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# Report Overview

## Scope and Boundary

This is the Sustainability Report 2021 of HK Electric Investments and HK Electric Investments Limited (collectively known as HKEI), covering the period from 1 January to 31 December 2021 unless otherwise specified. Our main operating company, The Hongkong Electric Company, Limited (HK Electric), is a major power utility in Hong Kong. The report covers our electricity business in Hong Kong and presents our approach to sustainability, key performance during the year, as well as plans and targets for the future. It is designed to be read in conjunction with information from our other key reporting channels. Details about our policies and routine initiatives are available on our corporate website [www.hkei.hk](http://www.hkei.hk). More information about our governance practices, financial performance and awards and recognition can be found in our [Annual Report](#).

## Basis of Reporting

This report has been prepared in accordance with the core option of Global Reporting Initiative's (GRI) Sustainability Reporting Standards and Electric Utilities Sector Disclosures, as well as Hong Kong Exchanges and Clearing Limited's (HKEX) Environmental, Social and Governance (ESG) Reporting Guide. It also addresses a significant number of disclosures required under the comprehensive option of GRI's Sustainability Reporting Standards. A [GRI Content Index](#) and a [HKEX ESG Content Index](#) are available on our corporate website. These indexes cross reference relevant disclosures and provide specific information on individual disclosures.

We have applied the reporting principles of GRI's Sustainability Reporting Standards and HKEX's ESG Reporting Guide to define our report contents and ensure our

reporting quality, including but not limited to "materiality", "quantitative", "balance" and "consistency". We have determined which topics to include in this report through a materiality assessment as elaborated in the chapter on [Our Business and Approach to Sustainability](#). Data collection and analysis for this report is based on relevant guidelines and standards, such as ISO 14064 for greenhouse gas (GHG) emissions and local government guidelines for energy and carbon audits for buildings. We have set targets to help evaluate our impact and performance over time and we report on our progress towards these targets. Significant performance data for the latest three years is listed in the [Summary of Statistics](#) with explanatory notes for easy comparison. To provide an unbiased picture of our performance, we disclose both achievements and areas for improvement such as any missed targets and complaints received. We adopt consistent methodologies to allow for meaningful comparison of data over time and any material changes in methodologies are indicated. For example, we have started to disclose more on indirect GHG emissions (i.e. Scope 3 emissions) from the reporting year of 2021.

The suppliers mentioned in this report refer to those having a direct commercial relationship with us, including contractors. Our workforce primarily comprises full-time employees with an insignificant portion of part-time and temporary employees. Employees of our contractors, with whom we have no direct employment relationship, are not considered part of our workforce. In this report, shareholders refer to holders of our Share Stapled Units. All financial data has been presented in Hong Kong dollars unless otherwise specified. Due to rounding, some figures may not add up to the total. The online version of this report contains links to videos, some of which are only available in Chinese.

## Verification and Endorsement

In line with our commitment to being transparent about our sustainability impacts and performance and to managing those impacts responsibly, we have commissioned an independent third party to verify the contents of this report and assure its credibility. Details of the verification can be found in the [Verification Statement](#).

This report has been endorsed by our Sustainability Committee and approved by our Board of Directors (the Board). Please refer to the chapter on [Our Business and Approach to Sustainability](#) for information about how the Board oversees the Group's sustainability strategy, management, performance and reporting.

