

# Corporate Social Responsibility

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The HKMA is committed to fulfilling its corporate social responsibility, and aims to be a responsible and sustainable organisation. This commitment is manifested in various areas, including promoting a sustainable and environment-friendly marketplace, supporting the wider community, protecting the environment and nurturing a caring workplace.

In response to the COVID-19 pandemic, the HKMA introduced a number of measures to support individuals and enterprises in need to help Hong Kong's economy ride out these difficult times.

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## Corporate Social Responsibility

### MARKETPLACE

#### Green and sustainable finance

Climate change is one of the major risks threatening the well-being of mankind and the sustainability of the world economy. The financial sector in which banks operate, being an integral part of society, will not be spared and hence should be more proactive in managing climate risks. The HKMA is committed to exploring ways to address this challenge. It is undertaking a number of measures unveiled in May 2019 for promoting the development of green finance in Hong Kong, including a three-phased approach to promote green and sustainable banking:



#### Phase I

developing a common framework to assess the “Greenness Baseline” of individual banks, and collaborating with international bodies to provide technical support to banks in Hong Kong;



#### Phase II

consulting the industry and other stakeholders on the supervisory expectations and requirements of green and sustainable banking; and



#### Phase III

focusing on the implementation, monitoring and evaluation of banks’ progress in this regard.

On the international front, the HKMA participates in a number of forums such as the Network of Central Banks and Supervisors for Greening the Financial System (NGFS), the Basel Committee on Banking Supervision’s high-level Task Force on Climate-related Financial Risks, the Interest Group on Sustainable Finance of the Working Group on Banking Supervision of the Executives’ Meeting of East Asia-Pacific Central Banks and the International Platform on Sustainable Finance. The HKMA’s participation provides an opportunity

for it to contribute to the central banking and regulatory community in addressing climate change, while benefitting from the experience and insights of other jurisdictions when developing its local framework.

Specifically, the HKMA participates in various NGFS workstreams, including the workstream on microprudential and supervision (WS1), the workstream on macrofinancial (WS2) and the workstream on scaling up green finance (WS3). The HKMA also joined the two new workstreams — the workstream on research and the workstream on bridging the data gap. The former focuses on research work and the latter aims to develop a detailed list of data items that are currently lacking but are needed by authorities and financial institutions to assess climate-related risks and opportunities. See the *Banking Stability* chapter for more details about the progress on promoting green and sustainable banking during the year.

In November, the HKMA and the International Finance Corporation (IFC) jointly launched the Alliance for Green Commercial Banks to help banks develop solutions needed to address climate change across emerging markets. As the founding member and the first regional anchor of the Alliance, the HKMA i) promotes the development of Green Commercial Banks in the global financial market; ii) serves as a peer-to-peer learning platform for commercial banks to acquire knowledge, tools and business information to develop their green finance road maps and transform themselves into credible green banks; iii) facilitates dialogue and provides thought leadership to advance the green finance agenda globally; and iv) helps members of the Alliance to collaborate and take advantage of an estimated US\$23 trillion in green and climate-related investment opportunities identified by the IFC across emerging markets in the next decade.

Locally, the HKMA is working with other financial regulators in Hong Kong to coordinate the management of climate and environmental risks to the financial sector. In addition to assisting the Government in implementing the Government Green Bond Programme, the HKMA co-initiated the establishment of the Green and Sustainable Finance Cross-Agency Steering Group (CASG) with the Securities and Futures Commission (SFC) to address cross-sectoral regulatory and market development issues. See the *International Financial Centre* chapter for more details about the HKMA’s work on developing Hong Kong as a green and sustainable finance hub during the year.

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### Green and Sustainable Finance Cross-Agency Steering Group

The CASG aims to coordinate the management of climate and environmental risks to the financial sector, accelerate the growth of green and sustainable finance in Hong Kong and support the Government's climate strategies. It was formed in May at the initiation of the HKMA and the SFC. The other CASG members are the Environment Bureau, the Financial Services and the Treasury Bureau, Hong Kong Exchanges and Clearing Limited, the Insurance Authority and the Mandatory Provident Fund Schemes Authority.

Since its formation, the CASG has set up two work streams: to study and address cross-sectoral regulatory issues; and coordinate cross-agency market development efforts.

In December, the CASG launched its green and sustainable finance strategy for Hong Kong which comprises six key longer-term focus areas for strengthening Hong Kong's financial ecosystem to support a greener and more sustainable future. The CASG also announced five near-term action points to address some of the most pressing issues that are hindering development of the sector.



HKMA hosts the inaugural meeting of the CASG, which is co-chaired by HKMA Chief Executive, Eddie Yue (third from right).



The CASG launches its green and sustainable finance strategy for Hong Kong and five key action points.

## Corporate Social Responsibility

### Responsible investment

The HKMA supports responsible investment (RI), which is defined as the incorporation of environmental, social and governance (ESG) factors in investment activities. As a large asset owner, the HKMA's increasing focus on RI will affect how its asset managers carry out its investment activities.

#### HKMA beliefs

The HKMA believes that, by putting appropriate emphasis on RI and sustainable long-term performance, it can better achieve the investment objectives of the Exchange Fund and reduce risks associated with the ESG-related matters of its underlying investments.

#### HKMA principles

The HKMA's guiding principle is that priority will generally be given to ESG investments if the long-term risk-adjusted return is comparable with other investments. Where appropriate, the HKMA adopts in its investment process the following RI principles that underpin its beliefs as a responsible long-term investor:

#### *Integration*

The HKMA incorporates ESG factors into its investment analysis to identify risks and opportunities, as it believes that these factors can materially affect the long-term value of its investments. ESG factors are integrated into the HKMA's investment process for both public and private market investments.

#### *Active ownership*

The HKMA exercises shareholder rights in its public equity holdings in a manner that helps safeguard the long-term value of its investments. The HKMA believes that responsible corporate behaviour guided by ESG factors will help create shareholder value in the long run. The HKMA's asset managers are expected to help the HKMA discharge its ownership responsibilities in the underlying investments by adopting active ownership through exercising voting rights and engaging with investee companies.

#### *Collaboration*

The HKMA seeks to join hands with like-minded investors and regulators to promote good practices for the long-term management of investments. It participates in and speaks at public events to share better ESG practices and encourage the investment community to adopt RI.

See the *Reserves Management* chapter for more details about the HKMA's work on RI during the year.

## Corporate Social Responsibility

### HKMA as an Active Responsible Investor Monitoring External Managers' ESG Practices

#### HKMA expectations

The HKMA attaches high importance to the incorporation of ESG factors in investment decisions and to the notion of active ownership. To this end, it takes ESG factors into account in selecting, appointing and monitoring external managers. The appointed external managers are also required to take active ownership seriously, as the HKMA sees exercising shareholder rights in public equity holdings as a fundamental means of safeguarding the long-term value of equity investments.

#### HKMA monitoring

The external managers are subject to assessment of their ESG performance in managing the HKMA's listed equity portfolios. This is carried out through an engagement programme that systematically examines various aspects of their ESG practices, such as their ESG assessment framework, engagement with investee companies, and work on proxy voting. In 2020, a group of selected external managers became the first to undergo the programme. They were gauged not only by their ESG performance, but also whether they had properly discharged ownership responsibilities on behalf of the HKMA.

#### Engagement outcomes

The programme identified external managers with questionable practices that necessitated follow-up action. Two examples are set out below:

##### Case 1



The HKMA detected that an equity manager A had room for improvement in its ESG framework, specifically in establishing a more systematic approach to assess investee companies. The HKMA followed up on this with the manager, which embarked on a company-wide review to implement a more robust ESG framework. In particular, the manager engaged an external consultant to provide advice in the ESG process, demonstrating the manager's determination to expedite implementation of the improved framework. The manager also set up a new ESG committee comprising senior management, affirming both its commitment to ESG and the backing from its senior management of the endeavour.

##### Case 2



Having reviewed the voting practices of an equity manager B, the HKMA identified areas for improvement in the manager's voting policy and brought these up with B's Head of ESG for review. Specifically, the manager's voting decision was 100% in favour of the management's proposal and deviated from its own proxy voting guidelines. The manager later undertook to enhance the company's voting policy by incorporating the expectation that there would be greater involvement of its ESG team members and the possibility of voting against the management where governance issues are material.

## Corporate Social Responsibility

For private market investments, the HKMA realises RI through its general partners' commitment to working with underlying portfolio companies on ESG matters. The HKMA has noted consistent ESG commitment among the general partners as they consider it to be aligned with the long-term value creation and sustainability of returns of their portfolio companies. The two examples below show that climate change risks can be managed through (i) design changes and adoption of innovative operational techniques and (ii) carbon reduction considerations being integrated in the construction and operation of green and sustainable warehouses. Both examples have seen significant positive impact to the environment with lower carbon emissions; harmful products are avoided and operational efficiency is gained through cost and energy savings.

- (i) The HKMA has investment in a pest control company which adopts environmentally friendly solutions. While traditional pesticides and chemicals can exterminate pests effectively, dead pests have adverse implications for public hygiene if not promptly or properly disposed of, and environmental concerns can also arise from the seepage and disposal of chemical ingredients. The company's biocide-free solution is to deploy physical pest traps, thereby avoiding the use of harmful chemicals. The company also uses internet-linked motion sensors to remotely detect whether pests have been trapped. With this new technology, the company can optimise route planning to collect

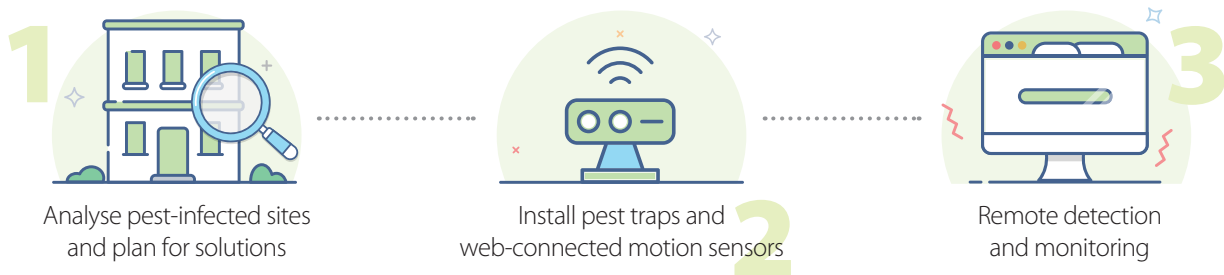
trapped pests and reduce the mileage travelled, thereby lowering carbon emissions. The net effect on carbon as measured on a company-wide basis has shown an encouraging low reading of 0.36 kg/CO<sub>2</sub>e/\$ net sales, which is close to the industry average for low-carbon-emitting sectors such as legal services and software publishing.

- (ii) The HKMA has investment exposure to green and sustainable warehouses. While the construction industry is a major contributor to carbon emissions, the warehouse developer adopts a net zero carbon process in its overall construction and operation of warehouses. Standards and metrics for measuring the baseline of net zero carbon are in place, and construction planning takes into consideration the sustainability of materials and components used. The resulting warehouse is carbon-efficient and designed with sustainable features, including solar thermal systems, electric vehicle charging portals, natural lighting and rainwater harvesting.

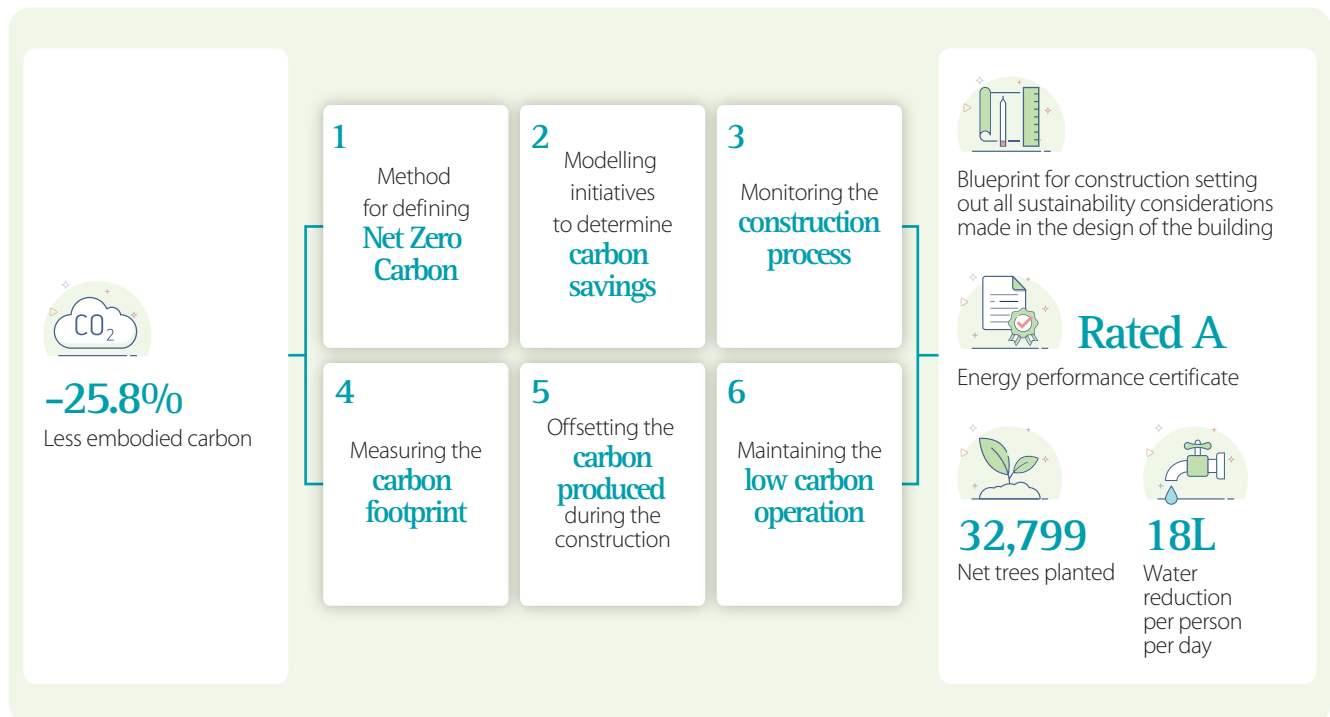
The carbon footprint of the warehouse construction has net 25.8% lower carbon emissions than a standard logistics building, according to measurements by an independent consultant. To further offset carbon emissions from the construction work, 32,799 net trees were planted during the process. Post-construction, the warehouse reduced carbon emissions by 26.9% in its daily operations compared with a standard warehouse.

## Corporate Social Responsibility

### Environmentally Friendly Pest Control Solutions through Deploying Innovative Technology



### Green and Sustainable Warehouse: First-ever Building Verified as Net Zero Carbon Construction





## Corporate Social Responsibility

### Adoption of the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

Climate change presents both risks and opportunities to investments. As a responsible investor, the HKMA believes climate change warrants appropriate focus. In December 2020, the CASG unveiled a strategic plan to promote green and sustainable finance. One of the action plans is to require the relevant financial sectors to make climate-related disclosures that align with the TCFD<sup>1</sup> recommendations by 2025. The HKMA, as announced in May 2019, is supportive of the recommendations issued by the TCFD. It has stepped up efforts on climate-related issues to drive progress on the TCFD recommendations concerning governance, strategy, risk management, and metrics and targets in its own operations and also those of the wider banking and financial community.

#### Governance

The Exchange Fund Advisory Committee (EFAC) endorses the guiding principle and overall framework for RI of the Exchange Fund, and delegates responsibility for the oversight of ESG-related risks, including climate change, to its Investment Sub-Committee (ISC). The Exchange Fund's RI framework, including its climate change management approach, is reviewed by the ISC on an annual basis and regular updates are provided.

#### Strategy

Similar to many other long-term asset owners, the HKMA is evaluating different tools and approaches, including the use of climate scenario analysis, to identify short-to-long term climate-related risks and opportunities for the Exchange Fund. Given the broad scope and uncertain trajectory of climate change impacts, the HKMA will continue to upgrade research efforts and modify its approach as it develops a better understanding of climate-related risks and opportunities.

#### Risk management

A working-level, multidisciplinary forum reviews and discusses ESG and climate change risks and opportunities regularly. The forum comprises representatives from different departments covering the HKMA's major policy areas, to facilitate information sharing and a coordinated approach in tackling climate change issues.

On risk management for the Exchange Fund, climate-related risks and opportunities are assessed for the relevant asset classes in the investment process. For instance, ESG factors are incorporated in the credit analysis of HKMA bond portfolios, and green accreditation is included as a predominant factor in real estate investments. The HKMA has also started to invest in ESG-themed mandates in public equities investment to reduce the carbon intensity of its portfolios. It monitors how external managers and general partners address climate risk and, where appropriate, encourages them to improve climate risk disclosure to align with the TCFD recommendations.

Progress on the Exchange Fund's ESG and climate-related investment plans is reported regularly to the Exchange Fund Investment Office's ESG Committee, whose members are from investment and risk management functions, to ensure a consistent and comprehensive strategy to address climate risk.

#### Metrics and targets

In view of the complexity and uncertainty of climate change and its impact on investment returns, different institutions are developing and applying a variety of climate metrics and modelling technologies, having regard to a host of factors including portfolio composition, investment objectives and investment horizon. The Exchange Fund is identifying and studying suitable metrics and data, such as ESG scores and carbon intensity, to assess and manage the relevant climate risk exposures.

<sup>1</sup> The Financial Stability Board created the TCFD in 2015 to improve and increase reporting of climate-related financial information.



## Corporate Social Responsibility

### Promoting financial inclusion

The HKMA attaches great importance to financial inclusion, and strives to promote access to basic banking services by different segments of the society to meet the basic daily needs of the public and the operational needs of legitimate businesses. In particular, the HKMA has been working closely with the banking industry on the following priority areas:

- ◆ Encouraging banks to launch more physical banking facilities and develop digital and innovative channels for delivering basic banking services to serve the public, particularly residents in remote areas and public housing estates, and the elderly;
- ◆ Facilitating and monitoring the accessibility of bank accounts to individuals and small and medium-sized enterprises (SMEs);
- ◆ Encouraging banks to launch the Simple Bank Account service that provides basic banking services with less extensive customer due diligence measures to eligible corporate customers;
- ◆ Enhancing the accessibility of banking services to specific customer groups, for example, people with physical, visual, hearing or intellectual impairment, and people of different races;
- ◆ Facilitating and monitoring the accessibility of bank credit to SMEs; and
- ◆ Introducing virtual banks, which play an active role in promoting financial inclusion through their banking services.

### Guideline on Banking Services for Persons with Intellectual Disabilities

To enhance accessibility to banking services by customers requiring special care, the HKMA worked closely with the banking industry to develop a Guideline on Banking Services for Persons with Intellectual Disabilities. The Guideline was published in December and endorsed by the HKMA. It sets out principles and good practices that the banking industry should follow in providing banking services to customers in need and establishing communication channels with them.

See the *Banking Stability* chapter for more details about the HKMA's work on promoting financial inclusion during the year.



#### Barrier-free banking services

- Wheelchair accessible bank branches: **over 95%**
- Branches with notices stating that guide dogs are welcomed: **99%**
- Voice navigation ATMs: **over 1,100**
- ATMs with suitable height for wheelchair users: **over 1,200**
- Branches with assistive listening system: **over 850**



#### Cash withdrawal service for the elderly

- Outlets of convenience store chain: **over 340**
- Hongkong Post Offices and Mobile Post offices: **over 160**



Locations served by mobile bank branches: **30**



Simple Bank Accounts opened: **over 6,000**



Virtual banks in operation: **8**

## Corporate Social Responsibility

### COMMUNITY

#### Relief Measures amid COVID-19

##### HKMA initiatives to support businesses and households affected by the pandemic

In response to the COVID-19 outbreak, the HKMA, together with the banking sector, rolled out a series of measures to support SMEs and personal customers. Details of the HKMA's multi-pronged support measures are available at the dedicated webpage on the HKMA website.



##### How did the HKMA help banks support their customers?



##### Corporate customers



##### Individual customers

Released **HK\$ 1 trillion** of lending capacity

Launched the Pre-approved Principal Payment Holiday Scheme in May and extended it to **end-October 2021**, with over 100 participating banks

Principal repayment holidays for residential mortgages

Increased banking system liquidity

Provided principal moratorium for the SME Financing Guarantee Scheme which is operated by HKMC Insurance Limited (HKMCI)

Relief loans offered to employees of hard-hit sectors

Set up the Banking Sector SME Lending Coordination Mechanism to facilitate banks' support of the economy

**> 58,000 applications** for payment holiday and other relief measures totalling **> HK\$ 740 billion** granted by banks up to end-2020

Extension of loan tenor for personal lending

Total loans of the banks increased by more than **HK\$ 120 billion** in 2020

**> 25,000 applications** for Special 100% Loan Guarantee approved up to end-2020, totalling **HK\$ 40 billion**

Reduction of charges for credit card lending

Overall credit line granted by banks to SMEs grew by **HK\$ 6 billion** in 2020

**> 28,000 applications** for relief measures granted up to end-2020, totalling **> HK\$ 44 billion**

## Corporate Social Responsibility

### SME Financing Guarantee Scheme (SFGS) by HKMCI

Among the support initiatives targeting SMEs, the SFGS operated by the HKMCI plays an indispensable role as it helps alleviate cash flow pressures on SMEs. The SFGS covers different products, such as the Special 100% Loan Guarantee, and the 80% and 90% Guarantee Products, which collectively approved around 30,000 applications in 2020. These initiatives have provided crucial support to SMEs, enabling them to carry on their business and maintain the jobs of their employees.



Take for example a wonton noodle shop which has been around for more than half a century. The outstanding traditional noodle-making skills of its experienced chefs are highly valued by patrons who have faithfully visited the shop over the years. Unfortunately, even the best caterers were not spared in the economic downturn caused by the pandemic. With the Special 100% Loan Guarantee, the noodle shop can continue to operate, preserving a unique craft and a much-loved neighbourhood eatery.



Another example was a start-up brewery developed by a young entrepreneur. He is passionate about producing high-quality craft beer in Hong Kong, but was stymied by the heavy blows dealt to his major business partners – such as restaurants and bars – during the pandemic. The special loan has improved the cash flow of the brewery so that the entrepreneur could keep running the business and pursuing his dream.

*Interview with a start-up brewery, which is a borrower of the Special 100% Loan Guarantee of the SFGS (in Chinese):*



### Launched a dedicated email account and an enquiry hotline on the Pre-approved Principal Payment Holiday Scheme for corporate customers

The Pre-approved Principal Payment Holiday Scheme was launched in May to defer all loan principal payments of eligible corporate customers by six months. The Scheme was extended to end-October 2021. The HKMA set up a dedicated email account and enquiry hotline to receive comments and answer queries regarding the Scheme. The dedicated team had since handled more than 410 cases of enquiries and feedback from the public related to the Scheme.

### Helped social security recipients residing on the Mainland to receive payments without returning to Hong Kong amid COVID-19

As the risk of COVID-19 remains, imposing restrictions or special arrangements on cross-boundary travel, recipients and appointees of the Portable Comprehensive Social Security Assistance Scheme, Guangdong Scheme and Fujian Scheme residing on the Mainland may not be able to return to Hong Kong to receive their payments. The HKMA worked with the Social Welfare Department (SWD) and HKAB during the year to facilitate their cash withdrawals in the Mainland. Retail banks in Hong Kong have arrangements in place to support the activation of the cash withdrawal function in the Mainland of ATM cards issued by banks in Hong Kong through different bank channels. The recipients and appointees may also set up standing instructions remotely via mail-in, internet banking and mobile banking channels to regularly remit social security payments from their bank accounts in Hong Kong to their designated bank accounts in the Mainland. These arrangements are publicised jointly by the HKMA, the SWD and HKAB.

*Interview with the Chinese Manufacturers' Association of Hong Kong (in Chinese):*



## Corporate Social Responsibility

### Promoting financial literacy

The HKMA promotes financial literacy through various channels. There are educational programmes to promote smart and responsible use of banking and financial services by the public. The “Smart Consumers” section on the HKMA website provides useful information and smart tips on a wide range of banking and related products and services. Social media platforms such as Facebook, LinkedIn, YouTube, Instagram and Twitter complement the HKMA website and publications to provide up-to-date information on banking and financial affairs.

The HKMA Information Centre, as the HKMA’s key public education and research resource, introduces the work of the HKMA to the community and promotes awareness of monetary and banking matters. Public education webinars and other activities are also organised for students to enhance their financial knowledge and literacy. In addition, the HKMA works closely with the Investor and Financial Education Council to promote financial literacy in Hong Kong via its financial education platform, The Chin Family.

See the *Corporate Functions* chapter for more details about the HKMA’s work on promoting financial literacy during the year.

### Addressing the needs of special groups

#### Accessibility of Hong Kong banknotes

The 2018 Series of Banknotes retains accessibility features used in the previous series of banknotes to help the visually impaired differentiate between the denominations. These features include Braille, tactile lines and high-tactility numerals. To further help the visually impaired, the HKMA sponsors a mobile app developed by the Hong Kong Society for the Blind, which uses the phone’s camera to scan banknote patterns for the denomination. The app is available for free downloading from the Apple App Store and Google Play Store. The HKMA also sponsors a note-measuring template together with the three note-issuing banks. It can measure the length of banknotes from the 2018 Series and also the other notes currently in circulation. The template is embossed with Braille on one side and symbols on the other. It is freely distributed at voluntary agencies serving the visually impaired community.

### Coin Collection Programme

Under the Coin Collection Programme, the HKMA collaborates with the Hong Kong Council of Social Service to deploy Coin Carts to collect coins on flag days for non-governmental organisations.

### Accessibility of public information

As part of the HKMA’s continuing effort in promoting equal opportunities, various measures are in place to ensure all members of the public have equal access to its services regardless of race. The HKMA website has a clear navigation structure to help users search for content easily. In particular, a dedicated webpage on “Information in Other Languages” under the “Smart Consumers” section provides useful information on banking services in seven languages commonly used by people of different races in Hong Kong, namely Bahasa Indonesia, Hindi, Nepali, Punjabi, Tagalog, Thai and Urdu. Translation work is under way to add Vietnamese to the existing seven languages on the webpage.

The HKMA is committed to ensuring that its website and online publications conform to the World Wide Web Consortium’s Web Content Accessibility Guidelines 2.0 Level AA standard to the maximum extent possible, in order to help people with special needs access its online information.

## Corporate Social Responsibility

The dedicated webpage on the HKMA's official website provides information in seven languages (i.e. Bahasa Indonesia, Hindi, Nepali, Punjabi, Tagalog, Thai, and Urdu) regarding the following topics:



Account opening



Treat Customers Fairly Charter



Security tips on using ATMs



General Principles of the Code of Banking Practice



Dormant accounts



Financial health



Deposit Protection Scheme

In 2020, the HKMA started implementing procedures to provide language assistance for members of the public who are not conversant in English or Chinese to make enquiries or complaints via HKMA hotlines, and for visitors of the HKMA Information Centre. The interpretation services will cover eight languages, namely Bahasa Indonesia, Hindi, Nepali, Punjabi, Tagalog, Thai, Urdu and Vietnamese.

## Corporate Social Responsibility

### Volunteer and charitable activities

The HKMA supports community services by taking part in volunteer and charitable activities.

Although many volunteer activities were suspended or cancelled due to the pandemic, HKMA staff members continued to contribute to the community by participating in activities like flag-selling, Green Low Carbon Day, Love Teeth Day, Skip Lunch Day, Dress Casual Day, Aniform Day, and regular campaigns that collected clothes, toys and other reusable items for donation to charities.



*HKMA staff and his family member join the "Free Meal Distribution" organised by the Banyan Services Association.*

### Charitable events participated in by the HKMA Volunteer Team in 2020



***"Free Meal Distribution"*** organised by the Banyan Services Association

***"Caring call service"*** organised by the Agency for Volunteer Service to express care and send warm greetings to the elderly over the phone

***"Fun Learning in Chinese – Tutor"*** organised by the Agency for Volunteer Service to provide Chinese homework tutorials to students of different races aged six to 12 through online video calls

## Corporate Social Responsibility

### Caring organisation

In recognition of its commitment to care for the community, the HKMA was accredited with the “10 Years Plus Caring Organisation Logo” by the Hong Kong Council of Social Service for the 14th consecutive year.



HKMA staff members made charitable donations to help the community fight against COVID-19. They donated a total of HK\$1.95 million to underprivileged children and families, residents of caged homes, the elderly, the physically impaired as well as other charitable causes.

The story of a staff member who participated in “*Fun Learning in Chinese – Tutor*” organised by the Agency for Volunteer Service

“Providing Chinese homework tutorials to students of different races during the COVID-19 pandemic via video conference was a unique and challenging experience, since it was not easy to ensure that the children could fully understand how to pronounce or write Chinese words in an online setting. By learning how to fully utilise different video conferencing functions such as the online whiteboard, and adapting some teaching methods, I am glad to be able to help the children with their Chinese schoolwork and, in particular, assist one of my tutees in achieving significant improvement in Chinese dictation. I am grateful for this opportunity to participate in such a meaningful volunteer work. The experience shows how technology can enable us to help those in need during the pandemic in innovative ways.”

The story of a staff member who participated in the “*Caring call service*” organised by the Agency for Volunteer Service

“This experience tells me that all of us would inevitably grow older and weaker. Luckily, many in the community are willing to help the elderly, for example, by delivering to them meals, sanitisers and masks, and to show love and care, especially to those who live alone. We can also be more attentive to the physical and mental needs of the elderly in our neighbourhoods and always stand ready to help. We can make a big difference to their lives by doing so!”



## Corporate Social Responsibility

### ENVIRONMENT

#### Green office measures

The HKMA has an environmental policy in place to promote green office practices and awareness of environmental issues. Green office measures implemented in 2020 included:



#### Paper/Photocopying/Printing

- ◆ Distributing electronic copies of documents and meeting materials, in particular, digitalised the meeting materials of EFAC and its Sub-Committees;
- ◆ Adopting automated means for internal processes, including e-remittance advice for staff;
- ◆ Using recycled paper and envelopes;
- ◆ Avoiding the use of paper cups; and
- ◆ Using environmentally friendly paper and ink for major HKMA publications.



#### Electricity

- ◆ Installed energy-saving devices, including LED lights and auto-timers in refurbished offices to control indoor lighting;
- ◆ Switching off computers, printers, lights, audio-visual systems and other electrical appliances when not in use; and
- ◆ Using the power-saving mode in water dispensers, electric punching machines and shredders.



#### Recycling

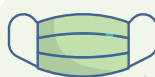
- ◆ Making good use of recycled bins to collect different types of waste, including paper, cans, bottles, batteries, CDs and ink cartridges;
- ◆ Placed more bins in pantries to recycle plastic lunch boxes; and
- ◆ Participating in green campaigns with building managers, such as recycling of red packets.

## Corporate Social Responsibility

### WORKPLACE

The COVID-19 pandemic has presented an unprecedented challenge to the workplace. Across the whole of the HKMA, concerted efforts were made to ensure the normal operation of essential functions while special work arrangements were deployed to safeguard the well-being of staff. Split-team operations, work-from-home arrangements, and staggered work and lunch hours were scheduled to reduce people flow in the office and bunching during peak hours. Social distancing was practised in the office and video conferences were held as far as possible. Office hygiene was constantly monitored and maintained at a high standard. Staff received regular updates on business contingency measures and could obtain prompt advice on a dedicated hotline. Depending on the latest developments of the pandemic, the HKMA will stay agile and adjust the special working arrangements as appropriate.

Providing face masks and alcohol wipes at office



Setting up COVID-19 hotline for staff



Upscaling IT devices and capacity to support remote working



Enhancing the cleaning of workspaces



## Corporate Social Responsibility

### Equal opportunities policy

The HKMA is an equal opportunities employer. We believe that everyone should be able to work in an environment free of discrimination, harassment, vilification and victimisation. The equal opportunities policy applies to job advertisements, recruitment, terms and conditions of employment, performance assessment, promotion, transfer, training, dismissal, grievance procedures and general conduct.

### Key statistics on diversity

People are central to the work of the HKMA. We value the diversity of our workforce, which has a balanced gender representation and a spectrum of different age groups.

Female representation in senior management, that is, Executive Director and above, was 37.5% as of January 2021.

### Human capital key statistics on 1 January 2021

Chart 1 Gender of staff

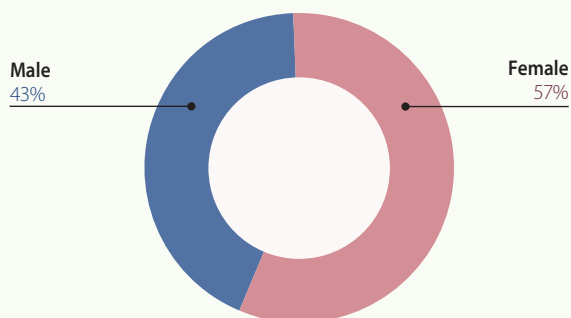
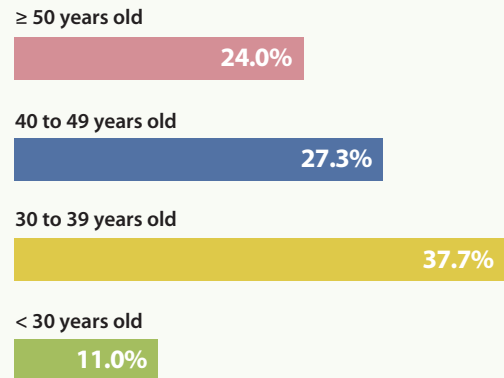


Chart 2 Age of staff



Average: **42** years old

### Staff well-being

The HKMA promotes work-life balance and cares about the health and work safety of its staff. Regular talks on healthy lifestyles, stress management and workplace safety are organised and indoor air quality is monitored. Annual medical check-ups and flu vaccinations are arranged. The HKMA also sponsors a professional counselling service provided by experienced psychologists and social workers. Prior to the pandemic, the HKMA also held activities every year to enhance the staff's physical wellness, promote their sense of belonging, and foster cooperation and team spirit. These staff activities included interest classes, and inter-organisational and cross-divisional activities such as basketball and football competitions. Because of the pandemic, the activities were suspended in 2020.

## Corporate Social Responsibility

### PLANS FOR 2021 AND BEYOND



The HKMA will continue to address climate change risks and promote green finance development in Hong Kong in different capacities. As a banking supervisor, the HKMA will

further promote green and sustainable banking by setting supervisory expectations and requirements for the banking industry. As the manager of the Exchange Fund, the HKMA will further develop and implement its RI policy by incorporating ESG factors into investment decisions and processes. As a market facilitator, the HKMA will assist the Government in issuing more green bonds, enhance the green finance capacity of market players, and position Hong Kong as a green finance hub globally.

The HKMA will also keep working with the banking industry to make banking services more accessible to different segments of the community, and promote financial literacy and inclusion via various channels.

Within the institution, the HKMA will step up green office measures, including installing motion sensors in common and other suitable areas to reduce electricity use, and working with the building managers to collect waste for recycling. It will also continue to support and participate in charitable activities and volunteer work, and foster a caring and healthy workplace for staff.

Amid fluctuations in the pandemic situation, the HKMA will review the effectiveness of existing support measures provided to banks, corporates, and individual customers, and refine and adjust them as appropriate. Regarding its public services, the HKMA will also keep monitoring the situation and make improvements where necessary, having regard to feedback and suggestions from its staff and members of the public.