

SUSTAINABILITY REPORT 2022



BUSINESS
ENVIRONMENT
COUNCIL
商界環保協會



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MESSAGE FROM CHAIRMAN

I am very proud to be chosen as the Chairman of BEC in this important year that marks BEC's 30th anniversary and guide BEC towards a growing role in promoting environmental excellence and supporting corporate sustainability amongst our members and the wider business community in Hong Kong.

In 2022 and the preceding years, we witnessed several megatrends and challenges that are impacting the world. First and foremost, the pandemic has brought about major disruption to the global economy and people's livelihoods. Second, it is evident from the latest science that climate change is threatening our planet and the very existence of mankind, as well as putting serious risks to business operations. United Nations announced before COP27 last year that we have already reached 1.2°C warming compared to pre-industrial average, and the window to limit global warming to 1.5°C is closing fast. In addition to the climate emergency, we are facing other sustainability issues such as nature loss, air pollution, and resource depletion, all of which require immediate and determined action to reverse the trends, or else we are in danger of facing irreversible damage to the planet earth.

We also saw the rising awareness on Environmental, Social and Governance ("ESG") from the business world, largely driven by investors' growing interest in benchmarking and assessing corporate performance on ESG metrics and the regulators' gradually tightened requirements on ESG reporting and disclosure. Consumers are also adding their voice by demanding corporate responsibility in product life cycle, from design, manufacturing, retailing, distribution to repair, reuse and recycling.

In 2020, President Xi announced China's dual carbon goals of reaching peak carbon dioxide emissions before 2030 and carbon neutrality before 2060. Hong Kong also pledged to achieve carbon neutrality before 2050. In Hong Kong's Climate Action Plan 2050, published in October 2021, the Hong Kong Special Administrative Region Government ("the Government") put forward four strategies to decarbonise Hong Kong, namely net-zero electricity generation, energy saving and green buildings, green transport, and waste reduction. The Government

also commits to an aggressive medium-term target to halve total carbon emissions of Hong Kong before 2035 against the 2005 level. These are ambitious goals and long-term vision that require collective effort from all sectors of society to succeed.

All these emerging trends and factors were considered by the Management Team and the Board of Directors, and informed our latest strategy review in 2022, with the conclusion that "Climate Change", "Circular Economy", and "Sustainable Living Environment" will remain BEC's focus areas in the next three years. We are also determined to leverage BEC's 30 years of experience and growing influence on public policy and corporate action, and step up our effort in facilitating and accelerating business ambition into action. To this end, we will work more closely than ever with the Government, our members, the business sector, and other stakeholders, both local and overseas, looking to contribute to Hong Kong's green transition.

I hope you enjoy reading this report and I look forward to working with you all on the next steps of our net-zero journey.



Mr Kevin O'Brien

MESSAGE FROM CEO

As the newly appointed CEO of BEC, I am privileged to witness a period of steady growth and emerging opportunities in 2022, the milestone year that marks the 30th anniversary of BEC.

During the reporting period, the global economy was hardly hit by the pandemic and lockdown measures around the world. Local businesses suffered badly, with normal operations disrupted, and BEC was no exception. Nonetheless, we remain focused and committed in supporting our members and the wider business community to achieve environmental excellence and enhance corporate sustainability through different means. Backed by clear strategies and priorities, the BEC team continued to deliver impactful events, either in virtual or hybrid mode under stringent and changing social distancing restrictions, for policy advocacy and knowledge exchange. We also managed to achieve net growth in membership during the period when corporate budgets were frozen or slashed, and most resources were channelled to pandemic relief and business recovery. This is a great testament to the diligence and dedication of our staff, as well as BEC's adaptability and resilience as an organisation.

The impact of the pandemic is acute and significant, but we never lose sight of the grand scheme of climate change and other pressing sustainability issues like waste reduction. On business strategy, we encourage corporates to act and transform for a green recovery and transition towards net zero, and we emphasise the urgency of turning pledges and ambition into action. In this respect, we curated several EnviroSeries conferences in 2021 and 2022 to discuss new business leadership, business transformation, corporate climate action, and the net-zero roadmap. BEC will also rebrand our Low Carbon Charter into the Net-zero Carbon Charter in 2023, aligning with Hong Kong's carbon neutrality target and the global ambition on net zero. Under the three environmental focus areas, key projects such as the Jockey Club BEAM Plus in Schools Project was launched to reduce carbon emissions in school premises. Trial projects were rolled out in public housing estates and training sessions were organised for frontline staff and practitioners in the property and waste management industries to get key players

ready for the upcoming Municipal Solid Waste Charging Scheme.

Other than enabling the business sector to decarbonise and achieve sustainability, BEC also demonstrates leadership in minimising our own environmental footprint through our people and our work. We made it a priority to invest in our staff and to nurture their professional development by instilling a learning culture and an employee-friendly environment at BEC. To walk the talk and lead by example, BEC will set and update our carbon and ESG targets progressively, and we will experiment innovation and green practices with BEC building as a 'green lab'.

We ended FY2021/22 in high spirits, fuelled by the celebration of three decades of achievement and a growing sense of responsibility. It is exciting time ahead, and BEC stands ready and capable to use our influence and know-how to fulfil our purpose as the leading and go-to organisation in Hong Kong on environmental excellence and corporate sustainability, and the premier partner in your net-zero journey.



Mr Simon Ng

WHO WE ARE

Business Environment Council (“BEC”) is an independent, charitable membership organisation, established by the business sector in Hong Kong in 1992.

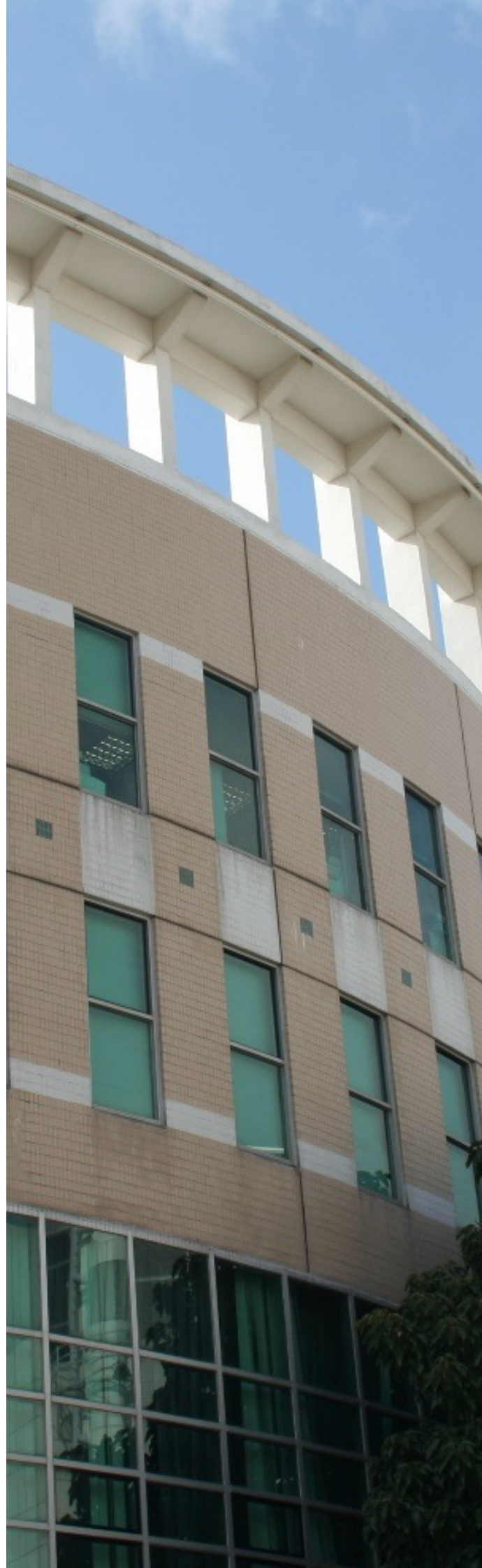
Since its establishment, BEC has been at the forefront of promoting environmental excellence by advocating the uptake of clean technologies and practices which reduce waste, conserve resources, prevent pollution and improve corporate environmental and social responsibility. BEC offers sustainable solutions and professional services covering advisory, research, assessment, training and award programmes for government, business and the community, thus enabling environmental protection and contributing to the transition to a net-zero economy.

VISION

To lead, enable and drive the business community to transform for a green, liveable and sustainable Hong Kong.

MISSION

To galvanise business actions towards environmental excellence and net zero in Hong Kong by connecting the government, business and community through thought leadership, innovative solutions, policy advocacy, strategic partnership, advisory services, and environmental education.



GOVERNANCE

BEC is led by a Board of Directors (“Board”), which provides strategic direction to the organisation. The Board is also supported by the Executive Committee (“EXCO”) and the Communications and Membership Committee (“CMC”). Daily operations are driven by our Senior Management Team (“SMT”) under the

leadership of the Chief Executive Officer (“CEO”). The members of the Board are elected by our members, and our executive and professional team comprises full-time staff, who develop and implement appropriate policies, programmes and services to ensure that BEC’s objectives are met.

20

Board Directors

4

EXCO Meetings

4

Board Meetings

4

CMC Meetings

2

Terms (Years)



APPOINTMENT OF NEW LEADERSHIP

We welcome the appointment of Mr Simon Ng as our new CEO in January 2022 to lead us in the journey towards environmental excellence in Hong Kong. Formerly Policy and Research Director at BEC, Mr Ng brings his expertise and thought leadership into the role to direct BEC’s operations and strategic development.

We also welcome Mr Kevin O’Brien as our new Chairman, elected during the Annual General Meeting held in April 2022. Mr O’Brien is Chief Executive of Gammon Construction Limited. He replaces Mr Richard Lancaster, CEO of CLP Holdings Limited, who stepped down as BEC Chairman after six sterling years.

WHAT WE DO

OUR STRATEGY

Our work during the reporting period was driven mainly by the three Environmental Focus Areas (“EFAs”), which were identified by the SMT during the internal strategy review conducted in 2019. These are issues highly relevant to BEC and our members, as they will significantly impact Hong Kong and business operations.

We also set our strategic priorities with measurable targets, supported by annual operating plans. Our three strategic priorities are:

- Deliver Value to Our Members
- Demonstrate Leadership: BEC as a “Green Lab”
- Drive Government and Business Action



CLIMATE CHANGE



CIRCULAR ECONOMY



SUSTAINABLE LIVING ENVIRONMENT

OUR DUAL ROLES

We set ourselves the mission to advocate and facilitate environmental excellence amongst our members and the broader community as thought leader, in areas such as green buildings, waste management, clean transport, decarbonisation, ESG, and other important aspects of creating a liveable and sustainable Hong Kong. We prime to serve as the bridge between the private sector and the government in driving positive change in business strategies and practices that are conducive to environmental sustainability. We stand ready to act as the voice of business on environmental and sustainability issues, and a platform for like-minded people, corporates and other stakeholders to co-create solutions towards the transition to a net-zero economy. To these ends, we take a co-ordinated, collaborative and holistic approach to initiate and accelerate change. BEC is committed to working with our members, the wider business community, policymakers, and other stakeholders for the collective good of society. This is how we enable sustainability.

At BEC, we promote environmental excellence and sustainability by walking the talk. We position our building as a “Green Lab” that showcases green features, clean technologies, and people-centric designs. We set up the Sustainability Steering Committee, chaired by the CEO and reporting to the Board, to oversee and manage BEC’s overall sustainability strategies and performance, and to drive further improvement. We uphold organisational values that embrace and emphasise ethical governance; quality management; diversity, equity, and inclusion; resource conservation; teamwork; and work-life balance. We foster a learning culture at BEC and make it our mission to nurture our staff to becoming future environmental and sustainability professionals. This is how we practise sustainability.

30 YEARS OF ENVIRONMENTAL EXCELLENCE AND BEYOND



2022 is a special year for BEC as we celebrated our 30th anniversary. Being a pioneer in environmental excellence since 1992 and excelled in research and advocacy of countless environmental issues in Hong Kong, we always take our pride in leading the business sector by example and are doing our best to convert words into action.

The government published four policy documents in 2021 relating to our three EFAs: *Waste Blueprint for Hong Kong 2035*, *Hong Kong Roadmap on Popularisation of Electric Vehicles*, *Clean Air Plan for Hong Kong 2035*, and *Hong Kong's Climate Action Plan 2050*. These policy blueprints offer a clear, high-level direction for Hong Kong in addressing major environmental issues of our time, and collectively provide the policy context for BEC to chart our future work.



In particular, Hong Kong's commitment to become carbon neutral by 2050 is an ambitious goal, and the interim target to halve carbon emissions by 2035 is pressing and challenging. As such, the role of BEC in galvanising business ambition into action is becoming far more critical. During the reporting period, we have already stepped up our efforts to drive transformation in business mindset and practices amongst our members and our corporate audience, sowing the seeds for accelerated business climate action with real impact.

SUSTAINABILITY PERFORMANCE AND APPROACHES

REPORTING PERIOD, SCOPE, AND STANDARDS

Prepared in accordance with the Global Reporting Initiative Standards 2021 Edition (“GRI Standards”), and the Environmental, Social and Governance (“ESG”) Reporting Guide (“ESG Guide”) published by the Hong Kong Exchanges and Clearing Limited (“HKEX”), the remainder of this report cover our sustainability performance and approaches in the three areas of our strategic priorities - Deliver Value to Our Members, Drive Government and Business Action, and Demonstrate Leadership: BEC as a “Green Lab”, together with secondary ESG topics that were

identified via stakeholder engagement and materiality assessment as material. Boundary of this section comprises BEC’s contributions and impacts from our operations as well as the environmental footprint of the BEC Building located in Kowloon Tong, Hong Kong during the fiscal year from 1 October 2021 to 30 September 2022 (“FY2021/22” or “reporting period”). Please refer to the content index for a list of relevant disclosures.

REPORTING PRINCIPLES

We have followed the Reporting Principles as recommended by GRI Standards and as set out in the ESG Guide to define the report content and to ensure the quality of information presented in this section, including:

Materiality

We conduct materiality assessment and stakeholder engagement to identify material issues.

Balance

We disclose positive and negative impacts of our performance and areas for further improvements.

Quantitative

We provide quantitative figures and updates on performance indicators.

Consistency

We maintain consistency in the use of reporting standards and methodologies with explanations provided where applicable.

CONTACT DETAILS

Your feedback on our sustainability performance is most welcome.

Email	esgadmin@bec.org.hk
Telephone	+852 2784-3900
Fax	+852 2784-6699
Address	2/F, 77 Tat Chee Avenue, Kowloon Tong, Hong Kong

STAKEHOLDER ENGAGEMENT

BEC's stakeholders include internal and external parties who have significant impacts on our business, or who experience significant impacts as a result of our operations and events hosted over the past financial year. By ensuring open and accessible communication and engagement channels to our stakeholders, we can gather viewpoints and

opinions from multiple sources and with different perspectives, allowing us to set sustainability goals that are to the best interest of all stakeholders. Major stakeholder groups of BEC and means of engagement are listed as follows:

EMPLOYEES

Surveys and Interviews, Trainings, Townhall Meetings, Team-building Activities, IEE Courses, BEC E-Newsletter, BEC Social Media

MEMBERS

Surveys, Conferences and visits, Seasonal Cocktail, Policy Consultation, IEE Courses, BEC E-newsletter, BEC Social Media

BUSINESS PARTNERS

Surveys and Interviews, Joint Projects, Community Events, IEE Courses, BEC E-Newsletter, BEC Social Media

GOVERNMENT AND REGULATORY BODIES

Policy Submissions, Advisory Recommendations, Joint Projects, Work Committees, IEE Courses, BEC E-Newsletter, BEC Social Media

CLIENTS

Surveys, Consultation, Community Events, Trainings, Service Review Form, Joint Projects, IEE Courses, BEC E-Newsletter, BEC Social Media

BEC BUILDING USERS

Surveys and Interviews, Joint Projects, Community Events, Enquiry Hotline, IEE Courses, BEC E-Newsletter, BEC Social Media

COMMUNITY GROUPS OR NGOS

Surveys, Community Events, Consultation, Joint Projects, IEE Courses, BEC E-Newsletter, BEC Social Media

SUPPLIERS OR SERVICE PROVIDERS

Surveys and Interviews, Supplier Assessment, Joint Projects, IEE Courses, Community Events, BEC E-Newsletter, BEC Social Media

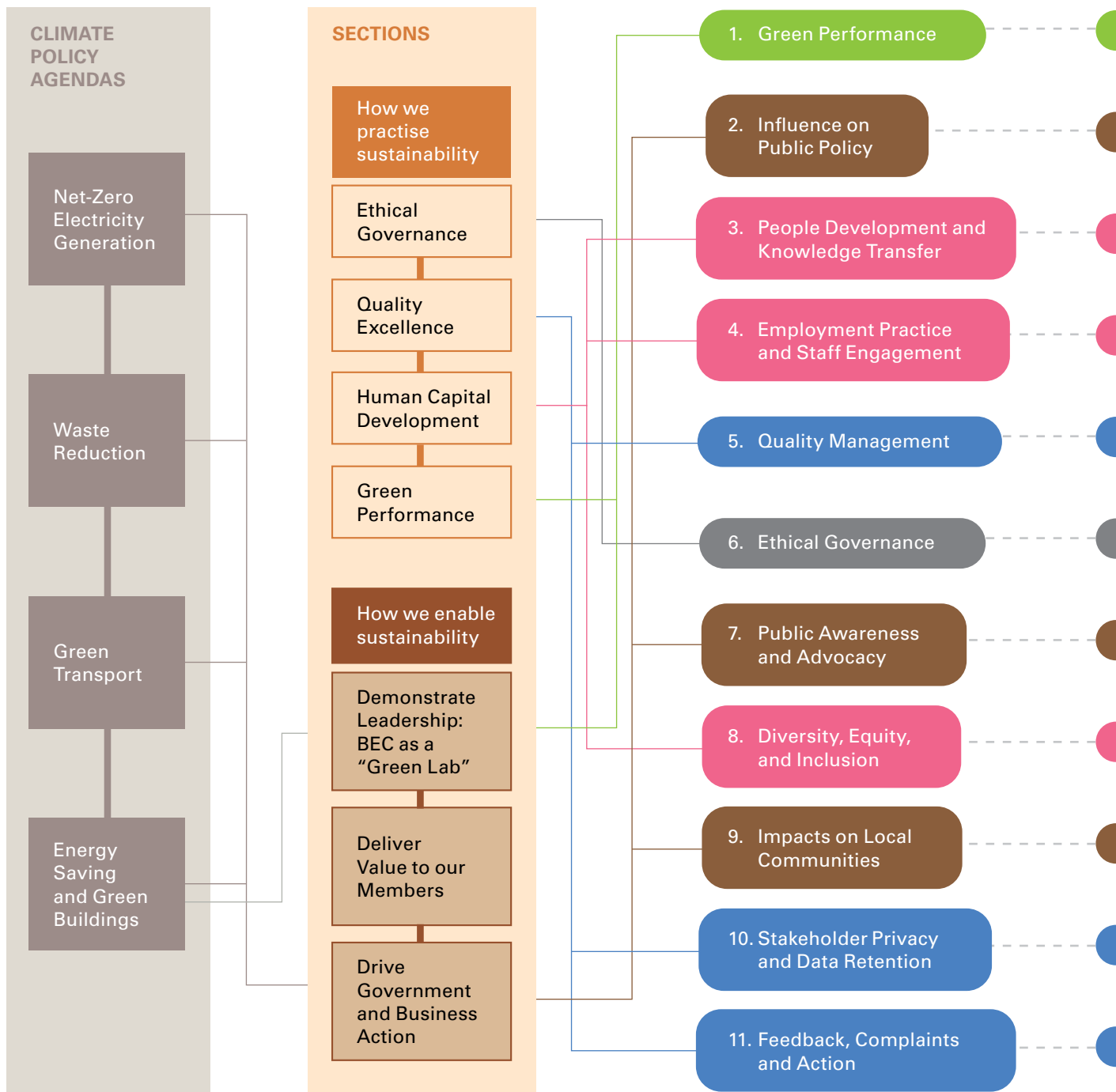
MEDIA

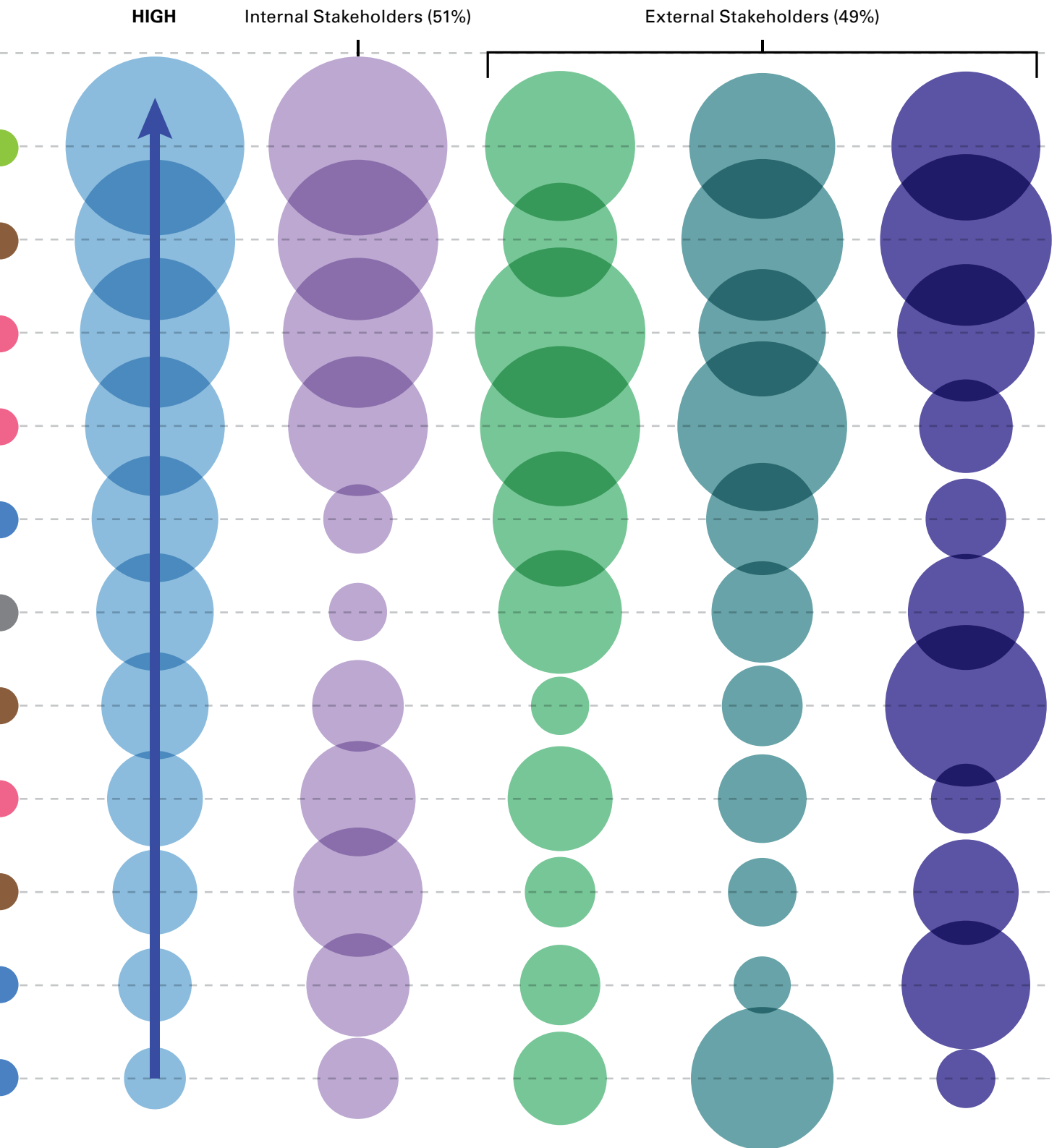
Surveys, Annual Media Luncheon, Media Events, BEC E-Newsletters, BEC Social Media

MATERIALITY ASSESSMENT

(GRI reference 3-2)

A three-step internationally recommended process - Identification, Prioritisation, and Validation, has been adopted to identify material issues for disclosure. Result of the materiality assessment is summarised in the matrix below which connects the material topics and the climate policy agendas with the corresponding sections of the report.





HOW WE PRACTISE SUSTAINABILITY

At BEC, we are dedicated to integrating sustainable practices into every aspect of our business. We achieve sustainability by pursuing Ethical Governance, celebrating Quality Excellence, investing in Human Capital Development, and constantly improving our Green Performance. We are confident that in so doing, BEC will scale new heights along the sustainable journey.

SUSTAINABILITY GOVERNANCE FRAMEWORK

(GRI reference 2-12, 2-13, 2-14, 2-24; HKEX ESG Guide - Point 13)

We have put in place a framework that governs the formulation and implementation of sustainability strategies, policies and measures in the organisation. The Sustainability Steering Committee (“SSC”) is chaired by the CEO and composed of members of the SMT to oversee, assess, monitor and review management processes, standards, strategies, policies, targets, objectives and performance related to environmental and social issues with a view to align and effectively manage BEC’s performance and drive continual improvement.

Reporting to the Board, the SSC is supported by the Environmental Working Group (“EWG”) and Social Working Group (“SWG”). The two working groups comprise representatives from all BEC teams and their main functions are to advise the SSC and contribute to the overall improvement of BEC’s environmental performance and social governance practices.



ETHICAL GOVERNANCE

BEC demonstrates ethical governance to support our business operations through green washing avoidance and prevention, anti-corruption, protection of intellectual property rights, cybersecurity, supply chain management, and ethical funding. By setting examples, we also encourage our members to follow BEC's footsteps.

Green Washing Avoidance and Prevention

At BEC, we recognise that green washing can lead to a loss of credibility and trust amongst stakeholders, which would affect our business operation and leading position within the industry. Prevention of green washing is crucial at BEC to hold accountability for our products and services claims. We help stakeholders make informed decisions and encourage the wider community to adopt sustainable practices.

To prevent green washing, we organise regular SMT meetings to discuss any potential violations and review our mechanism on tackling green washing. Looking forward, we will continue to refine our mechanism in preventing green washing and promote industry best practices.

Anti-Corruption

(GRI reference 2-26, HKEX ESG Guide – B7)

BEC is committed to promoting a culture of integrity, fairness, honesty, and openness in our operations, and has a zero-tolerance attitude towards bribery and corruption. Our employees are required to be familiar with and follow the Hong Kong Prevention of Bribery Ordinance (Cap.201) and to adhere to high standards of code of conduct as laid out in the BEC Staff Manual. During the reporting period, BEC was not aware of any cases of material non-compliance with relevant laws and regulations relating to bribery, extortion, fraud, money laundering and other corrupt practices that have a significant impact on BEC. In addition, there were no concluded legal cases regarding corruption practices brought against BEC or our employees during the reporting period.

To encourage employees to report any suspected illegal activities such as bribery and fraud, BEC has implemented the Whistleblowing Policy. Under the policy, we have set out a structured reporting and investigative procedure to encourage employees

to report fraudulent activities. The identity of those making a complaint or reporting information will be kept confidential to the fullest extent permitted by the law. The monitoring of this policy, review of operations and recommendations for action will be overseen by the designated investigating officer and disciplinary board. If a violation has been confirmed, then legal action may be taken.

BEC attaches great importance to its anti-corruption training and is committed to building a clean and transparent corporate culture. During the reporting period, BEC has provided anti-corruption training to directors and employees regularly to continuously promote a corruption-free culture.

Protection of Intellectual Property Rights

(HKEX ESG Guide – B7)

BEC endeavours to protect intellectual property rights. Intellectual properties and technical specifications of BEC and clients are protected and managed by designated staff. Employees shall not copy or disclose any information, including but not limited to designs, techniques and business information, to third parties without BEC's consent.

Cybersecurity

BEC identifies and analyses risks related to information and cybersecurity and determines how such risks should be managed and mitigated. We are committed to conducting regular audits to recognise and handle the potential risks and provide regular cybersecurity awareness training for our employees in response to potential threats. Robust and clear guidance has been provided regarding the procedural handling of cybersecurity incidents, the prevention of cyber threats and the mitigating action of potential cyberattacks that may adversely affect BEC's business operations.

Supply Chain Management

(HKEX ESG Guide – B5)

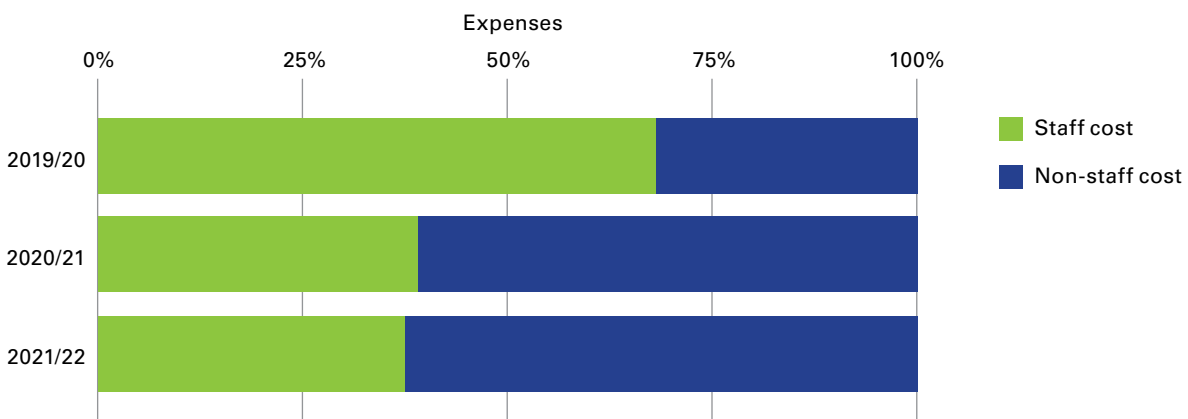
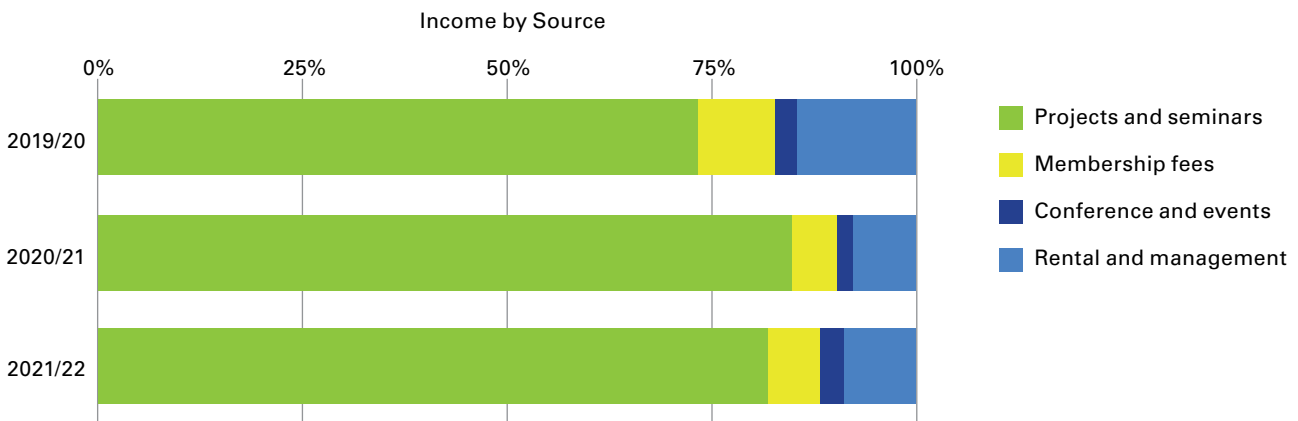
BEC has established the Purchase Requisition section in the Approval Policy to mitigate the environmental and social risks in the supply chain. We select suppliers through a standardised supplier selection process. All nominated suppliers are asked to meet our requirements in respect of capabilities of providing service, market reputation and track records in relation to compliance with legal aspects and environmental and social risks involved. Priorities will be given to potential suppliers who are ISO certified and actively promote environmentally preferable products and services according to our internal supply-related policies.

Suppliers are required to work in a responsible manner and comply with all relevant regulations, international treaties, and contractual responsibilities. In avoidance of transfer of interest, or exploitation of suppliers, we closely monitor the procurement made by staff and forbid any practices that are against business ethics. Any material violation of laws and regulations, or BEC’s policies, may lead to the termination of supplier contracts.

Ethical Funding

A diversification of ethical funding streams allows BEC to maintain its independence and impartiality by averting any undue influence. In accordance with the Hong Kong Companies Ordinance (Cap.622), BEC adheres to robust internal financial controls that enable us to monitor, record and track our monetary usages. BEC also prepares annual audit accounts and reviews, which are approved by the Board and submitted to the BEC Council Members.

For the purposes of continuity during challenging economic periods, we set aside an amount of unrestricted free liquid funds sufficient to cover at least four months of our operating costs. Sufficient funds have been set aside in our Building Reserve to meet the capital expenditures necessary for any major building maintenance project, whereas our Investment Policy ensures that a proper selection of investments in financial instruments is duly exercised for the reserves and surplus cash flows.



QUALITY EXCELLENCE

At BEC, we pursue excellence of quality in all aspects ranging from client feedback and complaints to data privacy and retention.

Pursuing Excellence of Quality and Compliance *(HKEX ESG Guide – B6)*

Compliant with ISO9001 since 2014, BEC established its Quality Management System (“QMS”) applicable to advisory projects and training services. To ensure continued compliance as well as to identify possible areas of improvement for further actions, the QMS is regularly audited by the internal auditing team and external auditors.

Feedback, Complaints, and Action

(GRI reference 481-1)

BEC pays great attention to revisiting and communicating with our clients to find out their needs and concerns. Multiple stakeholder feedback channels have also been established to collect suggestions, enquiries, and complaints for further review and action. The F-13 Client feedback form under the QMS offered a channel for clients to express their views and grade performance of our project teams, and we delightedly received a mark of 4.65 (over 5) in FY2021/22.

The QMS procedures and Quality Manual set out the QP-10 Client Complaint Handling Procedure. All complaints from clients will be reported to the relevant Department Head(s) and copied to the Deputy Management Representative (“DMR”). Further investigation and responses will be made within seven working days by the designated staff and all valid complaints will be followed up by the DMR with corrective and preventive action.

Management Review Meetings are held regularly to monitor and review the result and action taken of each complaint to eliminate the root cause of non-conformities and potential non-conformities to prevent recurrence or occurrence.

Data Privacy and Retention

(HKEX ESG Guide – B6)

BEC emphasises the importance of the confidentiality of personal data and the privacy of its clients and employees. According to our Staff Manual, all employees are required to comply with applicable legal requirements¹ relating to the handling of personal data (including its collection, holding, processing, disclosure, and use) and to respect the privacy of others and the confidentiality of information received during our operations. Employees must not disclose any information to unauthorised third parties; any breach or failure to observe this confidential requirement will render the employee liable to summary dismissal and BEC reserves the right to take legal actions against the employee as considered appropriate.

To mitigate personal data risks, we have implemented measures to prevent unauthorised access to clients’ data, such as IT systems with varying rights and permission of access to information, ensuring only authorised personnel have access to clients’ personal information. Regular training about data protection obligations is also provided.

¹ Including but not limited to the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong)

HUMAN CAPITAL DEVELOPMENT

(GRI reference 2-23, 2-7, 3-3)



BEC’s undertaking towards environmental sustainability relies on our people. We believe that progressive nurturing and development of our employees prepares them to work collectively as catalysts for positive change.

Fiscal Year	2021-22	2020-21	2019-20	2018-19	2017-18
Number of Staff Members	57	52	55	56	51
Gender Ratio (Male: Female)	1:1.85	1:1.36	1:1.39	1:1.15	1:1.2
Average Training Hours	18.26	23.80	24.60	21.30	22.60

Employment Practice and Staff Engagement *(HKEX ESG Guide B1, B2, B4)*

BEC complies with the relevant laws and regulations relating to compensation, dismissal, recruitment, promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare. There was no reported breach of incident regarding labour practice, child or forced labour, and no significant risks were found in BEC in FY2021/22.

BEC endeavours to be a responsible employer that meets the expectations of its employees, its members and the wider community. We offer a secure work environment that prioritises occupational health and

safety. We also define an ethical employment lifecycle and have established robust procedures to ensure effective and equitable execution, with integrity and transparency. Disciplinary warrants will be taken if there are any breaches of our ethical practices documented in BEC Staff Manual. Our turnover rate in FY2021/22 was 40.35%.

To ensure that the environment at BEC is a friendly, open, and comfortable workplace for all its employees, regular health and wellness webinars and in-person activities are organised to improve employee wellbeing and drive employee motivation.

² Including but not limited to the Employment Ordinance (Cap.57 the Laws of Hong Kong)



Diversity, Equity, and Inclusion

Diversity, equity, and inclusion (“DEI”) are important components of ethical practices. Our commitment to promote DEI in the workplace has been documented and communicated to our employees through our Staff Manual. We ensure fair employment practices based on the merits, experiences, and qualifications of an individual, regardless of their gender, age, nationality, religion, sexual orientation, or disability. Our determination to support working mothers who need to balance their work life and family duty through offering breastfeeding and milk storage facilities is reflected by the UNICEF Say Yes to Breastfeeding pledge.

Pledges, Awards and Accolades

It has been a fruitful year for BEC during FY2021/22. As a result of our persistence and commitment towards a sustainable future, we have seen our efforts recognised by various organisations and have been rewarded with some accolades.

People Development and Knowledge Transfer

(GRI Reference 3-3, HKEX ESG Guide B3)

We offer subsidies for external training and regularly roll out internal training to ensure our employees remain competitive in the ever-changing business environment. Mandatory induction training is also offered to newly joined employees. Additionally, a wide range of in-house training covering various topics is available for employees to join. Also, we encourage employees to attend courses offered by the Institute of Environmental Education, BEC’s education arm, to sharpen their blaze of knowledge.

Knowledge transfer is a proverbial passing of the torch. BEC is committed to ensuring knowledge exchange and sharing within the organisation so as to accelerate succession planning and ensure business continuity.



Caring Company
2011-2022



Good MPF Employer
2018-2022 plus
e-Contribution Award



Partner Employer Award
2018-2022



Say Yes to Breastfeeding
2021-2022

Aligning Staff Initiatives with BEC EFAs

As an organisation committed to promoting environmental excellence in Hong Kong, BEC organised a series of programmes and activities that are aligned with our EFAs and the government’s climate policy agendas.



BIZ-GREEN Dress Day 2022



CLIMATE
CHANGE

Supporting “Biz-Green Dress Day 2022”, organised by Construction Industry Council and Hong Kong Green Building Council, BEC staff wore light attire on 7 September 2022 to adopt a greener and low-carbon lifestyle.

Donation of Chairs and Aging Computers



CIRCULAR
ECONOMY

BEC donated 70 chairs to a local secondary school to maximise the upcycling of resources and give the chairs a “second life”. For the aging computers and the peripherals, we reached out to Caritas Computer Workshop for refurbishing, reuse and recycling.



Meticulous Plan on Dealing with Pandemic to Ensure Health of Colleagues and Operation Continuity

1. Special Work Arrangements

In response to the 5th COVID-19 wave, BEC implemented special work arrangements as part of its robust crisis management mechanism.

2. Vaccination Leave

To encourage employees to receive COVID-19 vaccination, vaccination leave was introduced for each dose received. BEC achieved a two-dose vaccination rate of approximately 91%.

3. Provision of Rapid Antigen Test Kit

Rapid Antigen Test kits have been distributed to employees since March 2022 as one of the precautionary measures during the pandemic.



4. Reusable Face Mask

BEC distributed reusable face masks to all our employees for their continued contribution and commitment to the organisation amidst the pandemic. We encourage employees to wear reusable masks to reduce the number of disposable masks going to the landfills.

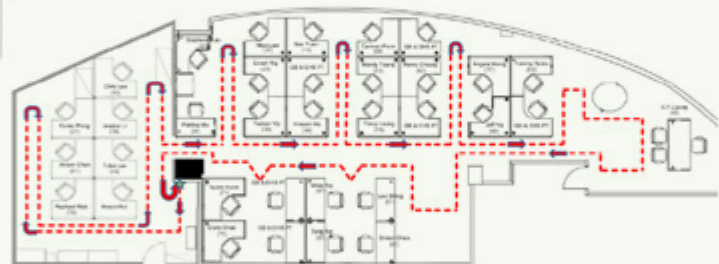


5. Robots and Air Purifiers Take Up the Fight Against Infection

AI-Powered cleaning and disinfection robots were introduced amidst the pandemic to improve environmental hygiene standards in our workplace. The robots are programmed to disinfect the premises on a regular basis to ensure good hygiene standards. Also, to ensure employees' wellbeing, BEC has deployed four air purifiers in our office to remove particulates (PM) and improve indoor air quality.



BEC Building disinfection route – Room 201



BEC Building disinfection route – Room 203

GREEN PERFORMANCE

(GRI reference 302-3, 303, 305-4, GRI 306-3, HKEX Appendix A1, A2)

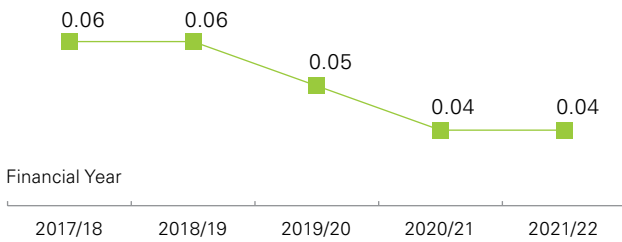
Committed to achieving excellent green performance within our offices, BEC always puts emphasis on proper management and behavioural change. Compliant with ISO14001 since 2017, we have followed the environmental management system (“EMS”) which are regularly audited to ensure compliance and identify areas for improvements as appropriate. We also ensure environmental considerations are incorporated into our procurement process through a green procurement checklist developed under the ISO 14001 for purchasing paper and electrical appliances. All vendors are required to fill out our questionnaire with an environmental

guidance note to demonstrate their willingness to comply with our environmental requirements.

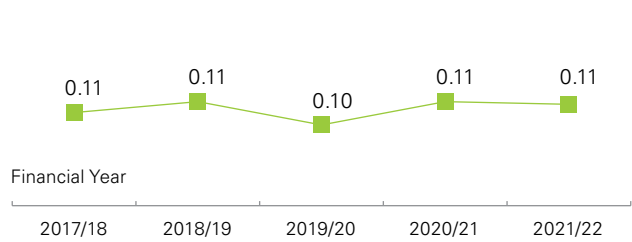
In addition, BEC defines clear environmental objectives and targets. Our environmental targets set in FY2021/22 were:

- To conduct supplier / contractor environmental evaluation in FY2022/23
- To reduce carbon emissions by 10% in FY2025/26
- To increase the total recycling rate by 1% in FY2022/23

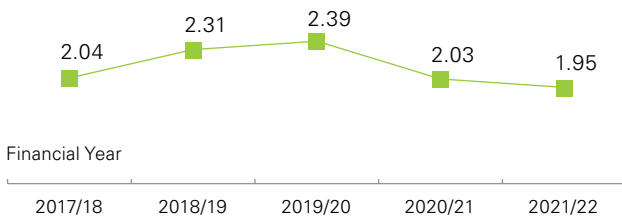
GHG Emission Intensity (tCO₂e/m² GFA)³



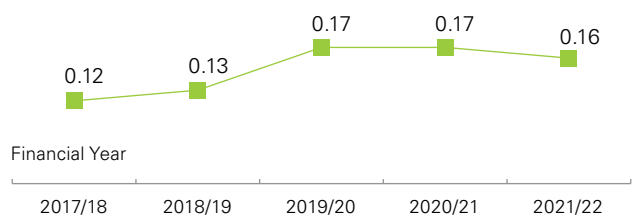
Energy Intensity (MWh/m² GFA)⁴



Waste Intensity (kg/m² GFA)



Water Intensity (m³/m² GFA)⁵



While our GHG emission intensity and waste intensity were on the downward trend, as we maintained an optimal performance on energy intensity, the water intensity has increased and kept relatively high during

the COVID-19 pandemic due to more cleaning and disinfection of the office premises. Overall, we are proud that BEC’s green performance has continuously improved.

³ Due to BEC’s business nature, we do not have any direct GHG emissions (scope 1), our energy indirect GHG emissions (scope 2) cover purchased electricity, and other indirect GHG emissions (scope 3) cover water consumption and non-hazardous waste; BEC total Gross Floor Area (GFA) is 3550.80 m². This data will also be used for the calculation of other intensity data.

⁴ Due to BEC’s business nature, we do not have any direct energy consumption, and its indirect energy consumption covers purchased electricity.

⁵ The amount of freshwater consumed by BEC is equal to the amount entering the sewage system as the ratio between BEC’s water consumption and wastewater generation equals to 1:1; BEC does not have any issues in sourcing water that is fit for its purpose due to our operation’s geographical location.

BEC 10 Green Initiatives

To establish a culture of environmental consciousness and resource circularity, BEC provides regular tips and reminders to our employees to help reduce the environmental impact of our operations. BEC 10 green initiatives were introduced to accelerate behavioural change of our employees.



Stair day every Monday and Friday (except for people with injuries or disabilities)



Switching off monitors when leaving for more than 10 minutes



Switching off lights in zoned areas when leaving the room for more than 10 minutes



Switching off lights in a zone for the last one to leave



Setting the air conditioner above 25 degrees Celsius



Not producing any food waste and drinking all the water in your mug



Refusing disposable cutlery when buying take-away lunch from restaurants



Washing disposable plastic lunch boxes and disposing of them in the recycling bin



Reusing paper that is printed on only one side



Donating clothing and other goods to reliable charities

HOW WE ENABLE SUSTAINABILITY

DELIVER VALUE TO OUR MEMBERS

(GRI reference 2-23,3-3)

BEC members comprise organisations of all sizes across diverse sectors, including listed corporations, small and medium sized enterprises, academic institutions and community organisations that are driven to achieve environmental excellence, and are committed in learning, sharing or leading sustainable business practices that balance economic, social, and environmental interests. As a rendezvous for incubation of insight and thoughts, BEC offers a

platform to our members for developing network, sharing knowledge, gaining exposure, contributing ideas to policy making, and collaborating for a liveable and sustainable Hong Kong. As of end of FY2021/22, we had 230 members, representing a growth of 14.43% to the previous year.



To show our appreciation to the continued support from 66 member companies who have joined BEC membership for 10 years or more, we held the “10 Years+ Member Appreciation Ceremony” in 2022 to celebrate their association with BEC. Among these long-standing members, 16 of them have joined BEC for over 20 years or more, and 50 of them have joined for 10 years or more.

Fiscal Year	2021-22
TOTAL	230
Council Members	32
Corporate Members	55
General Members	125
Affiliate Members	18



Network and Knowledge Development

Our members continue to leverage BEC's various platforms and resources to connect with their partners and stakeholders in the business community for driving a sustainable future. To support our members, we organise regular tailor-made activities including conferences, seminars, industry visits,

training courses and workshops tackling urgent and emerging environmental issues faced by the business sector and the wider community in Hong Kong. Our events welcome professionals from all sectors and at all levels to participate. Expert speakers and trainers are invited locally and also from outside Hong Kong.

BEC Events

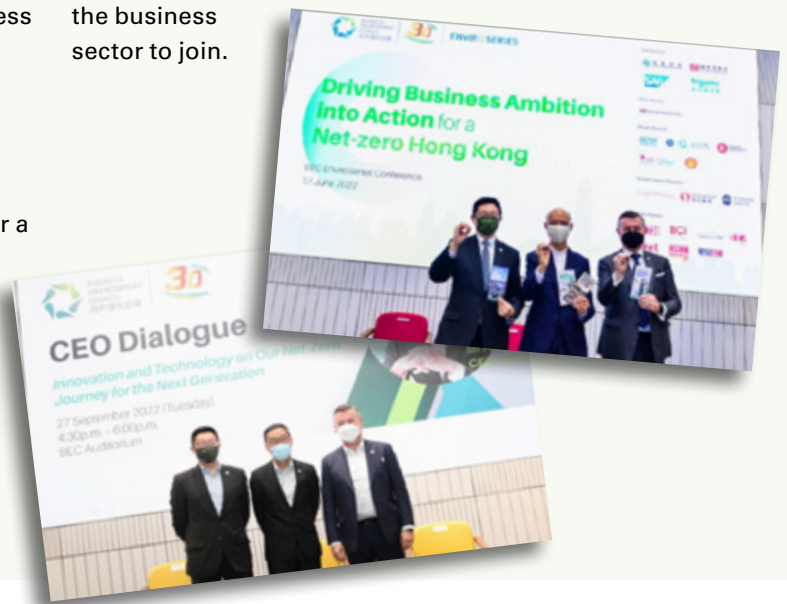
BEC organises a variety of events ranging from regular webinars to large-scale conferences for our members and the wider community. During these events, participants from different sectors share their thoughts and insights as well as build their networks with other stakeholders. We also co-organise events with like-minded parties who are keen on working together to achieve net zero in Hong Kong.

EnviroSeries Conference

EnviroSeries Conference is BEC's flagship event that aims to provide a cross-sector forum for business leaders and other stakeholders to discuss and address key issues related to Hong Kong's environmental sustainability and serves as BEC's key initiative for thought leadership development on important and timely topical issues. During the reporting period, two EnviroSeries Conferences were held with the theme of "Driving Business Ambition into Action for a Net-Zero Hong Kong" and "Transforming Business for Sustainability" respectively, attracting a total of over 2,000 participants worldwide including sustainability practitioners and students.

BEC CEO Dialogue

BEC CEO Dialogue is a brand new signature event launched in 2022 with the aim to provide a platform for idea exchange and experience sharing amongst c-suite leaders and senior executives. Prestigious CEOs from renowned companies and organisations are invited as honourable guests to share their valuable insights on topics related to environmental excellence and sustainable development in Hong Kong. The inaugural Dialogue was held during the reporting period with the theme of "Innovation and Technology on Our Net-Zero Journey for the Next Generation", attracting leaders, professionals and experts from different industries of the business sector to join.



Advisory Groups

BEC's three Advisory Groups ("AG"), namely, Climate Change Business Forum Advisory Group, Circular Economy Advisory Group, and Sustainable Living Environment Advisory Group, provide members with a platform for a deeper level of engagement on particular EFAs. Our AGs help us identify and advance

key EFAs and support BEC, as well as our members, to develop projects and make policy recommendations. The impact of our AGs on influencing policy will be further elaborated in the subsequent part of the Report.

BEC as Co-organiser of ReThink HK 2021, Accelerating Knowledge Exchange on Sustainability

ReThink HK 2021 was concluded with great success with a total attendance of 2,679 over two days from 774 organisations. As the exclusive co-organiser, BEC put together a series of insightful programmes at the BEC Theatre with the theme “Empowering Businesses to Lead for Impact” on Day 1 (5 October). Our then Chairman Mr Richard Lancaster and other business leaders and experts shared their views on various

sustainability issues. On Day 2 (6 October), BEC delivered a programme tailor-made for SMEs at the BEC Theatre. Through sharing and discussions, some pain points on SMEs’ sustainability journeys were identified and constructive feedback and solutions explored. BEC offered discount rates of entry pass to members to encourage them to attend the conference and obtain the latest insights on sustainability.



Global Connection

Sustainable development is a global issue. To ensure members and the wider Hong Kong business community stay competitive and updated in global market with increased volatility as a result of sustainability challenges, we invite global perspectives into the discussion taking place at BEC by forging close relationships with World Business Council for Sustainable Development (“WBCSD”), the Asia Investor Group on Climate Change (“AIGCC”), The Climate Group, the World Resources Institute (“WRI”), CDP, the International Council for Local Environmental Initiatives (“ICLEI”), and We Mean Business Coalition (“WMB”). Notably, BEC became the regional network partner of WBCSD since 2003 and a network partner of WMB since 2020. Also, we bridge commercial chambers and consulates in Hong Kong to our members through events and seminars that members can talk to their representatives directly and obtain first-hand insights.



During the reporting period, we co-organised an invitation-only event with the Austrian Consulate General and Advantage Austria Hong Kong, entitled “Austria and Hong Kong Join Forces to Forster Sustainability”, allowing participants to exchange insights about green business and footprint in Hong Kong; an online webinar with the U.S. Commercial Service under the United States of America Department of Commerce about the trends and opportunities in sustainable energy and environmental technologies in Hong Kong; and a dialogue among the Trade Commission, Consulate General of Spain in Hong Kong, and CEO of BEC to exchange views on the potential for expanding the participation of Spanish companies in sustainable projects, policies and practices.

DEMONSTRATE LEADERSHIP: BEC AS A “GREEN LAB”

(GRI reference 2-23, 3-3)

As the physical representation of BEC, BEC Building is positioned as a “green lab” showcasing green building practices where environmental excellence is encouraged and celebrated. Apart from being a role model on conveying our continuous environmental commitments through retrofitting, enhancing green features, and obtaining green building certifications of various standards, we also invite our members and business partners to demonstrate their innovative technologies and pioneering strategies in our building so as to benefit both the building and our stakeholders. For education and capacity building purposes, we also conduct docent tours to students and the general public.



BEAM Plus Existing Buildings Version 2.0 Comprehensive Scheme

During the reporting period, BEC Building achieved the top Final Platinum rating under BEAM Plus Existing Buildings Version 2.0 Comprehensive Scheme, indicating a notch up after the Final Platinum rating under BEAM Plus Existing Buildings (v1.2) in 2017 and a “Very Good” rating under BEAM for New Office Designs since the construction was completed in 1996.

BEC Building has achieved the top Final Platinum rating under BEAM Plus Existing Buildings Version 2.0 Comprehensive Scheme with an overall score of 92. Among the six assessment aspects, the building performed exceptionally well and achieved over 90% credits in “Site Aspects”, “Materials and Waste Aspects”, and “Energy Use”.

WELL Health-Safety Rating

Our determination to ensure the health and safety of our employees and building users is acknowledged through the WELL Health-Safety Rating (“HSR”) Facility Operations and Management certification. Designed to empower owners and operators across large and small businesses to prioritise the health, safety and well-being of people, the WELL HSR is an evidence-based, third-party verified rating focusing on operational policies, maintenance protocols, stakeholder engagement and emergency plans to address a post-COVID-19 environment now and into the future.

By integrating the WELL rating to our portfolio, BEC is well-positioned to help companies or organisations benchmark their building’s performance against global standards and enhance their overall performance.

BEC receives accreditation as WELL Performance Testing Organisation

During the reporting period, BEC has received accreditation as a WELL Performance Testing Organisation (“WELL PTO”) and is the first Hong Kong-based non-profit organisation to offer the service.

WELL is the premier framework for certifying and creating spaces that advance health and well-being around the world, and the Performance Verification helps ensure the related evidence-based strategies have been implemented and are performing as planned. A WELL PTO is an organisation authorised by Green Building Certification Inc., which upholds the integrity and impartiality to provide independent third-party performance testing services for projects pursuing WELL v2 certification.



Green Features at the BEC Building

The award-winning BEC Building showcases various green building features, and we continue to look for innovative solutions and approaches to improve our sustainability performance and enhance resource efficiency. List of green features of BEC Building can be found [here](#).



Get Redress Month 2022

BEC Building participated in the “Get Redressed Month 2022” hosted by Redress, an environmental charity with a mission to reduce clothing’s negative environmental impact by shifting to circular solutions. We are proud to have participated in this event and are honored to support approximately 59.40kg of unwanted clothing to the campaign, assisting Redress in educating the community on the importance of responsible consumption.

DRIVE GOVERNMENT AND BUSINESS ACTION

As an independent, charitable membership organisation established by the business sector in Hong Kong for over three decades, BEC offers sustainable solutions and professional services covering advisory, research, assessment, training and award programmes for government, business and the community, thus enabling environmental protection and contributing to the transition to a net-zero economy. All these solutions and services are closely aligned with the latest climate agendas and policies led by the Government. The voice of the business sector is also amplified by BEC through responding to consultations, publication of research reports, and policy dialogues, backed by insights from AGs and steered by the Policy & Research team of BEC.

Influencing Public Policy

BEC actively engages with the Government and amplifies the voice of Hong Kong's business sector, sharing clear positions on pressing environmental topics. We strive to influence policymaking and advocate a forward-looking policy agenda that focuses on delivering environmental excellence and sustainability in Hong Kong.

Driving Business Action

BEC provides opportunities for the business community to learn, share, and lead responsible business practices. Through our activities, we help prepare Hong Kong companies to address potential business risks and embrace opportunities that arise from environmental challenges.

Fiscal Year	2021-22	2020-21	2019-20	2018-19	2017-18
Total Number of Environmental Projects	129	185	153	174	174
Policy Submissions	4	7	3	7	6
Total Hours of Policy Dialogues	3	1.5	1.5	8.5	8.5
Topical Digest	3	7	3	6	14
EnviroSeries Conferences	2	2	1	2	2
Industry Visits	4	5	3	9	8
Co-organised Events	10	27	17	33	18
Dialogues / Briefing Sessions / Leadership Networking Events	6	1	2	2	6

We aim to concentrate our efforts and resources on three identified EFAs which are major issues with significant impact on Hong Kong, namely, Climate Change, Circular Economy, and Sustainable Living Environment. Each of the EFAs is backed with an Advisory Group formed by representatives from member organisations.

In the subsequent sections of the Report, we will illustrate BEC's iterative approach in providing policy recommendations to the Government, driving Government and business action through several major initiatives under our EFAs.



BEC’s objective on climate change is to promote and support climate action, enhance corporate governance for climate resilience, and mobilise members and the wider business community to contribute collectively to Hong Kong’s transition to a net-zero economy. Such an objective has been led and steered by the Climate Change Business Forum (CCBF) AG since 2008. Major topic areas related to climate change include climate change governance and communication, embodied carbon, carbon credit and offsetting, and government engagement.



BEC Net-Zero Carbon Charter – Journey with Business towards Net-zero Transition

1. BEC RECOMMENDATIONS

To enhance climate change collaboration on different fronts, in our previous submissions BEC has been calling for the Government to formulate an overarching climate change strategy that responds to the global call for carbon neutrality by mid-century. The Government should also establish a Climate Office led by principal officials to oversee the formulation, implementation, and regular review of the Government’s climate action agenda, as well as coordinating climate resilience and adaptation efforts amongst government bureaus and departments.

2. GOVERNMENT ACTION

The Government released Hong Kong’s Climate Action Plan 2050 in October 2021, with a 2035 interim target of halving 50% emissions compared to the 2005 level, and a 2050 carbon neutrality target.

The government set up the Office of Climate Change and Carbon Neutrality by January 2023 and appointed the Commissioner for Climate Change to drive the four major decarbonisation strategies on net-zero electricity generation, energy saving and green buildings, green transport and waste reduction.

3. BEC INITIATIVE

To align with international expectation and Hong Kong’s carbon neutrality target, BEC Low Carbon Charter, originally launched in March 2019 and supported by over 100 signatories will be rebranded as the BEC Net-Zero Carbon Charter in 2023, which aims at mobilising companies and organisations to collectively contribute towards Hong Kong’s long-term decarbonisation journey through their pledge to set targets and actions for a net-zero future.

BEC will continue to organise events regularly to support signatories and business in setting, operationalising, and achieving their emission reduction targets. Signatories will be invited to share their insights and experience in these co-learning activities. Besides, signatories are required to self-report their progress and achievements through a standardised form once a year.



Power Up Coalition – Decarbonising Construction Processes

1. GOVERNMENT ACTION

In September 2020, the Development Bureau announced that all public work contracts tendered after February 2021 should apply for temporary electricity and water supply during the detailed design phase to ensure completion of connections before construction starts, which would reduce the use of diesel generators and could facilitate the use of other electric plants, equipment, and vehicles (DEVB TC(W) No.13/2020).

2. BEC INITIATIVE

Whilst Development Bureau pushed public works to introduce early electrification of construction sites, BEC co-launched the Power Up Coalition in 2021 with Gammon Construction Limited to encourage the timely electrification of non-public works construction sites in Hong Kong and to promote zero-emission construction sites. As of September 2022, 24 organisations have pledged to supporting or implementing on-site decarbonisation opportunities.



Scope 3 Emissions Reduction – Engaging Value Chain

1. BEC'S RECOMMENDATIONS

For most corporates, the majority of their emissions come from Scope 3 emissions of their value chain. Corporates' net-zero transition roadmaps must include transparent plans to drastically reduce their Scope 3 emissions.



2. BEC INITIATIVE

Partnered with the Airport Authority Hong Kong ("AAHK"), BEC is undertaking a 3-year Carbon Capacity Building Programme for Hong Kong International Airport ("HKIA") since 2022, aiming to identify and address the training needs of airport business partners, supporting them to achieve the HKIA 2050 Net Zero Carbon Pledge by cutting their emissions, i.e., HKIA's Scope 3 emissions.

Through a series of training, the programme ensures business partners acquire the necessary skills to effectively plan and manage carbon reduction initiatives, whilst keeping up with the latest developments in decarbonisation.



As a pioneer in popularising circular economy in Hong Kong, BEC always promotes best practices in the circular economy and resource management amongst members and the wider business community in Hong Kong. Such objective is led and steered by the Circular Economy Advisory Group, and major topic areas related to circular economy include sustainable packaging, repair and reuse, zero waste design, waste management, and resource recovery.

BEC published the first-of-its-kind Circularity Assessment in Hong Kong in February 2021, addressing the urgency on introducing and integrating circular economy in Hong Kong. We also emphasised the life cycle of products and reduce waste to a minimum so as to achieve reduction at source.



Accelerating Circular Economy – Life Cycle Perspective

1. BEC RECOMMENDATIONS

Given the Hong Kong Blueprint for Sustainable Use of Resources would expire in 2022 and the city would fall short of the 10-year reduction targets set in 2023, BEC has been urging the need to develop a new blueprint based around the circular economy concept with clear targets and timeline for Hong Kong, as well as a plan for individual sectors, with specific strategies highlighted to enhance circularity and facilitate a better use of resources.

As highlighted in BEC’s past policy submissions, BEC emphasises the importance of adopting the circular economy approach in Hong Kong to maximise the life cycle of products and reduce waste to a minimum.

2. GOVERNMENT ACTION

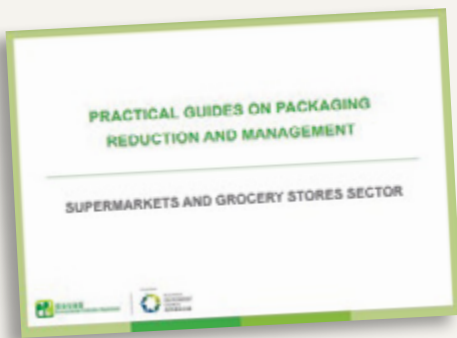
The Waste Blueprint for Hong Kong 2035 published in February 2021 addressed the Government’s strategies to promote the development of circular economy in Hong Kong. Six major areas of action include waste reduction, waste separation, resources circulation, industry support, innovation and cooperation, as well as education and publicity. The Government will also enhance the operation of the Recycling Fund to support the recycling industry and promote a circular economy. The Blueprint also specified a medium-term target of reducing the per capita waste disposal by 40-45% and increasing the recovery rate to about 55%.



3. BEC INITIATIVE

Development of Practical Guides on Packaging Reduction and Management

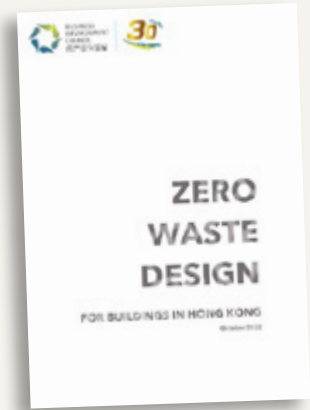
BEC was appointed by the Environmental Protection Department to develop a set of sector-specific guides on packaging reduction and management, which aims to provide practical tips for businesses on how to avoid and reduce packaging consumption and achieve sustainable packaging management. It also offers guidance and reference for business stakeholders to prepare packaging reports and disclose packaging data in a harmonised structure. The first Guidebook



for the Supermarkets and Grocery Stores sector was officially published in June 2022.

Zero Waste Design for Buildings in Hong Kong

BEC believed proper building design and management can largely contribute to meeting the target in the upper stream of the material cycle. BEC released its research report “Zero Waste Design for Buildings in Hong Kong” in October 2022, focusing on how to incorporate circular economy principles into building designs to facilitate local waste management and drive behavioural change in waste reduction, with practical cases from corporate properties featured.



Task Force on Repair and Reuse

Repair and reuse are currently an under-utilised solutions for achieving a circular economy in Hong Kong. Compared to recycling, it is much less resource intensive as it diverts the amount of waste by extending the useful life of existing products. When applied to business models such as product-as-a-service, it also has the potential to increase customer satisfaction and foster long-term profitability. In September 2022, BEC established a specific task force on the topic with relevant Circular Economy AG members, to discuss the business case and benefits of repair and reuse and provide recommendations for practical action points in the short-, medium- and long-term to incorporate repair and reuse into business model.



SUSTAINABLE LIVING ENVIRONMENT

BEC strives to promote the importance of sustainable living environment amongst BEC members and the wider business community in Hong Kong and such objective is steered by the Sustainable Living Environment Advisory Group. Major topics include energy efficiency, green buildings, renewable energy, sustainable transport, smart and liveable cities, as well as air quality.



Hong Kong's Roadmap of Electric Vehicles

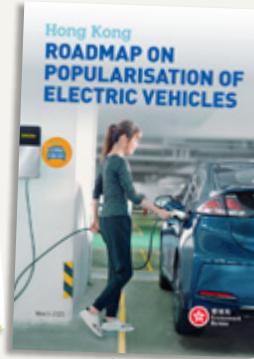
1. BEC RECOMMENDATIONS

The Task Force on Electric Vehicles (“EVs”) was formed in June 2020 under the Sustainable Living Environment AG and a written submission on Roadmap about EV Popularisation was submitted in December 2020, urging the Government to improve roadside air quality and reduce carbon emissions so as to protect public health and address climate change through the popularisation of EVs. Also, a multipronged approach for different types of vehicles was suggested and a clearly defined timeline was recommended.



2. GOVERNMENT ACTION

The Roadmap on Popularisation of Electric Vehicles was published in March 2021 addressing the Government’s strategies on EV popularisation in Hong Kong, with long-term policy objectives and plans outlined to promote the adoption of EVs and their associated supporting facilities in Hong Kong.



Development of Smart City

1. GOVERNMENT ACTION

In 2017, the Government released its first Smart City Blueprint (Hong Kong Smart City Blueprint 1.0), aligning with the six smart areas on Mobility, Living, Environment, People, Government and Economy with 70+ initiatives. The Second Smart City Blueprint (Hong Kong Smart City Blueprint 2.0) was further released in 2020, extending the initiatives to over 140.



2. BEC INITIATIVE

Smart and Sustainable City Development: Hong Kong and International Experiences

BEC sees the urgent need for society to recognise the business case of smart cities and remove silos to enable a truly integrated approach. Between March 2021 to March 2022, BEC conducted research featuring smart environment and smart mobility as areas seen with most changes and opportunities in recent years by our members. A final report was released in July 2022, evaluating their current state and gaps, identifying business opportunities and providing high-level policy recommendations for the Government, as backed by local and international case studies.



Smart and Sustainable City Development: Hong Kong and International Experiences

Since 2022, Sustainable Living Environment AG has been discussing to form a task force to boost the use of digitalisation in Hong Kong. The Task Force was officially formed in April 2023, with the objective to encourage greater adoption of existing digital solutions in the market by highlighting digital solutions that are under-utilised by the companies, and identifying the mechanisms needed to bridge the utilisation gap. The Task Force is currently conducting research in building up business cases on digitalisation, which provide contents like return-on-investment and solution maturity. A report will be shared in due course to share replicable best practices with the business community.

DRIVE GOVERNMENT AND BUSINESS ACTION – CULTIVATING COMMUNITY INVOLVEMENT

(HKEX ESG Guide B8)

BEC is committed to raising environmental awareness and expanding environmental knowledge in Hong Kong. We engage with the wider community to work towards a more sustainable society in Hong Kong.



Jockey Club BEAM Plus in Schools Project and BEAM Plus Existing School Version 1.0

Jockey Club BEAM Plus in Schools Project

Funded by the Hong Kong Jockey Club Charities Trust and supported by the Hong Kong Government, the “Jockey Club BEAM Plus in Schools Project” (“the Project”) was officially launched in January 2020 with the aims to reduce the carbon emissions of the primary and secondary schools in Hong Kong and to educate the next generation on the importance of carbon reduction, knowledge on green buildings and climate resilience.

This 42-month-long Project has recruited 125 local primary and secondary schools. BEC as the lead organiser of the Project, together with BEAM Society Limited (“BSL”) and Hong Kong Green Building Council (“HKGBC”) offers one-stop services to schools committed to provide both hardware and software support for achieving the carbon neutrality goal by 2050.

BEC has conducted the baseline carbon audit, recommended mitigation measures and arranged contractors for retrofitting works. All retrofitting works for the 125 participating schools were completed by September 2022. From the data collected from 68 schools, the schools have achieved a carbon reduction of 33% on average when compared with the baseline school year 2018/19. This reduction was remarkable as it has exceeded the initial carbon reduction target set at 10%.



賽馬會綠建環評學校計劃

BEAM Plus Existing School Version 1.0 (ES V1.0)

BEC also worked with BSL to tailor-make a brand-new BEAM Plus rating tool for existing schools to assess their environmental performance. Three participating schools have completed the pilot assessment and obtained the certification on BEAM Plus Existing Schools Version 1.0 (Beta Version). The BEAM Plus Existing Schools Version 1.0, together with the Technical Guidebook, was officially launched on 17 October 2022.



Encourage Corporates and Small and Medium Enterprises to Start Their Journey of Sustainability Through Awards and Accolades



To enforce and promote sustainable development among commercial sector, BEC supports different award-led advocacy programmes in a continuous tenure. During the reporting period, BEC continued its partnership with HSBC on the HSBC Living Business Programme. Established in 2004, HSBC Living Business Programme aims to help local small and medium enterprises (“SMEs”) become more competitive and productive by incorporating socially and environmentally sustainable practices into their business operations. Starting from 2018, the Programme has focused on fostering SMEs to practice Sustainable Development Goals (“SDGs”) of the United Nations. Goals have been selected as themes for HSBC Living Business 2021 are SDG8 (Decent Work and Economic Growth), SDG11 (Sustainable Cities and Communities), and SDG17 (Partnerships for the Goals), whereas goals have been selected as themes for HSBC Living Business 2022 are SDG3 (Good Health and Well-being), SDG9 (Industry, Innovation and Infrastructure), and SDG17 (Partnerships for the Goals). More than 5,500 SMEs in Hong Kong across different sectors have participated

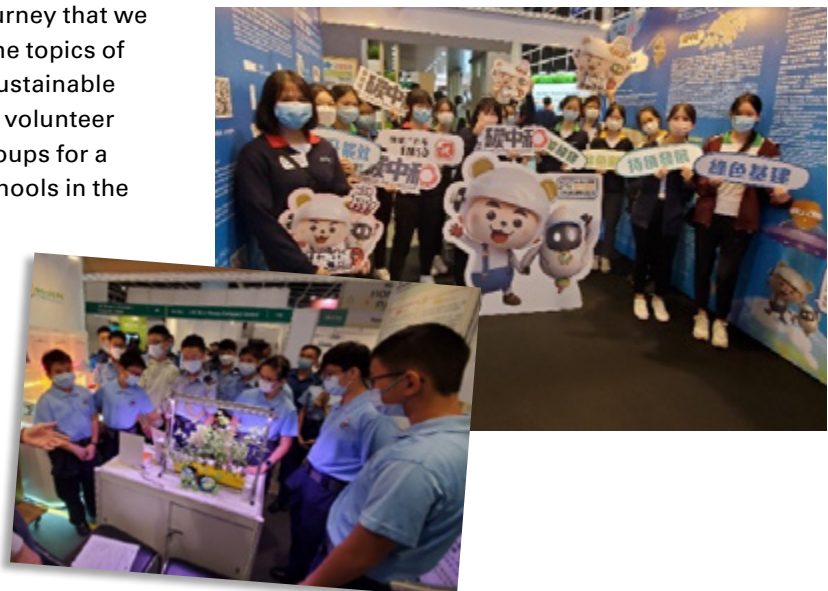
in the Programme over the past 18 years, of which over 370 applications from about 300 SMEs have been received in the 2021 Programme.

Recognised as one of the most credible environmental awards in Hong Kong, The Hong Kong Awards for Environmental Excellence (“HKAEE”) is led by the Environmental Campaign Committee alongside the Environment and Ecology Bureau and in conjunction with nine organisations, including BEC.

Also, BEC has been participating in the BOCHK Corporate Low-Carbon Environmental Leadership Award as a supporting organisation as well as an assessment organisation since 2015. The award is organised by the Federation of Hong Kong Industries with the aim of promoting active participation in environmentally conscious practices among the manufacturing, services and property management enterprises in Hong Kong and the Pan-Pearl River Delta region to further reduce environmental footprints in the communities.

ECO Asia Expo 2021 Guided Tours and Dialogues

It is important in BEC’s sustainability journey that we engage and educate all age groups on the topics of climate change, circular economy and sustainable living environment. Thus, BEC provided volunteer docents to guide two Youth Uniform Groups for a total of around 245 students from six schools in the Eco Expo Asia 2021. During this tour, the children were given a tour around various exhibitions at the Expo, with practical demonstrations on different environmental topics, such as the reclaimed water schemes around Hong Kong, green building management and the usages of electrical vehicles and its charging ports.



THINKING AHEAD



In 2022, we developed a new three-year strategic plan covering FY2022/23 to FY2024/25. In the process, our SMT worked closely with the Board to determine the ESG issues that pose the greatest risks to our operations and developed potential actions to mitigate the risks. After thorough review and deliberation, it was decided that the three EFAs under the last strategic plan: climate change, circular economy, and sustainable living environment, will remain unchanged as anchor points to connect issues relevant to BEC, focus attention, optimise resources and maximise impact in the next three years.

In the same exercise, we also finetuned our three strategic priorities to reflect the changing landscape we operate in, and the evolving roles of BEC:

- Drive government and business ambition into action on BEC EFAs;
- Expand and diversify BEC membership base; and
- Enhance and promote BEC as the “go-to” organisation and premier partner in Hong Kong on environmental excellence and corporate sustainability.

As an established institution with more than thirty years of history, expertise and reputation, BEC is ready and confident in taking up more responsibilities, turning up our volume, supporting the business sector to translate words into action and making positive impact on the environment.

It is significant that BEC’s next thirty years will more or less coincide with the crucial period for Hong Kong to achieve carbon neutrality. Globally, we will be fighting against climate change and giving it all to limit global temperature rise to 1.5 Degrees Celsius. Thirty years is long enough for businesses to transform, for new technologies to emerge and break through, to nurture future generations of talents, to foster new partnership, and to save our planet from multiple crises. The future will be both challenging and exciting for BEC.

PERFORMANCE DATA

(GRI reference 305-2, 305-3, 305-4, 305-5, 302-1, 302-3, 3-3, 303-1, 303-2, 306-1, 306-2, 306-3, 301-1, 301-2, 401-1, 404-1, 481-1, HKEX ESG Guide 14, A1, A2, B1, B2, B3, B5)

Environmental⁶

GHG emissions ⁷	Unit	FY2020/21	FY2021/22
Direct GHG emissions – Scope 1	tCO ₂ e	0.20	/
Energy indirect GHG emissions – Scope 2	tCO ₂ e	146.90	149.10
Other indirect GHG emissions – Scope 3	tCO ₂ e	8.42 ⁸	3.59
Total GHG emissions – Scope 1, 2 and 3	tCO₂e	155.52⁷	152.69
Intensity	tCO₂e/GFA⁹	0.04	0.04
Non-hazardous waste	Unit	FY2020/21	FY2021/22
General waste sent to landfill	kg	5,375.90	6,100.27
Paper	kg	1,419.00	701.00
Metal	kg	39.20	39.63
Plastic	kg	65.20	44.45
Glass bottle	kg	300.00	42.00
Total non-hazardous waste	kg	7,199.30	6,927.35
Intensity	kg/GFA	2.03¹⁰	1.95
Total waste recycle rate ¹¹	%	N/A	11.85
Energy	Unit ¹²	FY2020/21	FY2021/22
Total energy consumption	MWh	381.00	382.31
Intensity	MWh/GFA	0.11	0.11
Water	Unit	FY2020/21	FY2021/22
Total water consumption	m³	603.00	584.91
Intensity	m³/GFA	0.17⁹	0.16

⁶ Data may not be the exact numbers due to rounding.

⁷ GHG Sources GHG emissions data are presented in terms of CO₂ equivalent, with reference to, including but not limited to, the reporting requirements of the “GHG Protocol: A Corporate Accounting and Reporting Standard” issued by the World Resources Institute and the World Business Council for Sustainable Development, “How to prepare on ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs” issued by the HKEX, “2021 Sustainability Report” issued by the CLP Holdings Limited, “Annual Report 2020/21” issued by the Water Supplies Department, “Sustainability Report 2020-21” issued by the Drainage Services Department, and “Emission Factors for Greenhouse Gas Inventories” issued by the U.S. Environmental Protection Agency.

⁸ The number included in the FY2021/22 report (which was estimated) has been revised to actual.

⁹ BEC total GFA is 3550.80 m². This data will also be used for the calculation of other intensity data.

¹⁰ BEC has disclosed the intensity for FY2020/21 for meaningful data comparison.

¹¹ BEC has modified the reporting scope for the waste recycle rate starting in FY2021/22 for future meaningful data comparison; Total waste recycles rate is calculated as “total sum of recyclables divided by total non-hazardous waste and then multiplied by 100%”.

¹² BEC has modified the energy consumption and intensity unit starting in FY2021/22 for future meaningful data comparison.

Social¹³

Workforce profile¹⁴	Unit	FY2020/21	FY2021/22
Total workforce	Number	52	57
By gender			
Male	Number	22	20
Female	Number	30	37
By employment type (A)			
Permanent (Male)	Number	21	20
Permanent (Female)	Number	19	28
Temporary (Male)	Number	1	/
Temporary (Female)	Number	11	4
Non-guaranteed hours (Male) ¹⁵	Number	N/A	/
Non-guaranteed hours (Female) ¹⁵	Number	N/A	5
By employment type (B)			
Full-time (Male)	Number	22	20
Full-time (Female)	Number	28	32
Part-time (Male)	Number	/	/
Part-time (Female)	Number	2	5
By age group			
Under 30	Number	21	27
30-49	Number	25	25
50 or above	Number	6	5
By employee category¹⁶			
Senior management	Number	N/A	8
Middle management	Number	N/A	15
General	Number	N/A	34

¹³ Data may not be the exact numbers due to rounding.

¹⁴ Workforce profile reflects BEC's human capital portfolio as of 30 September 2022.

¹⁵ BEC will disclose non-guaranteed hours (male) and (female) starting in FY2021/22.

¹⁶ BEC will disclose workforce profile by employee category starting in FY2021/22.

Employee recruitment rate¹⁷	Unit	FY2021/22
Total recruitment rate	%	57.89
By gender		
Male	%	40.00
Female	%	67.57
By age group		
Under 30	%	88.89
30-49	%	32.00
50 or above	%	20.00
By employment type (B)		
Full-time (Male)	%	35.00
Full-time (Female)	%	62.50
Part-time (Male)	%	/
Part-time (Female)	%	100
Turnover rate¹⁸	Unit	FY2021/22
Total employee turnover rate	%	40.35
By gender		
Male	%	45.00
Female	%	37.84
By age group		
Under 30	%	59.26
30-49	%	24.00
50 or above	%	20.00

¹⁷ BEC has aligned the employee recruitment rate unit in percentage for future meaningful data comparison starting in FY2021/22; Employee recruitment rate is calculated as "total number of employees joining BEC during the financial year divided by total number of employees at the end of the financial year and then multiplied by 100%".

¹⁸ BEC has aligned the turnover rate unit in percentage for future meaningful data comparison starting in FY2021/22; Turnover rate is calculated as "total number of employees leaving employment during the financial year divided by total number of employees at the end of the financial year and then multiplied by 100%".

Occupational health and safety¹⁹	Unit	FY2019/20	FY2020/21	FY2021/22
Number of lost days due to work injury	Days	/	/	/
Number of work-related fatalities	Number	/	/	/
Rate of work-related fatalities	%	/	/	/
Training		FY2020/21	FY2021/22	
	The percentage of employees trained (%) ²⁰	Average training hours completed per employee (hours) ²¹	The percentage of employees trained (%)²⁰	Average training hours completed per employee (hours)²¹
Total	100	23.8	91.23	18.26
By gender				
Male	100	25.5	100	22.35
Female	100	22.3	86.49	16.05
By employee category²²				
Senior management	100	40.0	100	29.38
Middle management	N/A	N/A	100	19.07
General	N/A	N/A	85.29	15.29
Part-time (Female)	Number		2	5
Supply chain²³		Unit	FY2021/22	
Total key suppliers	Number		253	
Product responsibility²³		Unit	FY2021/22	
Number of service-related complaints received	Number		/	
Anti-corruption²³		Unit	FY2021/22	
Concluded legal case	Number		/	

¹⁹ BEC will disclose occupational health and safety-related data starting in FY2021/22.

²⁰ The percentage of employees trained is calculated as "total number of employees trained during the financial year divided by total number of employees at the end of the financial year and then multiplied by 100%".

²¹ Average training hours completed per employee is calculated as "total hours of employees trained during the financial year divided by total number of employees at the end of the financial year".

²² BEC has modified the employee category distribution starting in FY2021/22 for future meaningful data comparison.

²³ BEC will disclose supply chain, product responsibility, and anti-corruption-related data starting in FY2021/22.

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