolidated financial statements	SR: Report Overview; Sustainability at HKEI – Our Business AR: Notes to the Financial Statements

102-46	Defining report content and topic Boundaries	<p>SR: Sustainability at HKEI – Stakeholder Engagement; Working with Partners – Managing our Supply Chain</p> <p>INFO: Please refer to “Table for General Disclosure Items 102-44, 102-46 and 102-47” at the end of this Content Index.</p> <p>Please also refer to SDG Compass which provides links between the SDGs to the relevant indicators and disclosures in the GRI Standards and Sector Disclosures at https://sdgcompass.org/.</p>
102-47	List of material topics	<p>SR: Sustainability at HKEI – Stakeholder Engagement</p> <p>INFO: Please refer to “Table for General Disclosure Items 102-44, 102-46 and 102-47” at the end of this Content Index.</p>
102-48	Restatements of information	<p>INFO: No re-statements.</p>
102-49	Changes in reporting	<p>INFO: No significant changes from the previous report.</p>
102-50	Reporting period	<p>SR: Report Overview</p>
102-51	Date of most recent report	<p>INFO: The most recent report was issued in April 2018 for the calendar year 2017.</p>
102-52	Reporting cycle	<p>INFO: Annual.</p>
102-53	Contact point for questions regarding the report	<p>INFO: Back Cover</p>
102-54	Claims of reporting in accordance with the GRI Standards	<p>SR: Report Overview</p>
102-55	GRI content index	<p>INFO: This GRI Content Index.</p>
102-56	External assurance	<p>SR: Report Overview; Verification Statement</p>
Material Topics		<p align="center">Cross-Reference / Information (WEB – our website; SR – our Sustainability Report; AR – our Annual Report; INFO – direct / supplementary information; Figures may not add up to the total due to rounding.)</p>
GRI 201: Economic Performance 2016		
GRI 103: Management Approach 2016		<p>SR: Sustainability at HKEI – Corporate Governance</p> <p>AR: Chairman’s Statement; CEO’s Report</p> <p>INFO: Please also refer to General Disclosure Item 102-46 for the topic boundary.</p>

201-1	Direct economic value generated and distributed	AR: Consolidated Statement of Profit or Loss; Consolidated Statement of Financial Position
201-2	Financial implications and other risks and opportunities due to climate change	<p>SR: Sustainability at HKEI – Corporate Governance – Governance Practices; Sharing our Planet – Taking Action on Climate Change</p> <p>INFO: Risks due to physical changes associated with climate change: 1. Extreme weather conditions could cause extensive damage in generation or network facilities and lead to a prolonged and extensive power outage. The loss of cash flow resulting from supply interruption, and the cost of recovery from damage to network and generation assets could be considerable. 2. Increased fuel cost due to decreased plant efficiency under elevated ambient temperature. 3. Increased insurance premiums to cover the potential climate-related damages to our plant facilities. 4. Fuel price may become unstable under the influence of adverse weather conditions and hence affect the cost.</p> <p>We make strategic investment to maintain our world-class supply reliability, enhance the integrity of our assets and reduce air emissions for better ambient air quality. All these contribute to lower the risk of climate change. Hence, no separate account for financial implications due to climate change is available.</p>
201-3	Defined benefit plan obligations and other retirement plans	AR: Notes to the Financial Statements
201-4	Financial assistance received from government	<p>INFO: No material financial assistance from the HKSAR Government.</p>
GRI 203: Indirect Economic Impacts 2016		
GRI 103: Management Approach 2016		
<p>SR: Sustainability at HKEI – Corporate Governance; Sharing our Planet – Management Approach; Serving Hong Kong – Management Approach; Key Statistics and Targets – Status of Targets Set at 2018, Looking Ahead</p> <p>INFO: Please also refer to General Disclosure Item 102-46 for the topic boundary.</p>		
203-1	Infrastructure investments and services supported	SR: Sustainability at HKEI – Corporate Governance – Governance Practices; Sharing our Planet – Improving Air Quality – Drive EVs · Charge Easy; Serving Hong Kong – Serving our Customers – Service Standards; Serving Hong Kong – Smart Energy Use; Working with Partners – Health & Safety
203-2	Significant indirect economic impacts	SR: Sustainability at HKEI – Corporate Governance – Governance Practices; Sharing our Planet – Improving Air Quality – Drive EVs · Charge Easy; Serving Hong Kong – Serving our Customers – Service Standards; Serving Hong Kong – Smart Energy Use; Working with Partners – Health & Safety
GRI 204: Procurement Practices 2016		
GRI 103: Management Approach 2016		
<p>WEB: Code of Conduct</p> <p>INFO: All local and foreign suppliers are treated equally and no preference is given in our purchase decision.</p> <p>Please also refer to General Disclosure Item 102-46 for the topic boundary.</p>		

204-1	Proportion of spending on local suppliers	<p>INFO: Natural gas, limestone and ultra-low sulphur diesel are supplied by companies with bases in China or Hong Kong while coals are sourced mainly in Indonesia and Russia.</p> <p>For other goods and services, about 90% under major contracts were procured from “local suppliers” who are defined as companies in China including Hong Kong.</p>
GRI 205: Anti-corruption 2016		
GRI 103: Management Approach 2016		<p>WEB: Code of Conduct</p> <p>SR: Sustainability at HKEI – Corporate Governance</p> <p>INFO: We prohibit any form of bribery/corruption, fraud or money laundering, and do not tolerate anyone committing fraud or breaking the law. Accepting or offering advantages in any manner from or to clients, suppliers, or any person in connection with the Company’s business is prohibited. We also strictly prohibit any fraudulent activities, such as theft of company resources, use of misrepresentation, dishonesty or deceitful conduct. We will not condone, facilitate or support money laundering. We strictly observe the standards, rules or regulations in regard to this aspect, such as Prevention of Bribery Ordinance. Anti-bribery risk assessment is performed by business units twice a year and bribery/corruption statistics and incidents are reported by business units to Internal Audit Department quarterly.</p> <p>A Fraud Awareness & Prevention Policy is in place to ensure adequate deterrent measures are taken to minimise exposure to fraud risk and to promote a fraud-free culture within the Group.</p> <p>A Fraud and Whistle-Blowing Reporting and Investigation Procedure is developed to supplement the Code of Conduct on the process workflow of investigation, investigation protocols, roles and responsibilities in handling violations of the Code and ethical allegations. Head of Internal Audit is the central point of all reporting and investigation of violations of the Code.</p> <p>A whistleblower hotline, connected directly to the Head of Internal Audit, is set up to centrally receive from employees and external parties all reports of possible improprieties, actual or alleged violations, including fraud, bribery and illegal acts. Any employee who is in breach of the Code of Conduct is subject to disciplinary actions, including summary dismissal.</p> <p>Please also refer to General Disclosure Item 102-46 for the topic boundary.</p>
205-1	Operations assessed for risks related to corruption	<p>INFO: All 13 business units were accessed for risks related to corruption.</p>
205-2	Communication and training about anti-corruption policies and procedures	<p>INFO: We have communicated our anti-corruption policies and procedures to all our board members, employees and business partners.</p> <p>In particular, HK Electric’s anti-corruption policies and procedures were communicated to all contractors and suppliers via the Conditions of Tendering/Bidding in the enquiry document and the Code of Practice for Suppliers in the application of Recognised Tenderers Register.</p> <p>All our board members and employees have received training on anti-corruption.</p>
205-3	Confirmed incidents of corruption and actions taken	<p>SR: Sustainability at HKEI – Corporate Governance</p>

GRI 206 – Anti-competition behavior 2016		
GRI 103: Management Approach 2016		INFO: We have established a Competition Compliance Policy and relevant approach and framework to guide us making our own decisions independently.
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	INFO: No relevant legal actions in 2018 were recorded.
AVAILABILITY AND RELIABILITY		
GRI 103: Management Approach 2016 (to ensure short and long-term electricity availability and reliability)		<p>SR: Sustainability at HKEI – Corporate Governance; Sharing our Planet – Taking Action on Climate Change; Serving Hong Kong – Reliable and Affordable Power – Robust Power System</p> <p>INFO: HK Electric has been adopting a diverse power portfolio to deliver cleaner, more efficient and reliable electricity supply to meet its customers’ demand on both long and short-term bases.</p> <p>HK Electric will carry out regular review of its load forecast and planning criteria to suit the ever-changing socio-economic environment and to meet the tightening environmental requirements. All these forecast parameters will be subject to the Government’s scrutiny.</p> <p>Under the 2019-2023 Development Plan, HK Electric will invest HK\$16.2 billion in projects related to power generation, which accounts for 61% of the total investment. A large part of it will be used to build the new gas-fired units and associated facilities required to replace the retiring coal-fired units. These new gas generating units will further improve air quality and help combat climate change.</p> <p>To ensure reliability, a comprehensive Maintenance Regime for generating plants has been established. Periodic maintenance shall be arranged to all the machineries in order to maintain its reliability. The frequency of the periodic maintenance is determined by the recommendations from the original equipment manufacturer, 'Reliability-Centered Maintenance' study and plant ownership scheme. In between periodic maintenance, condition of the equipment is monitored to determine its “healthiness” in order to secure the availability of the plant.</p> <p>Health indexes of transmission and distribution equipment and apparatuses are being established to determine priority of maintenance.</p> <p>Please also refer to General Disclosure Item 102-46 for the topic boundary.</p>
EU10	Planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime	<p>WEB: Our 2019 – 2023 Development Plan; Milestone at Lamma Power Station to Usher in A New Era of Gas Generation</p> <p>SR: Serving Hong Kong – Reliable and Affordable Power – Robust Power System</p> <p>INFO: The company is currently constructing two new gas-fired units (L10 & L11), and together with the newly-approved unit (L12), three new gas-fired units will be commissioned in the next five years. These units, which feature advanced efficiency-enhancing technology, are progressively replacing all five coal-fired units (two of which had retired in 2017 and 2018 respectively) and one ageing gas-fired unit by 2023 upon reaching the end of their useful lives. By then, the total installed capacity of HK Electric will be lower than that of now.</p>

DEMAND-SIDE MANAGEMENT		
GRI 103: Management Approach 2016 (and description on demand-side management programs including residential, commercial, institutional and industrial programs)		<p>SR: Sharing our Planet – Education and Awareness – Smart Power Campaign; Serving Hong Kong – Management Approach, Smart Energy Use</p> <p>INFO: Please also refer to General Disclosure Item 102-46 for the topic boundary.</p>
RESEARCH AND DEVELOPMENT		
GRI 103: Management Approach 2016 (and description on research and development activity and expenditure aimed at providing reliable electricity and promoting sustainable development)		<p>SR: Sustainability at HKEI – Innovation; Sharing our Planet – Taking Action on Climate Change – Building Climate Resilience; Sharing our Planet – Responsible Resource Management – Retired EV Batteries; Serving Hong Kong – Serving our Customers – Service Standards</p> <p>INFO: We continue to keep track on the latest technology development related to our business. Research and development activities are conducted by relevant business units.</p> <p>Most of these studies would involve in-house experts and hence would not significantly incur additional cost compared with our overall expenditure.</p>
SYSTEM EFFICIENCY		
EU11	Average generation efficiency of thermal plants by energy source and by regulatory regime	SR: Key Statistics and Targets – Summary of Statistics
EU12	Transmission and distribution losses as a percentage of total energy	<p>SR: Key Statistics and Targets – Summary of Statistics</p> <p>INFO: Transmission losses: 1.3% Distribution losses: 2.1% Note: Non-technical losses are assumed to be insignificant.</p>
GRI 300: Environmental 2016		
GRI 103: Management Approach 2016		<p>WEB: How We Care for our Environment; Enhancing Supplier Partnership</p> <p>SR: Sustainability at HKEI – Corporate Governance – Challenges and Strategies; Sharing our Planet – Management Approach; Working with Partners – Management Approach, Managing our Supply Chain; Key Statistics and Targets – Status of Targets Set at 2018, Looking Ahead</p> <p>INFO: Please also refer to General Disclosure Item 102-46 for the topic boundary.</p>
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	<p>SR: Key Statistics and Targets – Summary of Statistics</p> <p>INFO: No materials are present in our final product as our product is electricity and no materials containing polychlorinated biphenyl are used.</p>
301-2	Recycled input materials used	<p>SR: Sharing our Planet – Responsible Resource Management – Water Resources, Waste Management, Retired EV Batteries; Key Statistics and Targets – Summary of Statistics</p> <p>INFO: The amount of plant effluent and rain water collected and recycled at Lamma Power Station represented 5.6% of the Station’s total consumption of town water.</p>

301-3	Reclaimed products and their packaging materials	INFO: There are no reclaimed products and packaging materials due to the nature of our product (viz. electricity).
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	SR: Key Statistics and Targets – Summary of Statistics
302-3	Energy intensity	INFO: 1.91 kWh per unit sold was needed to be consumed in the course of generation, transmission and distribution of electricity (excluding the energy sold).
302-4	Reduction of energy consumption	SR: Sharing our Planet – Responsible Resource Management – Energy Savings
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	SR: Sharing our Planet – Responsible Resource Management – Water Resources; Key Statistics and Targets – Summary of Statistics INFO: Freshwater is provided by the Water Supplies Department of the HKSAR Government. Seawater is withdrawn for cooling of plant equipment at Lamma Power Station and returned to the sea after proper treatment. All our discharge complies with legislative requirements. No water sources were significantly affected.
303-2	Management of water discharge-related impacts	SR: Sharing our Planet – Responsible Resource Management – Water Resources; Key Statistics and Targets – Summary of Statistics INFO: Our water discharge is governed by licenses granted by EPD under Water Pollution Control Ordinance (WPCO). EPD would carry out regular inspections on our water treatment/ discharge facilities.
303-3	Water withdrawal	SR: Sharing our Planet – Responsible Resource Management – Water Resources; Key Statistics and Targets – Summary of Statistics INFO: Town water is provided by the Water Supplies Department of the HKSAR Government. Seawater is withdrawn for cooling of plant equipment at Lamma Power Station and returned to the sea after proper treatment. The amount of plant effluent and rain water collected and recycled at Lamma Power Station represented 5.6% of the Station’s total consumption of town water.
303-4	Water discharge	SR: Sharing our Planet – Responsible Resource Management – Water Resources; Key Statistics and Targets – Summary of Statistics INFO: The wastewater after treatment for removal of oil, grease, suspended solids and heavy metals was discharged to natural water body and was not used by other parties. No significant impact on the water bodies and related habitats is caused. No discharges to water bodies and related habitats that are designated as protected areas.

303-5	Water consumption	<p>SR: Sharing our Planet – Responsible Resource Management – Water Resources; Key Statistics and Targets – Summary of Statistics</p> <p>INFO: The amount of plant effluent and rain water collected and recycled at Lamma Power Station represented 5.6% of the Station’s total water consumption.</p>
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<p>INFO: No land was owned, leased, managed in or adjacent to, protected areas and areas of high biodiversity value outside protected area.</p>
304-2	Significant impacts of activities, products, and services on biodiversity	<p>INFO: No land was owned, leased, managed in or adjacent to, protected areas and areas of high biodiversity value outside protected area.</p>
304-3	Habitats protected or restored	<p>INFO: No land was owned, leased, managed in or adjacent to, protected areas and areas of high biodiversity value outside protected area.</p>
EU13	Biodiversity of offset habitats compared to the biodiversity of the affected areas	<p>INFO: No land was owned, leased, managed in or adjacent to, protected areas and areas of high biodiversity value outside protected area.</p>
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	<p>SR: Report Overview; Sustainability at HKEI – Our Business; Key Statistics and Targets – Summary of Statistics</p>
305-2	Energy indirect (Scope 2) GHG emissions	<p>INFO: HK Electric is a vertically integrated power utility responsible for the generation, transmission, distribution and supply of electricity and our electricity consumption comes from our own generation. Hence, the Scope 2 emission is included in the Scope 1 emission which has been reported in Disclosure Item 305-1 in accordance with the ISO 14064-1 requirements as verified by a qualified independent assessor.</p>
305-4	GHG emissions intensity	<p>SR: Key Statistics and Targets – Summary of Statistics</p>
305-5	Reduction of GHG emissions	<p>SR: Sharing our Planet – Taking Action on Climate Change</p>
305-6	Emissions of ozone-depleting substances (ODS)	<p>INFO: Amount of emission of ozone-depleting substances was 134.2 kg of R22. A programme for phasing out this HCFC refrigerant in our air-conditioning systems is in place.</p>
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	<p>SR: Sharing our Planet – Improving Air Quality; Key Statistics and Targets – Summary of Statistics</p>
GRI 306: Effluents and Waste 2016		
306-1	Water discharge by quality and destination	<p>SR: Key Statistics and Targets – Summary of Statistics</p> <p>INFO: The wastewater after treatment for removal of oil, grease, suspended solids and heavy metals was discharged to natural water body and was not used by other parties.</p>

306-2	Waste by type and disposal method	SR: Sharing our Planet – Responsible Resource Management – Waste Management; Key Statistics and Targets – Summary of Statistics
306-3	Significant spills	INFO: No significant spills were recorded.
306-5	Water bodies affected by water discharges and/or runoff	INFO: The effluent was properly treated for removal of oil, grease, suspended solids and heavy metals before being discharged, and would not cause significant impact on the water bodies and related habitats. No discharges to water bodies and related habitats that are designated as protected areas.
GRI 307: Environmental Compliance 2016		
307-1	Non-compliance with environmental laws and regulations	SR: Sustainability at HKEI – Corporate Governance
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	INFO: All new suppliers as described in Disclosure Item 308-2.
308-2	Negative environmental impacts in the supply chain and actions taken	SR: Working with Partners – Managing our Supply Chain – Responsible Procurement INFO: HK Electric's Code of Practice for Suppliers is included in the application for admission to Recognised Tenderers Register (RTR) for screening purpose. In 2018, 13 new RTR applications were processed and 135 existing suppliers were evaluated, and no significant actual or potential negative environmental impacts were identified.
GRI 400: Social 2016		
GRI 103: Management Approach 2016 (for GRI 401 – Employment; GRI 405 – Diversity and Equal Opportunities; GRI 406 – Non-discrimination)		WEB: CSR Policy ; Our People and Values ; Equal Opportunities SR: Sustainability at HKEI – Corporate Governance; Working with Partners – Management Approach, Enhancing Employee Relations INFO: Please also refer to General Disclosure Item 102-46 for the topic boundary.
GRI 103: Management Approach 2016 (for GRI 403 – Occupational Health and Safety; GRI 416 – Customer Health and Safety)		SR: Sustainability at HKEI – Corporate Governance; Working with Partners – Management Approach, Caring for our Employees, Health and Safety; Serving Hong Kong – Management Approach; Key Statistics and Targets – Status of Targets Set at 2018, Looking Ahead INFO: Please also refer to General Disclosure Item 102-46 for the topic boundary.

<p>GRI 103: Management Approach 2016 (for GRI 407 – Freedom of Association and Collective Bargaining; GRI 408 – Child Labor; GRI 409 – Forced or Compulsory Labor; GRI 414 – Supplier Social Assessment)</p>		<p>WEB: Equal Opportunities; Enhancing Supplier Partnership</p> <p>SR: Sustainability at HKEI – Corporate Governance; Working with Partners – Management Approach, Managing our Supply Chain</p> <p>INFO: Collective bargaining is not applicable (collective bargaining agreements are not required by law in Hong Kong).</p> <p>Major suppliers are required to follow an established procedure for admission to our Recognised Tenderers Register (RTR) in which our Code of Practice for Suppliers is included for their compliance. Review of suppliers in our RTR including labour relations and relevant compliance is conducted on a periodic basis during which the suppliers are required to submit their CSR performance for evaluation.</p> <p>Please also refer to General Disclosure Item 102-46 for the topic boundary.</p>																																													
<p>GRI 103: Management Approach 2016 (for other topics under GRI 400: Social 2016)</p>		<p>INFO: Please refer to the corresponding disclosure items.</p>																																													
<p>GRI 401: Employment 2016</p>																																															
<p>401-1</p>	<p>New employee hires and employee turnover</p>	<p>SR: Working with Partners – Enhancing Employee Relations</p> <p>INFO:</p> <table border="1" data-bbox="576 882 1315 1070"> <thead> <tr> <th></th> <th>Overall</th> <th colspan="2">Gender breakdown</th> <th colspan="2">Age breakdown</th> </tr> </thead> <tbody> <tr> <td rowspan="4">New hires rate (%)</td> <td rowspan="2">7.6</td> <td>Male</td> <td>5.2</td> <td>Age 30 or below</td> <td>4.0</td> </tr> <tr> <td></td> <td></td> <td>Age 31-40</td> <td>1.9</td> </tr> <tr> <td rowspan="2">Female</td> <td rowspan="2">2.4</td> <td></td> <td>Age 41-50</td> <td>0.9</td> </tr> <tr> <td></td> <td>Age 51 or above</td> <td>0.8</td> </tr> </tbody> </table> <p>Notes: 1. We have around 1,900 employees in total. 2. Our operations are based in Hong Kong.</p> <table border="1" data-bbox="576 1160 1315 1321"> <thead> <tr> <th></th> <th colspan="2">Gender breakdown</th> <th colspan="2">Age breakdown</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Average length of tenure of the employees leaving employment (Year)</td> <td rowspan="2">Male</td> <td rowspan="2">9</td> <td>Age 30 or below</td> <td>3</td> </tr> <tr> <td>Age 31-40</td> <td>3</td> </tr> <tr> <td rowspan="2">Female</td> <td rowspan="2">6</td> <td>Age 41-50</td> <td>9</td> </tr> <tr> <td>Age 51 or above</td> <td>30</td> </tr> </tbody> </table>					Overall	Gender breakdown		Age breakdown		New hires rate (%)	7.6	Male	5.2	Age 30 or below	4.0			Age 31-40	1.9	Female	2.4		Age 41-50	0.9		Age 51 or above	0.8		Gender breakdown		Age breakdown		Average length of tenure of the employees leaving employment (Year)	Male	9	Age 30 or below	3	Age 31-40	3	Female	6	Age 41-50	9	Age 51 or above	30
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<p>401-2</p>	<p>Benefits provided to full-time employees that are not provided to temporary or part-time employees</p>	<p>INFO: Performance bonus, year-end bonus, gratuity for contract employees, medical benefits, electricity allowance, Group Life and Personal Accident Insurance are not provided to temporary or part-time employees.</p>																																													
<p>401-3</p>	<p>Parental leave</p>	<p>INFO:</p> <table border="1" data-bbox="576 1581 1302 1812"> <thead> <tr> <th></th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Total no. of employees that took maternity/parental leave</td> <td>22</td> <td>11</td> </tr> <tr> <td>Rate of return to work of employees who took maternity/parental leave</td> <td>100%</td> <td>100%</td> </tr> <tr> <td>Rate of retention of employees who took maternity/parental leave</td> <td>100%</td> <td>91%</td> </tr> </tbody> </table> <p>Note: All eligible employees were entitled to maternity/parental leave.</p>					Male	Female	Total no. of employees that took maternity/parental leave	22	11	Rate of return to work of employees who took maternity/parental leave	100%	100%	Rate of retention of employees who took maternity/parental leave	100%	91%																														
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EU15	Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and by region	<p>INFO:</p> <table border="1" data-bbox="576 152 1442 439"> <thead> <tr> <th></th> <th>Overall</th> <th colspan="2">Employee type breakdown</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Retire in the next 5 years (%)</td> <td rowspan="2">18.2</td> <td>Staff</td> <td>14.2</td> </tr> <tr> <td>Workman</td> <td>4.1</td> </tr> <tr> <td rowspan="2">Retire in the next 10 years (%)</td> <td rowspan="2">36.5</td> <td>Staff</td> <td>29.5</td> </tr> <tr> <td>Workman</td> <td>6.9</td> </tr> </tbody> </table> <p>Notes: 1. We have around 1,900 employees in total. 2. Our operations are based in Hong Kong.</p>		Overall	Employee type breakdown		Retire in the next 5 years (%)	18.2	Staff	14.2	Workman	4.1	Retire in the next 10 years (%)	36.5	Staff	29.5	Workman	6.9
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EU17	Days worked by contractor and subcontractor employees involved in construction, operation & maintenance activities	<p>INFO:</p> <p>The total man-days worked by contractors were 453,000 of which 280,000 man-days were devoted to construction activities and 173,000 devoted to operation and maintenance activities.</p>																
EU18	Percentage of contractor and subcontractor employees that have undergone relevant health and safety training	<p>INFO:</p> <p>All relevant employees of our contractors working at our work sites have undergone relevant health and safety training.</p>																
GRI 403: Occupational Health and Safety 2018																		
403-1	Occupational health and safety management system	<p>SR: Working with Partners – Management Approach, Health & Safety</p> <p>INFO:</p> <p>The Corporate Health & Safety Manual covers all Divisions/Departments of HK Electric and it defines the health and safety management system of the company. It is enforced through the Health & Safety Board chaired by the Managing Director or his delegate as well as the Health & Safety Committees/Sub-committees at various levels.</p> <p>Under the Health & Safety Policy, HK Electric is committed to protecting the health and safety of our employees, customers, contractors and the public by conducting our business in a safe and socially responsible manner. We aim to excel in occupational health and safety performance and achieve an accident-free operation. To accomplish this, we will comply fully with all applicable laws and regulations and strive to integrate health and safety considerations into all aspects of our business activities. In addition, we support and nurture a culture that promotes employee wellness and raises health and safety awareness; adopt and maintain management systems designed to eliminate health and safety hazards and support continuous performance improvement; provide necessary information, instruction, training and supervision to our employees and also a healthy and safe working environment to them; ensure commitments from all employees and all levels of management; require our business partners to meet the same health and safety standards as ours. An Alcohol and Drugs Policy is established to ensure a safe and healthy workplace which is free from the effects of alcohol and drugs.</p>																

403-2	Hazard identification, risk assessment, and incident	<p>SR: Working with Partners – Health & Safety</p> <p>INFO: Our Health and Safety Policy is in place and we adopt and maintain management systems designed to eliminate health and safety hazards and support continuous performance improvement. We also provide necessary information, instruction, training and supervision to our employees and also a healthy and safe working environment to them. We promote employee wellness and raise health and safety awareness through promotion activities. In order to heighten safety awareness of working personnel, safety briefings and pre-job risk assessments are conducted prior to work and when there are changes to the working environment or work procedures.</p> <p>The control of the risk from a hazardous substance/environment, like any other risk, is best tackled from a risk management perspective. The risk management process includes all factors related to an activity involving potential hazards, to make a judgement about the associated risks and implement appropriate controls. Existing substances/materials/work process/plants are regularly reviewed by the Division/Department Head or his/her specifically designated deputy whenever it is known that there is possible hazard.</p> <p>Employees are encouraged to report any work-related hazards and hazardous situations to their supervisors, safety professionals, Section/Department Heads or even senior management through any means including verbal report, phone, email, messages, mobile apps, etc. Their reports will be followed up immediately by appropriate persons. These measures help to lower overall risk and reduce accidents.</p> <p>To protect employees against reprisals, a whistleblower hotline connected directly to the Head of Internal Audit is in place to receive any reports of possible work-related hazards and hazardous situations from employees and external parties.</p> <p>In general, we investigate work-related incidents by gathering information through exploring all reasonable enquiries; analysing the information by identifying the sequence of events and conditions that led to the incidents, immediate causes, underlying causes and root causes; identifying the risk control measures; and formulating and implementing action plans.</p>
403-3	Occupational health services	<p>SR: Working with Partners – Health & Safety</p> <p>INFO: Depending on the operational nature, Divisions/Departments have developed their training plans/schedules. The Division/Department Head is responsible for provision of information, training and knowledge as necessary to ensure, so far as is reasonably practicable, the safety and health at work of employees of the Division/Department. Division/Department Heads regularly review the adequacy of the training program. Induction training/orientation sessions are given to all new recruits. Effectiveness of the training is evaluated and training records are maintained.</p> <p>Moreover, we have developed, implemented and maintained a hazard control program as well as a personal protective equipment (PPE) program. An approved equipment guide is in place to ensure proper equipment items are provided to employees. Where special safety and health hazards are present, the Division/Department Heads will arrange to provide adequate and suitable training for employees to cope with such hazards. The training shall include providing them information about the safety and health hazards, the safety precautions and the proper use of the protective equipment. Refresher courses shall also be conducted regularly. Legal requirements on provisions of training to employees and the appointment of competent persons to carry out certain tasks are defined in the Factories and Industrial Undertakings Ordinance, Occupational Safety and Health Ordinance and its subsidiary regulations. The Division/Department Heads must identify the area of training and the appointment of competent persons to satisfy the legal requirements. In addition, The Division/Department Heads also regularly review the adequacy of the divisional/departmental safety promotion and education programmes and draw up an annual programme for implementation.</p>

403-4	Worker participation consultation, and communication on occupational health and safety	<p>SR: Working with Partners – Health & Safety</p> <p>INFO: At HK Electric, different Health and Safety Committees at various levels have been established. The committee members review the circumstances surrounding work-related injuries, work-related illnesses and work related dangerous occurrences; advise the management the review results and make recommendations for improvement; advise the management any proposed change to the workplace, or plant or substances used in the workplace, that affects, or may affect, the health and safety of persons in the workplace; They organise/assist health and safety promotional activities, review the adequacy of health and safety communication and publicity in the workplace; and report/feedback the comments/suggestions of the employee group he or she represents on health and safety aspects.</p> <p>Communication meeting and sessions are organised. Relevant information is circulated via emails and posted on the notice boards. To facilitate employees to obtain the Health and Safety Information, a “Health and Safety Information” corner is set up on Corporate Intranet Portal.</p> <p>The Health & Safety Board, chaired by the Managing Director or his delegate, oversees Health and Safety matters. At least half of the members of the Board are responsible for advising on relevant matters raised by the employees through Committees and Sub-Committees. The Board shall meet at least once every 3 months. Under the Health & Safety Board, there are four Divisional Health and Safety Committees. The Divisional/Departmental Health & Safety Committee should meet at least once every three months. Under the Divisional Health and Safety Committees, there are departmental Health and Safety Committees. Health and Safety Subcommittees were formed for staff/frontline employees/contractors.</p>
403-5	Worker training on occupational health and safety	<p>SR: Working with Partners – Health & Safety; Key Statistics and Targets – Summary of Statistics</p> <p>INFO: We provide various occupational health and safety training to employees. The Division/Department Head is responsible for provision of information, training and knowledge as necessary to ensure, so far as reasonably practicable, the safety and health at work of employees of the Division/Department. He/she shall identify and regularly review the training needs of the employees under his/her control in consideration of their operational activities. Induction training for new recruits and for new works, special hazard training and statutorily required training are provided.</p> <p>For example, New Comer Induction Training, Plant Induction Training, Demonstration on Use of Life Jackets, LPS Fire Safety Awareness Training Course, Environmental Awareness Training, Safety Rules briefing training for Competent Person, Safety Briefing on Work above Ground and Work at False Ceiling, Mandatory Basic Safety Training (Full) Course, Safety Training Course for Competent Persons in Confined Spaces Operation (Competent Person Full Course), Adult Cardio Pulmonary Resuscitation Certificate Course, Road Safety Training Course, 5S Good Housekeeping, Training for Work Safe Behaviour Observer, Manual Handling Operations and Prevention of Back Injuries, More Exercise & Smart Work, and Health Talks etc.</p>

403-6	Promotion of worker health	<p>SR: Working with Partners – Health & Safety</p> <p>INFO: Our employees are covered by Hospitalisation and Outpatient schemes and they can access the information of the schemes via corporate intranet and hotline provided by service providers.</p> <p>Female employees with one year's service or more are eligible for an annual gynaecological examination subject to a maximum claim amount. Meanwhile, employees aged 45 or above with one year's service or more are eligible for Biennial Medical Check-Up. Employees not meeting the requirements may join the Medical Check-up plan on a self-financed basis at preferential rates.</p> <p>Injection of Quadrivalent Vaccine is arranged for registered employees at 4 office locations and at designated clinics on an annual basis.</p> <p>Meanwhile, we provide lactation rooms in our workplaces for breastfeeding mothers.</p>
403-7	Prevention and mitigation of OHS impacts directly linked by business relationships	<p>SR: Working with Partners – Management Approach, Health & Safety</p> <p>INFO: We adopt an Enterprise Risk Management Framework to deal with top strategic corporate risks. Health and Safety is considered to be one of our strategic corporate risks. Our Enterprise Risk Management Framework includes detailed mitigation actions for the risks.</p> <p>To prevent significant negative occupational health and safety impacts, the following actions are taken:</p> <ul style="list-style-type: none"> - Formulate and implement Safety Management System (SMS) Audit Plan and Safety Promotion Plan; - Comply with H&S regulations by implementing and updating various guidelines, standards and instructions and conducting compliance reviews regularly; - Inform employees of existing and emerging legal and other obligations that apply to their job responsibilities; - Bring in independence & expertise by calling in external auditors for SMS Audits; - Ensure that all employees of contractors are properly briefed, adequately trained, and provided with adequate safety information and PPE; - Implement Competent Person system for contractors working on or near our facilities - Organise regular safety sharing meetings among contractors, and invite Labour Department and other safety organizations to promote H&S awareness; - Eliminate hazards caused by material issues by identifying these issues and compiling a guideline for selecting proper materials; - Integrate hazard identification & risk assessment early during the design of work procedures & work processes, and introduction of new apparatus & tools; and - Review the existing substances/materials/work process/plant whenever it is known that there is possible hazard.
403-8	Workers covered by an occupational health and safety management system	<p>SR: Working with Partners – Management Approach, Health & Safety</p> <p>INFO: The Corporate Health & Safety Manual covers all Divisions/Departments of HK Electric and it defines the health and safety management system of the company. Our Safety Management Systems (SMS) conform to the ISO 45001 or OHSAS 18001 standards for all major operations.</p> <p>All our employees and those contractor personnel working for us are represented in the relevant committees.</p>

403-9	Work-related injuries	<p>SR: Working with Partners – Health & Safety; Key Statistics and Targets – Summary of Statistics</p> <p>INFO:</p> <table border="1" data-bbox="576 230 1339 510"> <thead> <tr> <th></th> <th>Male</th> <th>Female</th> <th>Overall</th> </tr> </thead> <tbody> <tr> <td>Number of fatalities</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Number of lost time injuries</td> <td>1</td> <td>0</td> <td>1</td> </tr> <tr> <td>Lost Time Injury Frequency Rate (LTIFR)</td> <td>0.07</td> <td>0</td> <td>0.05</td> </tr> <tr> <td>Numbers of days lost/charged</td> <td>1</td> <td>0</td> <td>1</td> </tr> <tr> <td>Lost Time Injury Severity Rate (LTISR)</td> <td>0.07</td> <td>0</td> <td>0.05</td> </tr> <tr> <td>Longest period without a lost time injury</td> <td>315</td> <td>365</td> <td>315</td> </tr> <tr> <td>Number of reported traffic accidents</td> <td>7</td> <td>0</td> <td>7</td> </tr> </tbody> </table> <p>For contractor workers engaging in HK Electric’s jobs:</p> <table border="1" data-bbox="576 566 1265 712"> <tbody> <tr> <td>No. of fatalities</td> <td>0</td> </tr> <tr> <td>No. of lost time injuries</td> <td>6</td> </tr> <tr> <td>Lost Time Injury Frequency Rate (LTIFR)</td> <td>0.33</td> </tr> <tr> <td>No. of days lost/charged</td> <td>749</td> </tr> <tr> <td>Lost Time Injury Severity Rate (LTISR)</td> <td>41.38</td> </tr> </tbody> </table> <p>Notes:</p> <ol style="list-style-type: none"> Minor injuries not causing lost day were not included. 'Days' referred to 'scheduled workdays'. Our operations are based in Hong Kong 		Male	Female	Overall	Number of fatalities	0	0	0	Number of lost time injuries	1	0	1	Lost Time Injury Frequency Rate (LTIFR)	0.07	0	0.05	Numbers of days lost/charged	1	0	1	Lost Time Injury Severity Rate (LTISR)	0.07	0	0.05	Longest period without a lost time injury	315	365	315	Number of reported traffic accidents	7	0	7	No. of fatalities	0	No. of lost time injuries	6	Lost Time Injury Frequency Rate (LTIFR)	0.33	No. of days lost/charged	749	Lost Time Injury Severity Rate (LTISR)	41.38
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403-10	Work-related ill health	<p>SR: Working with Partners – Health & Safety; Key Statistics and Targets – Summary of Statistics</p> <p>INFO: No employees with high incidence or high risk of diseases related to their occupation were identified.</p> <p>In 2018, the sick leave rate of our employees was 3.8. (N.B. Sick leave rate is the workday lost due to sickness x 2,000 per total number of employee hours. Sick leave due to work-related accidents is not counted.) No cases of occupational diseases were reported in 2018.</p>																																										
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404-1	Average hours of training per year per employee	<p>SR: Working with Partners – Nurturing Talent – Learning and Development</p> <p>INFO: The total health and safety training hours for employees was 18,640 and 78.7% of our employees participated in Health and Safety training in 2018.</p>																																										
404-2	Programs for upgrading employee skills and transition assistance programs	<p>WEB: Learning & Development</p> <p>SR: Working with Partners – Nurturing Talent – Learning and Development</p>																																										
404-3	Percentage of employees receiving regular performance and career development reviews	<p>INFO: 100%</p>																																										

GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	<p>SR: Working with Partners – Enhancing Employee Relations</p> <p>AR: Boards of Directors and Management Team; Combined Corporate Governance Report</p>
405-2	Ratio of basic salary and remuneration of women to men	<p>INFO: Senior staff: 92% General staff: 83% Workman: 61% Overall: 81%</p> <p>Note: Our operations are based in Hong Kong.</p>
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	<p>INFO: No incidents of discrimination were recorded.</p>
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<p>SR: Working with Partners – Managing our Supply Chain – Responsible Procurement</p> <p>INFO: Collective bargaining is not applicable (collective bargaining agreements are not required by law in Hong Kong).</p> <p>No operations identified in which the right to exercise freedom of association may be violated or at significant risk. We have dialogue with the Trade Union through written communication or telephone calls whenever required. Meeting with employees participating in the Union is conducted on an as-needed basis and two hoc meetings with some of their representatives were held during the year.</p> <p>HK Electric's Code of Practice for Suppliers is included in the application for admission to Recognised Tenderers Register (RTR) for screening purpose. In 2018, 13 new RTR applications were processed and 135 existing suppliers were evaluated, and no suppliers in which the right to exercise freedom of association may be violated or at significant risk were identified.</p>
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	<p>SR: Sustainability at HKEI – Corporate Governance – Governance Practices</p> <p>INFO: All recruitments through Human Resources Division are coupled with proper checking of the age of the employees to ensure full compliance with the Employment Ordinance of Hong Kong. In addition, no operations identified as having significant risk for incidents of child labour.</p> <p>HK Electric's Code of Practice for Suppliers is included in the application for admission to Recognised Tenderers Register (RTR) for screening purpose. In 2018, 13 new RTR applications were processed and 135 existing suppliers were evaluated, and no suppliers having significant risk for incidents of child labour were identified.</p>

GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<p>SR: Sustainability at HKEI – Corporate Governance – Governance Practices</p> <p>INFO: No operations identified as having significant risk for incidents of forced or compulsory labour.</p> <p>HK Electric's Code of Practice for Suppliers is included in the application for admission to Recognised Tenderers Register (RTR) for screening purpose. In 2018, 13 new RTR applications were processed and 135 existing suppliers were evaluated, and no suppliers having significant risk for incidents of forced or compulsory labour were identified.</p>
GRI 412: Human Rights Assessment 2016		
GRI 103: Management Approach 2016		<p>SR: Sustainability at HKEI – Corporate Governance</p> <p>INFO: We support human rights consistent with the Universal Declaration of Human Rights.</p> <p>Please also refer to General Disclosure Item 102-46 for the topic boundary.</p>
412-1	Operations that have been subject to human rights reviews or impact assessments	<p>INFO: All 13 business units were subjected to human rights review and impact assessments.</p>
GRI 413: Local Communities 2016		
GRI 103: Management Approach 2016		<p>SR: Sustainability at HKEI – Corporate Governance; Sharing our Planet – Management Approach; Serving Hong Kong – Management Approach; Working with Partners – Management Approach; Key Statistics and Targets – Status of Targets Set at 2018, Looking Ahead</p> <p>INFO: Our Public Affairs Department arranges annual meeting with a number of business units for reviewing their work on communication with stakeholders.</p> <p>Please also refer to General Disclosure Item 102-46 for the topic boundary.</p>
413-1	Operations with local community engagement, impact assessments, and development programs	<p>INFO: CSR considerations as described in this report are integrated in all our operations.</p>
413-2	Operations with significant actual and potential negative impacts on local communities	<p>INFO: No operations would cause significant actual and potential negative impacts on local communities as our operations are integrated with effective CSR initiatives as described in this Report.</p>
EU22	Number of people physically or economically displaced and compensation, broken down by type of project	<p>INFO: No projects involved displacement of people or compensation.</p>
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	<p>INFO: All new suppliers as described in Disclosure Item 414-2.</p>

414-2	Negative social impacts in the supply chain and actions taken	<p>SR: Working with Partners – Managing our Supply Chain</p> <p>INFO: HK Electric's Code of Practice for Suppliers is included in the application for admission to Recognised Tenderers Register (RTR) for screening purpose. In 2018, 13 new RTR applications were processed and 135 existing suppliers were evaluated, and no significant actual and potential negative social impacts were identified.</p>
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	<p>INFO: All of our significant product and service have undergone health and safety impact assessment for improvement.</p>
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	<p>SR: Sustainability at HKEI – Corporate Governance – Governance Practices</p>
EU25	Number of injuries and fatalities to the public involving company assets including legal judgments, settlements and pending legal cases of diseases	<p>INFO: No case was recorded.</p>
GRI 417: Marketing and Labeling 2016		
GRI 103: Management Approach 2016		<p>WEB: Quality Policy; Supply Rules; Guide to Connection of Supply; Privacy Policy</p> <p>SR: Serving Hong Kong – Serving our Customers – Service Standards</p> <p>INFO: Please also refer to General Disclosure Item 102-46 for the topic boundary.</p>
417-1	Requirements for product and service information and labeling	<p>SR: Sustainability at HKEI – Corporate Governance – Governance Practices; Serving Hong Kong – Serving our Customers – Service Standards</p> <p>INFO: Our product is electricity and the sustainability issues in our operations are covered in all sections of this Report and other GRI disclosures. The marketing mechanism described in this disclosure has little relevance to us as our product is electricity.</p>
417-2	Incidents of non-compliance concerning product and service information and labeling	<p>SR: Sustainability at HKEI – Corporate Governance – Governance Practices</p>
GRI 418: Customer Privacy 2016		
GRI 103: Management Approach 2016		<p>WEB: Privacy Policy; Code of Conduct</p> <p>SR: Sustainability at HKEI – Corporate Governance – Governance Practices; Serving Hong Kong – Serving our Customers – Service Standards</p> <p>INFO: We have published a Privacy Policy Statement on personal data privacy, which governs the handling of personal data and ensures compliance with the Personal Data (Privacy) Ordinance. The Policy complies with the regulatory requirements in direct marketing under the Personal Data (Privacy) Amendment Ordinance effective on 1 April 2013.</p> <p>Guideline on Handling Customer Personal Data and Standing Instruction for Handling of Customer's Personal Data are also in place.</p> <p>Please also refer to General Disclosure Item 102-46 for the topic boundary.</p>

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	INFO: No substantiated complaints regarding breaches of customer privacy and losses of customer data were recorded.
GRI 419: Socioeconomic Compliance 2016		
GRI 103: Management Approach 2016		
GRI 103: Management Approach 2016		SR: Sustainability at HKEI – Corporate Governance; Serving Hong Kong – Management Approach; Working with Partners – Management Approach INFO: Please also refer to General Disclosure Item 102-46 for the topic boundary.
419-1	Non-compliance with laws and regulations in the social and economic area	SR: Sustainability at HKEI – Corporate Governance – Governance Practices
TOPIC: DISASTER / EMERGENCY PLANNING AND RESPONSE		
GRI 103: Management Approach 2016 (and description on contingency planning measures, disaster/emergency management plan and training programs, and recovery/restoration plans)		
TOPIC: ACCESS		
GRI 103: Management Approach 2016 and description on programs, including those in partnership with government, to improve or maintain access to electricity and customer support services		
EU26		INFO: 0%

EU27	Number of residential disconnections for non-payment, broken down by duration of disconnection and by regulatory regime	<p>INFO: Sufficient notice would be communicated to customers with ample time to settle the non-payment, before executing the disconnection. In fact, the no. of non-payment cases which lead to disconnection is very small as compared to the customer base of 579,000 accounts. In 2018, there were 1,225 residential accounts (0.2%) being disconnected due to non-payment while we have acceded to 1,814 accounts for payment deferral from residential customers. In accordance with our service pledge, supply will be re-connected on the same day as payment is received. In addition, we provide energy efficiency advice to customers, and are willing to listen to customers with difficulties in bill settlement to see what we can help.</p>
EU28	Power outage frequency	<p>INFO: SAIFI = 0.054</p>
EU29	Average power outage duration	<p>INFO: SAIDI = 0.01</p>
EU30	Average plant availability factor by energy source and by regulatory regime	<p>SR: Key Statistics and Targets – Summary of Statistics</p> <p>INFO: The plant availability broken down into gas and coal & oil are 83.2% and 92.7% respectively.</p>
TOPIC: PROVISION OF INFORMATION		
<p>GRI 103: Management Approach 2016 and description on practices to address language, cultural, low literacy and disability related barriers to accessing and safely using electricity and customer support services</p>	<p>WEB: Concessionary Tariffs & Caring Services</p> <p>SR: Serving Hong Kong – Serving our Customers – Service Standards, Smart Energy Use; Working with Partners – Health & Safety – Contingency Preparedness</p> <p>INFO: Please also refer to General Disclosure Item 102-46 for the topic boundary.</p>	

Table for General Disclosure Items 102-40, 102-42 and 102-43

Stakeholder groups	Why are their views important?	Common engagement channels
Customers	Electricity is a daily necessity for our customers.	1, 2, 3, 4, 5, 6, 7
Shareholders	We are accountable to our shareholders.	1, 2, 6, 7
Employees	We have a responsibility to care for our employees who devote much of their time to us and we depend on them for our success.	1, 2, 3, 4, 5, 6, 7
Business partners	Having common CSR values is important in business relationships.	1, 2, 5, 6, 7
Local communities	We care for the communities we serve.	1, 2, 3, 4, 6, 7
NGOs and professional institutions	They are our key CSR and industry partners.	1, 2, 3, 4, 6, 7
Education sector	We support green education particularly for students.	1, 2, 3, 4, 5, 6, 7
Authorities and legislators	Authorities and legislators have a regulatory role in our utility business.	1, 2, 4, 6, 7
Media	The media is an important partner in our communications with the public.	1, 6, 7

Remarks	
1	Meetings / conversations / enquiries
2	Visits / talks / seminars / workshops / exhibitions
3	Advisory services / community programmes
4	Consultation panels / focus groups / liaison teams
5	Surveys / suggestion schemes
6	Website / YouTube channel / Facebook page
7	News / reports / other publications

Table for General Disclosure Items 102-44, 102-46 and 102-47

A specialised stakeholder engagement exercise was conducted in end 2018. Questionnaires were issued to a number of representatives of the key stakeholder groups to collect their views on HKEI’s sustainability reporting.

Making reference to the GRI Standards, a total of 35 relevant sustainability topics have been identified by HKEI based on their relevance to its business. Material sustainability topics are defined as those with rounded overall rating above “6”. After conducting the materiality assessment, 30 out of the 35 relevant sustainability topics identified were found material. The remaining 5 topics which are not material are shaded in the table below.

Sustainability Topic		Stakeholders’ Rating (0-5 scale)	HKEI’s Rating (0-5 scale)	Overall Rating (0-10 scale)
1	Corporate governance*	4.2	5	9
2	Compliance*	4.3	5	9
3	Stakeholder engagement*	4.1	4	8
4	Innovation**	4.0	5	9
5	Economic performance*	4.3	5	9
6	Market presence - contribution to local economic development* (in particular local hiring)	4.0	2	6
7	Indirect economic impacts* (including energy infrastructure investments and affordable energy)	4.2	3	7
8	Procurement practices* (in particular proportion of spending on local suppliers)	3.8	3	7
9	Anti-corruption*	4.3	5	9
10	Anti-competitive behaviour*	4.2	4	8
11	Operation performance* (including supply reliability and generation efficiency)	4.5	5	9
12	Sustainable use of resources and materials*	4.2	5	9
13	Energy consumption and saving*	4.3	5	9
14	Water resources conservation*	4.2	5	9
15	Biodiversity conservation*	4.0	4	8
16	Climate change, clean energy and emissions*	4.2	5	9
17	Effluent and waste management*	4.2	5	9
18	Employment practices**	4.0	4	8
19	Employee consultation and communication practices for significant operational changes**	4.1	2	6
20	Occupational health and safety*	4.3	5	9
21	Training and development**	4.2	4	8
22	Non-discrimination, diversity and equal opportunity*	4.1	4	8
23	Freedom of association and collective bargaining*	3.8	3	7
24	Child and compulsory labour*	3.8	3	7
25	Security practices with due respect for human rights*	4.1	2	6
26	Rights of indigenous peoples*	3.8	2	6
27	Human rights assessment*	3.9	3	7
28	Contribution and impact to local communities*	4.4	4	8
29	Supplier CSR assessment*	4.1	3	7
30	Participation in public policy development* (including political contributions)	3.9	2	6
31	Customer health and safety*	4.2	5	9
32	Customer services* (including access to electricity and emergency services)	4.3	5	9
33	Product and services information and labelling, and marketing communications*	4.1	4	8
34	Customer privacy*	4.3	5	9
35	Emergency preparedness*	4.4	5	9

Topic boundary:

*Inside and outside organisation; **Inside organisation only