



Sustainability

Sustaining our business, the communities in which we operate, and the environment are priorities to us. Our strong performance in sustainability has been recognised by our inclusion as a constituent stock of the Hang Seng Corporate Sustainability Index.

Corporate Social Responsibility (CSR) Committee

In Hong Kong, we are making notable strides in sustainable development. In 2010, we established a CSR Committee, chaired by the Group Managing Director and comprising key Senior Management as members. The Committee oversees the company's CSR issues with a focus on corporate governance, workplace quality, supply chain, community investment, stakeholder engagement, strategy and reporting. Our objective is to integrate CSR considerations into all aspects of our operations.

To promote staff understanding of CSR, a series of introductory classes were organised in 2010 and attended by over 1,700 employees. Training was also organised on specific issues, including the low carbon economy and sustainability reporting.

In addition, we continued to offer environmental training for staff and trainees to develop their understanding of current environmental issues. We were pleased to receive approval from the Hong Kong Institution of Engineers to offer the Engineering Graduate Training Scheme 'A' in Environmental Engineering. We also promote environmental awareness among staff and business partners through sharing forums, theme talks and bespoke training courses.

Our Responsibilities



We offer environmental training for staff and trainees to enrich their understanding of current environmental issues.

Stakeholder Engagement

We believe that a relationship based on open dialogue and a respectful exchange of views between the company and our stakeholders is important to the success of our organisation. In the past year we continued our internal communications via elected joint consultation panels that represent employees at all levels. Externally, we held regular meetings with various stakeholder groups, including our Customer Liaison Group with representatives from different districts and sectors, to exchange views and provide updates on customer service and other corporate initiatives.

4R Policy

Taking green action within our organisation, we have implemented the '4R' policy to Reduce, Reuse, Recycle and Recover materials and resources. With this initiative, we have significantly reduced solid waste, including paper disposal in our daily operations, to alleviate pressure on landfills and reduce GHG emissions arising from the waste treatment process.

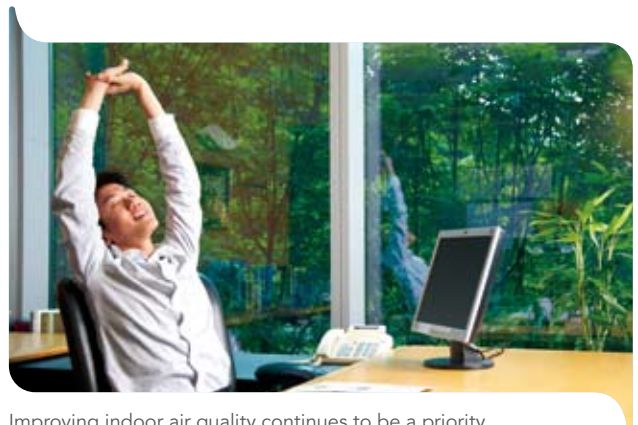
Under our corporate paper saving programme in 2010, we have achieved a 4% year-on-year savings. Additionally, we have been saving water resources and reducing the discharge of wastewater. In 2010, we collected 122,700 m³ of rainwater and wastewater for reuse. All of the ash produced in the coal-fired generation process and gypsum in the desulphurisation process were used in the local and mainland China construction industries as raw materials. Waste oils were recycled and reused, while safety helmets, safety shoes, paper, cartons, ink cartridges, and more were all recycled.



Using recycled paper is just one office practice under our green '4R' policy.

Energy Saving

With the implementation of intensive energy efficiency measures, we have achieved significant savings in electricity consumption ranging from 3-5% in our office buildings, and a 4% reduction in total electricity consumption in seven major manned buildings at the Lamma Power Station in 2010.



Improving indoor air quality continues to be a priority of our company.

Over the years, we have done a great deal to improve indoor air quality (IAQ) in the workplace. Progressive building designs and construction, advanced design and proper maintenance of the ventilation and air conditioning systems, and good housekeeping of the buildings have all contributed to cleaner office air. Our efforts to improve indoor air quality were recognised with the sixth consecutive 'Excellent Class' IAQ certification for Hongkong Electric Centre from the Government's IAQ Certification Scheme. The achievements won HK Electric renowned environmental commendations including the Energywise Label, Wastewise Label, and the IAQwise Label from the Hong Kong Award for Environmental Excellence organised by the Hong Kong Government.

Green Purchasing Guideline

We have established a Green Purchasing Guideline that sets out the general principles for reference by individual business units to take environmental friendliness into consideration when developing tender specifications for commodities procurement.

Transparency in Disclosure

As a participant in the Carbon Disclosure Project, we disclose our GHG emission position and our efforts in reducing GHG emissions annually. We have also signed the Carbon Reduction Charter and joined the 'Green Hong Kong • Carbon Audit' as a 'Carbon Audit • Green Partner'. In addition, we conduct regular carbon audits in specified office premises and implement a wide range of energy-saving measures across our various operations. The carbon audit reports for the Hongkong Electric Centre have been verified by an independent body. When compared with the baseline figures in 2007, we have achieved a 13% reduction in our carbon footprint.

Partnering with green groups

We also support various initiatives of local green groups, with the understanding that sustainability requires a collective effort. We participated in 'Earth Hour 2010' organised by the WWF Hong Kong by switching off external lights at our premises, and we supported the "Take a 'Brake' Low Carbon Action – Corporate Green Driving Award Scheme", initiated by Friends of the Earth (FoE) Hong Kong to promote car fuel efficiency.

Under the latter, we improved fuel efficiency by over 8% and reduced fuel consumption by 4% during the action period, winning the gold award for 'Fuel Efficiency Improvement' and silver for the 'Fuel Consumption Saver'. A total of 72 employees also participated in the programme and reduced their driving time by a total of 1,034 days.

Our employees take a keen interest in green programmes such as the annual 'Clean Up the World in Hong Kong' by Green Power, the 'Tree Planting Challenge' by FoE, and mikania removal work organised by the Conservancy Association.



Our employees actively support green groups by cleaning, replanting and protecting natural environments.

Sustainability Reporting

We demonstrate our belief in transparency by reporting our performance to our stakeholders. Since 2004 we have been producing 'Environment, Quality, Health & Safety Reports', and in recent years 'Social and Environmental Reports'. This year, we will add to our repertoire a new 'Sustainability Report' that follows the Global Reporting Initiative Guidelines.