

Sustainable HKMA

The HKMA aims to be a sustainable organisation through implementing multi-pronged strategies to reduce its environmental footprint, targeting to achieve net-zero emissions by 2050. Apart from environmental sustainability, the HKMA also advocates staff well-being, social responsibility, and financial inclusion and literacy.



Sustainable HKMA

The three pillars

As a responsible organisation, the HKMA has set sustainability goals across the three pillars of Environment, People and Social Responsibility.

Promoting sustainability across the three pillars



Sustainable HKMA

HKMA's approach to corporate sustainability

The Green and Sustainability Steering Committee (GSSC)¹, chaired by the Chief Executive of the HKMA, was established in October, to act as the key decision-making body for all corporate sustainability initiatives. It took over the Corporate Social Responsibility and Sustainability Committee to steer the development of vision, strategies and policies concerning corporate sustainability and social responsibility matters. At the departmental level, the Executive Director (Corporate Services) oversees execution of designated sustainability activities and reports to the GSSC.

In spearheading corporate sustainability efforts, two working groups are formed. They are the Focus Group on Green Office, a forum to brainstorm ideas to champion a green workplace, and the Committee on Volunteering Services, which aims to encourage a culture of volunteerism.

The HKMA has drawn up a roadmap to guide its transition pathways. The priority is to implement decarbonisation strategies within its own operations, including operating green buildings and data centres, achieving green mobility, adopting energy-efficiency measures, digital tools and eco-friendly business practices, reducing waste, in addition to building a culture of sustainability. The HKMA also plans to make use of carbon insetting tools to reduce emissions within its value chain and carbon offsetting initiatives for emissions that are difficult to abate.

Alongside these environmental commitments for its operations, the HKMA continues to introduce greener solutions for the community, ranging from electronic document submission and communication channels for banks, to electronic payments and coin collection for the general public.

To strengthen and sustain its operational capabilities, the HKMA maintains a professional workforce, develops a talent pipeline and promotes both physical and mental wellness for staff.

In the area of social responsibility, the HKMA encourages staff to take part in volunteering and charitable activities, engages social enterprises in its sourcing, promotes financial consumer education, and works with the banking industry to ensure fair access to basic banking services.

Details of these strategies are given in the rest of this chapter.

Governance

Strategy

¹ See *Sustainability Governance* chapter.



Risk management

Under the HKMA's organisational risk management framework, the high-level Risk Committee², chaired by the Chief Executive of the HKMA, considers potential risks and threats, including those arising from climate change, to the HKMA's operations.

Physical effects of climate change, such as increase in severe weather events resulting in floods or other damage, may affect the HKMA's office premises and disrupt official travel. To manage physical risks³, the HKMA regularly updates its business continuity plans to deal with extreme weather conditions. Drills on evacuation and activation of back-up facilities are conducted regularly to ensure that staff are ready and familiar with the business continuity measures. Various measures have also been integrated into the office design to mitigate potential risks.

Transition risks⁴ could impact the HKMA's energy usage and air travel and waste disposal management. The HKMA has been monitoring its exposure to transition risks by tracking its greenhouse gas (GHG) emissions, waste generation, energy and paper consumption.

Metrics and targets

The HKMA's climate targets are to achieve net zero in Scope 1, Scope 2, and Scope 3 (business air travel) GHG emissions⁵ across all areas of its corporate operations by 2050 or earlier.

As its interim emissions reduction targets, the HKMA plans to completely eliminate Scope 1 emissions through transitioning all existing HKMA-owned cars to electric vehicles, and reduce the intensity of Scope 2 emissions by 63% by 2030 through various decarbonisation and offsetting strategies, using 2015 as the base year.

Whilst there are challenges in determining Scope 3 emissions, the HKMA will endeavor to mitigate GHG emissions, as far as practicable, from various sources included within Scope 3 emissions, such as paper consumption, waste generation and business air travel.

The HKMA's long-term and interim emissions reduction targets are developed with reference to the Science Based Targets initiative methodology, and the approach has been verified by Hong Kong Quality Assurance Agency (HKQAA). The HKMA has appointed HKQAA to verify its emissions, energy and paper consumption, and waste data disclosed in this report⁶. The scope and basis of the verification are set out in the *Verification Statement* enclosed at the end of this report.

² Terms and references of the Risk Committee can be found in the *Corporate Functions* chapter of the *Annual Report 2023*.

³ Physical risk drivers include (a) acute risks arising from extreme weather events, such as cyclones, floods or wildfires; and (b) chronic risks arising from gradual changes in climate, such as changing precipitation patterns, sea-level rise, or longer-term drought.

⁴ Transition risk drivers are changes in government policy, technology and consumer preference in the adjustment to a net-zero economy.

⁵ Scope 1 emissions refer to direct emissions from sources owned or controlled by an organisation. Scope 2 emissions refer to indirect emissions generated from purchased electricity, steam, heating or cooling consumed by an organisation. Scope 3 emissions refer to all other indirect emissions that result from the activities of an organisation.

⁶ Unless otherwise specified, the environmental data disclosed for each calendar year in the period from 2015 to 2023 cover the HKMA's operations in Hong Kong only. The HKMA's operations at its New York office are excluded from this report due to its relatively small environmental footprint.

Sustainable HKMA

Dual awards for HKMA's reports

In 2023, the HKMA published its first standalone Sustainability Report 2022 alongside the Annual Report 2022. Its enhanced ESG reporting efforts were recognised with an ESG Award, public sector category, in the Hong Kong Institute of Certified Public Accountants (HKICPA)'s Best Corporate Governance and ESG Awards 2023. The HKMA is the first financial regulator which has won an HKICPA award in this category. Judges commended the HKMA for achieving a good ESG standard with a clear and reader-friendly Sustainability Report, and for its commitment to transparent and accountable reporting by appointing an independent agency to verify its target setting approach and the environmental data disclosed in the report.

In addition, the HKMA received the highest rating of a Gold Award in the "Non-profit Making and Charitable Organisations" Category of the Hong Kong Management Association's Best Annual Reports Awards 2023. Judges complimented the HKMA's report on its clear presentation of comprehensive financial information and effective use of infographics, demonstrating the HKMA's commitment in advocating financial literacy and inclusion.



HKMA as a Caring Organisation (2006 – 2023)

The HKMA's efforts in caring for the environment, employees and community have been recognised by the Hong Kong Council of Social Service, which has awarded the "15 Years Plus Caring Organisation Logo" to the HKMA for 17 consecutive years since 2006.



Sustainable HKMA

Environment

Going green at the workplace

The HKMA strives to effectively manage the environmental impact of its operations. An internal protocol, *A Guide to Green Office*, sets out guidance for staff on resource usage and waste generation in the office.

Green buildings

The HKMA has embedded environmental considerations in designing, operating and maintaining its owned and leased office premises. In renovating offices, existing furniture and fit-out elements are reused where possible to reduce waste. Additionally, eco-friendly building and upholstery materials are always preferred. In keeping with this approach, the HKMA has received gold accreditations for part of its renovated premises at the International Finance Centre Office (IFCO) from LEED⁷ and under BEAM Plus Interiors⁸ in 2021 and 2022, respectively.

Energy efficiency

Increasing energy efficiency via technology adoption and optimisation remains the HKMA's priority. In addition to promoting good habits such as switching off unnecessary lights in working areas after office hours to conserve energy, other implemented measures include use of LED lighting, motion sensors, appropriate air-conditioning temperature settings and efficient energy usage in the information technology network infrastructure. The HKMA's energy usage continued to fall, amounting to 2.59 megawatt hours on a per head basis⁹ in 2023, down by 29.7% against a 2015 baseline (Chart 1).

Given the nature of its operations, the HKMA's GHG emissions are primarily indirect GHG emissions arising from electricity consumption derived from fossil fuels. In 2023, the combined intensity of Scope 1 and 2 emissions from fuel and electricity purchased was 1.48 tCO₂e¹⁰ per head, down by 45.2% from 2015 (Chart 2).

Chart 1

Energy intensity

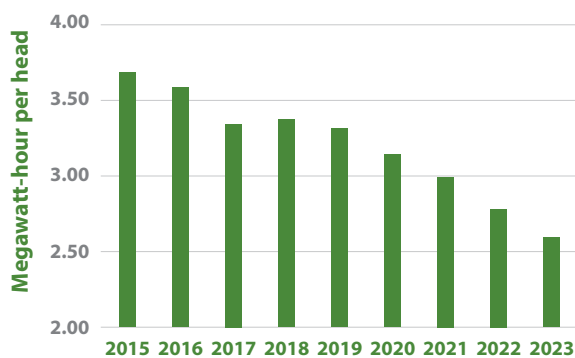
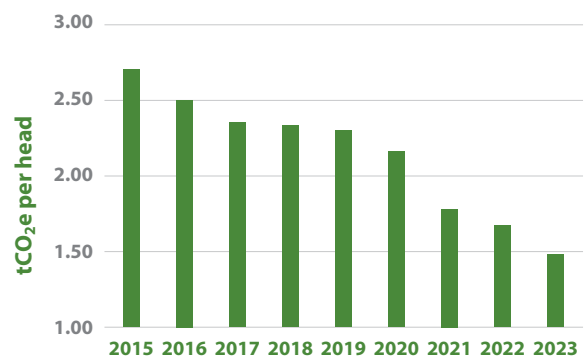


Chart 2

GHG intensity (Scope 1 and 2)



⁷ LEED (Leadership in Energy and Environmental Design) is a widely used green building certification system developed by the United States Green Building Council.

⁸ BEAM Plus is the Hong Kong Green Building Council's initiative to independently assess a building's sustainability performance. BEAM Plus Interiors' assessment covers the design and construction of fit-out, renovation and refurbishment works in non-domestic, occupied spaces.

⁹ See details of the calculation basis in the *Performance summary* section on page 56.

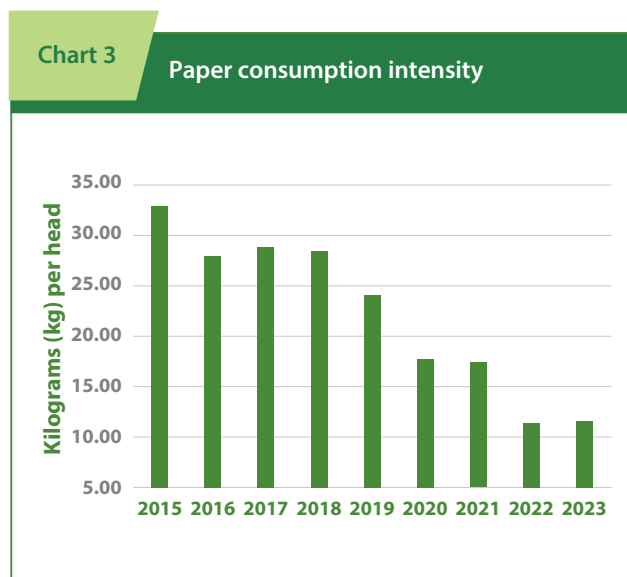
¹⁰ tonnes of carbon dioxide equivalent

Sustainable HKMA

Digital and eco-friendly operations

By introducing digital tools and technologies, automating and streamlining workflows, in addition to standardising equipment, office software and conferencing facilities, the HKMA's digital workplace initiative has enhanced virtual collaboration within the organisation¹¹. Paperless meetings are becoming mainstream. To further reduce paper consumption and enhance efficiency, electronic processes are increasingly used for internal administrative matters. Moreover, staff are encouraged to embrace green and digital ways of working, replacing paper-based documents and communications with digital ones. Implementation of an electronic record-keeping system continues to progress.

The adoption of such green and digital measures are bringing positive results. In 2023, the HKMA's paper consumption intensity was 11.55 kilograms (kg) per head, a significant reduction of 64.8% from the 2015 level (Chart 3).



Flying greener

As many in-person international engagements resumed after the COVID-19 pandemic, and given the need to promote Hong Kong's international financial centre development, it is inevitable for relevant HKMA staff to travel overseas. To mitigate air travel emissions, staff are encouraged to fly direct when attending overseas events, or bundle business trips together, where possible. At the corporate level, in 2023, the HKMA reduced 126 tCO₂e of its Scope 3 emissions in business air travel by purchasing sustainable aviation fuels. Furthermore, by joining a Gold Standard-certified carbon offsetting programme¹² involved in converting waste to energy, generating solar power and providing efficient and cleaner cooking facilities in developing countries, the HKMA offset the rest of its air travel emissions. Similar arrangements will continue in 2024.

Sustainable procurement

The HKMA's procurement practices take into account the factors of sustainability and environmental friendliness. As part of a holistic review of the organisational procurement policy and procedures, existing sourcing practices for green products have been institutionalised and aligned with the green specifications on the Government's Green Procurement List, particularly in relation to procurement of electrical appliances and office consumables. In addition, ESG factors and innovative suggestions to improve productivity and efficiency, are incorporated into the criteria in evaluation of tenders. In all cases, suppliers must undertake to comply with environmental protection regulations.

¹¹ See also *Information technology* and *Digitalisation* sections in the *Corporate Functions* chapter of the *Annual Report 2023*.

¹² Gold Standard for the Global Goals is a comprehensive standard to accelerate global progress toward climate security and sustainable development.

Sustainable HKMA

Waste management

Guided by the four 'R' principles of refuse, reduce, reuse and recycle, the HKMA has adopted a three-pronged approach to minimise waste generation and manage waste disposal. Additionally, two waste audits were conducted in 2022 and 2023 to help formulate targeted waste management strategies.

Three-pronged approach

 <p>Recycling and reducing general waste disposed to landfills</p>	<ul style="list-style-type: none"> ▶ Separating recyclables at source by providing multiple recycling collection points for a range of materials at convenient locations across HKMA's office premises; ▶ Reducing electronic waste through adoption of technology solutions (e.g. private cloud infrastructure, software-defined networking architecture); ▶ Reusing festive decorations; ▶ Donating phased-out computers and LCD^a monitors to charities, where disposal and destruction of hardware are necessary, following the relevant guidelines to ensure human and environmental safety; ▶ Collecting staff donations of pre-owned books, clothes and surplus food for disadvantaged groups; and ▶ Encouraging staff to participate in property management firms' sustainable development programmes for buildings where the HKMA offices are located. <p><small>Note a: LCD – Liquid Crystal Display</small></p>
 <p>Say 'no' to single-use items</p>	<ul style="list-style-type: none"> ▶ Eliminating bottled drinks, paper cups, plastic cutlery and plates at pantries, meetings and official events; ▶ Advocating a BYO (Bring-Your-Own) culture where everyone always brings their own cup, bottle and shopping bag; ▶ Asking staff to bring along their own tableware to festive parties for enjoying food, otherwise, renting reusable or eco-friendly ones on-site; and ▶ Installing water dispensers and drinking taps throughout HKMA's office premises.
 <p>Re-processing waste into productive resources</p>	<ul style="list-style-type: none"> ▶ Delivering daily food waste collected to a waste-to-energy centre in Hong Kong; and ▶ Educating HKMA staff on the concept of upcycling. <div data-bbox="981 1760 1461 1966"> <p>Average daily food waste collected</p> <p>↑ 191 %</p> <p>from inception to end-2023</p> </div>

A breakdown of the non-hazardous waste generated, including general waste disposed to landfills and different categories of recyclable waste, is given in the *Performance summary* section on page 56.

Sustainable HKMA

Give them a second chance!

For the first time in 2023, the HKMA has participated directly in the IFCO building manager's lai see recycling campaign. Staff turned in around 3,000 used but good-as-new lai see packets. A green group then distributed these lai see packets to the general public for reuse in the next Chinese New Year.



Green data centres

As the major sources of the organisation's energy consumption, the HKMA's production and backup data centres have been upgraded to meet the BEAM Plus' highest standard for existing data centres with optimal power usage effectiveness (PUE)¹³. In 2023, the HKMA was the first, and only, organisation in Hong Kong whose data centres were awarded a Gold and a Platinum rating, respectively under the BEAM Plus Existing Data Centres, an assessment guideline issued in 2021.



The production data centre receives a gold rating



The backup data centre obtains the highest rating of Platinum

¹³ PUE is a metric used to determine the energy efficiency of a data centre; generally a lower PUE signifies less energy wastage and lower operating costs.

Sustainable HKMA

The green journey

Boosting energy efficiency of the two data centres has been an ongoing focus of the technology team. To this end, the team has adopted green designs in the fitting-out works and applied energy efficiency best practices to lower and achieve PUE targets, including round-the-clock monitoring of the data centres' environmental facilities and continuous enhancements of environmental factors, such as airflow and temperature settings.



Using in-row air-conditioning system for energy saving and better cooling performance

As the technology team was progressively optimising energy use at the data centres, the HKMA commissioned an external consultancy review in December 2021 to thoroughly assess their green performance and to formulate recommendations for further improving performance in all aspects. The study was completed in mid-2022.

Preparation work for obtaining accreditation as green data centres under the BEAM Plus certification commenced soon afterwards. The process was comprehensive and rigorous. Throughout 2023, the technology team introduced enhancements based on the recommendations in the consultant's report, ranging from energy performance to health and well-being elements of the working environment inside the data centres.

Sustainable HKMA

Culture of sustainability

To build a culture of sustainability, the HKMA circulates a bi-annual newsletter, *S-Connect*, to raise staff awareness of HKMA's continuing sustainability efforts, and embraces green and philanthropy elements in its staff engagement activities (see *A sustainability-themed Family Fun Day* on page 65). Separately, over 1,000 staff members have signed up to the pledge to support the four 'R' waste management principles and avoid single-use items, as far as practicable. Additionally, a variety of green-charity crossover activities are organised for staff to donate their pre-owned clothes and books, and surplus quality food items. In another move, close to 140 HKMA staff have joined a programme to become tree-adopters, planting over 400 trees in another part of the world to help contribute to global decarbonisation.

Empowering staff to become climate literate is crucial to HKMA. On the one hand, staff are encouraged to join external sustainability-related programmes, and on the other hand, in-house training sessions, waste-to-energy facility walking tours and beach clean-ups are arranged to educate staff on sustainability challenges and catalyse their adoption of environmentally friendly habits. Specifically, two climate-related talks in 2023, featuring Professor Leung Wing Mo, a renowned meteorologist, and Professor Elvis Au, former Deputy Director at the Environmental Protection Department, deepened staff understanding of the impacts of global warming and evolving green policies, respectively.



Professor Leung Wing Mo elaborates on the devastating impacts of global warming



Professor Elvis Au advocates a totality approach in assessing the effectiveness of green projects

Green-charity crossover



Book donation



Donation of pre-owned clothes



Festival food collection

Sustainable HKMA

S-Connect

Launched in March, the HKMA's in-house sustainability newsletter, *S-Connect*, aims to connect and educate staff on the HKMA's evolving initiatives. *S-Connect* is published bi-annually, in both English and Chinese, featuring personal experience sharing of sustainability champions, and games to enhance staff interactivity.



From trash to treasure

Two workshops were run in 2023 to educate staff on the concept of upcycling, for example by making dried flower decorations from fresh flowers previously displayed at events. The two workshops were hosted by an environmentally-focused social enterprise, which also re-trains grassroots mothers for re-employment, making the activities even more meaningful.



Sustainable HKMA

Performance summary

Indicators	Unit	2023	2022	2021
Energy management				
Total energy consumption ¹⁴	MWh	5,215.27	4,996.43	4,952.30
Energy intensity ¹⁵	MWh/head	2.59	2.78	2.99
Emissions¹⁶				
Direct GHG emissions (Scope 1) ¹⁷	tCO ₂ e	23.61	24.93	30.90
Indirect GHG emissions (Scope 2 – market based) ¹⁸	tCO ₂ e	2,964.34	2,971.52	2,912.57
GHG (Scope 1 and 2) intensity	tCO ₂ e/head	1.48	1.67	1.78
Paper consumption				
Total office paper consumption	tonnes	23.31	20.49	28.72
Office paper consumption intensity	kg/head	11.55	11.41	17.36
Waste management				
Non-hazardous waste disposed to landfills ¹⁹	tonnes	86.92	196.67	132.18
Waste collected for recycling				
– Paper	tonnes	32.41	44.32	43.66
– Food waste ²⁰	tonnes	7.79	0.52	N/A
– Plastics	kg	550.29	361.00	321.28
– Metals	kg	114.63	128.03	189.04
Total general waste and recyclable waste intensity	kg/head	63.35	134.74	106.55

¹⁴ From 2022 onwards, to better reflect the HKMA's energy usage, calculation is now based on the amount of purchased electricity and fuels used, excluding any back-up electricity generation facility owned by the building management for contingency purpose. Figures in the previous years have been re-stated for comparison purposes.

¹⁵ Beginning with 2022, the intensity calculations for all performance indicators are based on the numbers of employees and contractors on site. For comparison purposes, similar adjustments have been made to the figures in previous years.

¹⁶ The emissions figures were calculated based on the reporting requirements of the *GHG Protocol Corporate Accounting and Reporting Standard (GHG Protocol)* issued by the World Resources Institute and the World Business Council for Sustainable Development, and the *Practical Guide on Carbon Audit and Management – Guide to Low Carbon Offices* issued by the Environmental Protection Department in Hong Kong.

¹⁷ Scope 1 direct emissions cover carbon dioxide, methane, and nitrous oxide. Hydrofluorocarbons are insignificant in the HKMA's operations while perfluorocarbons, sulphur hexafluoride and nitrogen trifluoride are not applicable.

¹⁸ Scope 2 indirect emissions were calculated by the market-based method as defined by the *GHG Protocol*. The emission factor applied is for each respective year, with reference to information published by the energy companies in Hong Kong.

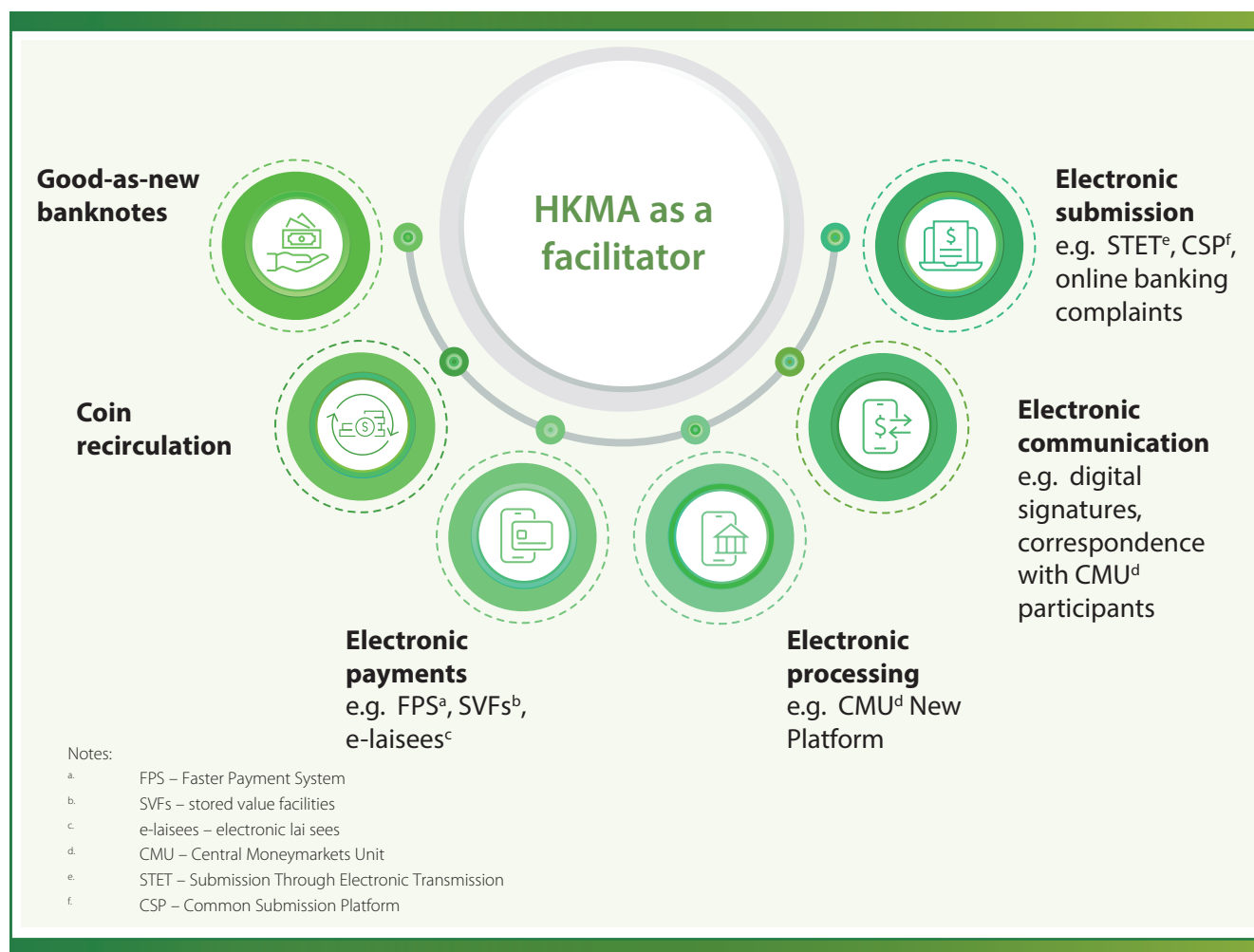
¹⁹ Starting from July 2022, the IFCO building manager has adopted a different weighing methodology to more accurately reflect each building occupant's amount of general waste generated.

²⁰ The food waste recycling programme was launched in mid-November 2022.

Sustainable HKMA

Facilitating the market place to go green

The HKMA adopts measures to enhance industry-wide operational efficiency, reduce paperwork and minimise resource consumption for both the HKMA and the financial industry. The HKMA also encourages the public to adopt environmentally responsible behaviour.



Electronic submission and communication channels with banks

The HKMA's online system, Submission Through Electronic Transmission (STET) is a one-stop platform for banks to make electronic submissions to the HKMA, encompassing various types of regular reports that are required on a weekly, monthly, quarterly or yearly basis. In 2023, the HKMA launched the next generation electronic submission platform – Common Submission Platform (CSP) for certain regulatory data submissions to help further streamline banks' submission process and facilitate back-end processing and analysis using advanced technologies. Another system, e-Delivery, enables the HKMA to disseminate information such as circulars and guidelines to the banks through a secure electronic communication channel. All these systems help to save hundreds of thousands of sheets of paper annually.

In respect of the HKMA's handling of banking complaints and enforcement work, the HKMA has taken steps to support paperless document submission via electronic channels and online forms for banking customer complaints, in addition to developing a new complaint handling and enforcement management system, slated for implementation in 2025. This new system marks a significant shift to a fully digitalised approach, with enhanced data management and analysis capabilities. The transition to a secured digital platform not only ensures the security and integrity of complaint data but also enables efficient access and retrieval of information, leading to better public service by the HKMA.

Sustainable HKMA

Green initiatives of the Central Moneymarkets Unit

As part of its operational process enhancement, the Central Moneymarkets Unit (CMU)²¹ has, since 2022, applied digital signatures in all its outbound communications and correspondences with CMU participants (primarily financial institutions). In 2023, there was a 50% increase in the number of CMU participants registered for using digital signatures in inbound communications, further reducing paper printing and the need for delivering documents physically. In addition, the launch of Phase 1 of the CMU New Platform in July has enabled the electronic processing of some major CMU services, including primary issuance of debt securities and account management. The CMU will, through more education, encourage its participants to use digital tools and electronic services.

Electronic payments and lai sees

The HKMA supports increased adoption of electronic payments as an alternative to cash and paper cheques by promoting the use of the Faster Payment System (FPS) and stored value facilities (SVFs). More information on FPS and SVFs can be found in the *International Financial Centre* chapter of the *Annual Report 2023*.

Giving electronic lai sees (e-lai sees) is simple and convenient, and contributes to sustainable development by reducing the usage of physical red packets and banknotes. The HKMA continued to encourage the use of e-lai sees via a publicity campaign in the run-up to the Chinese New Year, while major banks and electronic payment operators also made their own efforts to promote e-lai sees.



The HKMA promotes e-lai sees on social media

Good-as-new banknotes

Using good-as-new banknotes, which are used banknotes in good condition, rather than new banknotes for lai see giving also helps promote sustainable development. Good-as-new banknotes can reduce the need for printing new banknotes, in turn reducing the environmental footprint. Feedback from the note-issuing banks showed increasing popularity over the years.

²¹ The CMU, operated by the HKMA, is a central securities depository providing clearing, settlement and custodian services for debt securities.

Sustainable HKMA

Coin Collection Programme

The Coin Collection Programme is a key plank in the HKMA's efforts in the recirculation of coins. Two Coin Carts visit all 18 districts of Hong Kong on a rotational basis. The free coin collection service gives the public the choice of exchanging their coins for banknotes, topping up their SVF accounts, such as Octopus cards or e-wallets, or donating to the Community Chest charity. The coins collected are recirculated to meet public demand, making circulation more efficient, and at the same time reducing the need for minting new coins.



A Coin Cart is serving a public housing estate



Each Coin Cart is equipped with two high-speed coin counting machines



Taking coins out of a piggy bank for processing by Coin Cart staff



- Served > **1.1 million** people
- Collected > **910 million** coins with a total face value of over **HK\$ 1.4 billion**
- **79%** of users in 2023 digitalised some or all of their coin values by topping up their SVF accounts

Sustainable HKMA

Coin Carts at a glance

Introduced in 2014, the Coin Collection Programme is the world's first structured coin collection scheme based on the concept of a mobile truck and has, over the years, won local and international awards in recognition of its innovative and green approach.

Apart from coin recirculation, the programme also supports charitable donations and educational activities. On an ongoing basis, the HKMA collaborates with the Hong Kong Council of Social Service to deploy the Coin Carts to collect coins on flag days for non-governmental organisations. Coin Carts are also periodically assigned to support various educational events (e.g. visits by school children).



School children visit the Coin Cart to learn about coin recirculation



All proceeds from sale of the limited edition Coin Cart miniature models are used to sponsor charitable events

In addition, spatial data of the two Coin Carts have been uploaded to the Government's Common Spatial Data Infrastructure portal, from which the public may download the spatial service schedule and parking location data of the two Coin Carts. This measure supports both the community's access to Coin Carts, and the Government's smart city development of Hong Kong.



Information about the Coin Collection Programme, including the service schedule, is available on the HKMA website (coincollection.hkma.gov.hk)

Sustainable HKMA

People

A motivated, engaged and healthy workforce is essential to attain the HKMA's strategic goals.

Wellness office

The HKMA provides a safe and modern work environment for its staff. All offices adopt an open layout, where workstations are equipped with height-adjustable desks, ergonomic chairs that comply with occupational safety and health regulations, and eye-protection screens on LCD monitors to enhance productivity.

In another enhancement, the HKMA has embraced the agile office concept to foster a positive work environment and economise the use of office space. The first agile office, completed in August, has incorporated flexible seating and facility arrangements, and provided plenty of collaboration areas, focus zones and noise-cancelling booths for virtual meetings. Furthermore, in support of the breastfeeding-friendly workplace initiative, a mother's care room has been set up for post-natal female staff.

Office hygiene is paramount, and is always maintained at the highest standards, with office sanitisation being carried out regularly. At the IFCO, there are sensors to monitor indoor air quality and touchless lift buttons to reduce accidental virus transmission from lifts. Similarly, door sensors are installed to enable contactless access to toilet facilities.

Staff well-being

At the HKMA, occupational health, safety and well-being of its staff are crucial. As part of the competitive remuneration package, there are fringe benefits comprising medical, dental and well-being benefits offered to staff and eligible family members. To provide a work environment that is conducive to staff well-being, there is a broad range of measures including regular medical check-ups, flu vaccinations, health talks, counselling services, stress management workshops and sports practices. Popular initiatives, such as Fruit Mondays, also aim to help develop a healthier lifestyle.

To promote mental wellness, staff and their immediate family members have access to external counselling services sponsored by the HKMA. These services offer professional and confidential counselling support via a consultation hotline, a face-to-face interview or a clinical psychology service.

Separately, considering flexible and remote working is becoming more common, the HKMA introduced a flexible work arrangement in 2023 following a pilot programme, providing staff with the flexibility to work-from-home up to one day per week, subject to approval and operational needs.

Staff connectivity

The HKMA strives to cultivate a sustainable, collaborative and inclusive work environment. In March, the HKMA launched its Corporate Portal, an e-hub designed to promote information sharing internally across the organisation and encourage interactive communication. Staff can stay connected by receiving regular updates on divisional news and sharing. This self-service platform also supports more efficient information retrieval, such as internal policies and guidelines, workflows, and details of in-house events.

Sustainable HKMA

Similarly, since mid-2022, a collaborative area, Hub 55, has been made available on the 55th floor of the IFCO, where staff can collaborate, chat and connect. To foster a sense of belonging among colleagues across the organisation, various engagement activities are run at Hub 55. Initiated in late 2022, the Sharing Circles on Fridays have been popular amongst staff, with new activities such as tea appreciation, impromptu speaking, singing bowl meditation and a book club added in 2023. The Friday Recreation Room has also resumed since September 2022, where there are table tennis and snooker tables, darts, and board and video games for staff to play and enjoy on the third Friday of each month.

In addition, staff have many opportunities to mingle and network by participating in inter-organisational activities, such as basketball tournaments and dragon boat races with fellow regulators, which also help to foster and nurture the HKMA's team spirit.



The HKMA's basketball teams playing at the Supervisory Cup matches

30 years of commitment



Mr Eddie Yue (centre), Chief Executive, and some of the long service awardees holding their souvenirs on stage with Mr Arthur Yuen (far right) and Mr Darryl Chan (far left), both Deputy Chief Executives

Of the staff who joined the HKMA at its establishment on 1 April 1993, 19 are still with the organisation three decades on. Among them is Mr Eddie Yue, Chief Executive of the HKMA. These colleagues are passionate about serving the public and find their jobs both challenging yet rewarding.

Sustainable HKMA

Equal opportunities policy

The HKMA strongly believes that everyone should be able to work in an environment free of discrimination, harassment, vilification or victimisation. The HKMA's equal opportunities policy applies to job advertisements, recruitment, terms and conditions of employment, performance assessments, promotions, transfers, training opportunities, dismissals, grievance procedures and general conduct.

Diversity

The HKMA values diversity in its workforce, which has a balanced gender representation and covers a spectrum of different age groups. Female representation at the rank of Executive Director or above was 28.6% as of January 2024.

Human capital key statistics as of 1 January 2024

Chart 4

Gender of staff

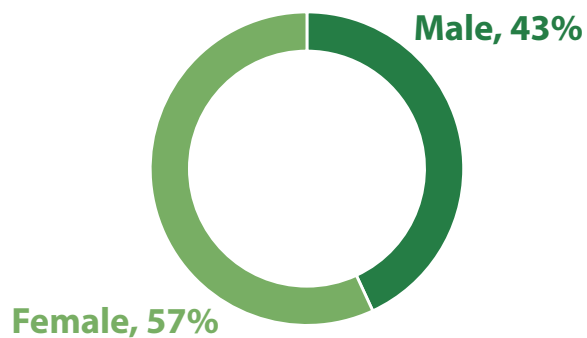
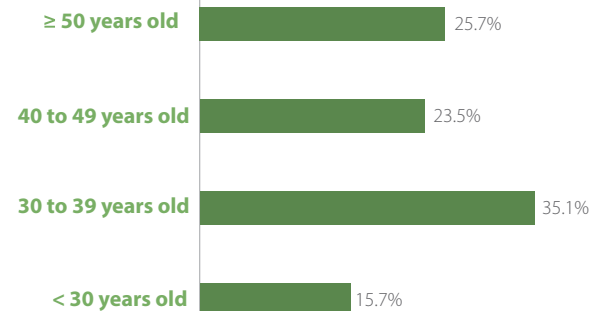


Chart 5

Age of staff



Average: **41** years old

More details about the HKMA's staff remuneration and development initiatives are given in the *Corporate Functions* chapter of the *Annual Report 2023*.

Sustainable HKMA

Communications with staff

The HKMA emphasises effective communication within the organisation. Two staff consultative committees have been formed to facilitate regular, open and productive dialogue between the staff and the management. While the HKMA Staff Consultative Committee consults staff on policy matters and subjects of common interest, the Consultative Committee on Provident Fund Schemes for Staff of the HKMA, as its name implies, focuses on retirement fund issues, including the performance of the fund managers. Both committees comprise representatives from different departments and ranks.

In addition to updates about organisational matters on the Corporate Portal, there are regular all-staff communications at town hall meetings, where the Chief Executive and the three Deputy Chief Executives keep staff apprised of important organisational matters and the HKMA's strategic priorities for keeping pace with the changing macro environment and market developments.

The HKMA greatly values employees' opinions and feedback. Staff can share their views and ideas through the staff suggestion box. In addition, surveys are conducted periodically to collect staff views on topics ranging from bonding activities to expectations on sustainability matters.

Staff communication channels

- ▶ Consultative committees
- ▶ Town hall meetings
- ▶ Corporate Portal
- ▶ In-house newsletters
- ▶ Suggestion box
- ▶ Surveys
- ▶ Social activities



Town hall meeting in February

Sustainable HKMA

A sustainability-themed Family Fun Day

The Family Fun Day, which spanned three afternoons in August, was organised at the IFCO as part of the in-house celebration of the HKMA's 30th anniversary. Key sustainability elements – green, well-being and philanthropy, were embedded into the activities.

Over 1,000 staff, alumni and their family members participated and spent quality time together. The event began with close-up magic and included a variety of family-friendly games and face painting. The excitement continued as participants learned about upcycling and ecology, such as making mosquito repellent from coffee grounds, growing Spanish moss in glass pots, and decorating lamp shades with pressed flowers. These upcycling workshops were hosted by social enterprises. In addition, an ethnic minority group was invited to the event, sharing and teaching participants how to draw dot mandala patterns on wood coasters as a way to foster appreciation of different cultures and promote inclusivity.

Furthermore, in line with the HKMA's green principles, participants were asked to bring along their own tableware or rent reusable ones on-site to enjoy the food choices.

In addition, through charity sales of tea leaves and coffee, and donations for joining workshops and fun activities, around HK\$80,000 were collected to support three charity organisations, enabling participants to support the community while having fun.



Social responsibility

The HKMA is committed to fulfilling its corporate social responsibility. On an ongoing basis, it supports the local community through employee volunteering and partnership with social enterprises, and works with the financial industry to raise financial literacy and promote financial inclusion.

Volunteering and charitable activities

The HKMA encourages its staff and family members to take part in community service and support fundraising events. The Committee on Volunteering Services, established in 2021, organises wide-ranging volunteering activities, with the elderly as the preferred priority for 2023. The HKMA

staff spent a total of 443 hours volunteering at 54 activities in 2023, and 10 staff members with the highest annual volunteering hours received the Volunteer Recognition Awards in appreciation of their dedication.

Upskilling staff volunteers

For the first time, a professional trainer from the Agency for Volunteer Service's Hong Kong Institute of Volunteers conducted a workshop for over 20 HKMA staff volunteers in July, covering volunteer service skills and tips on caring for the elderly. It was a meaningful and interactive session where participants shared candidly their stories on community services, and through role-playing exercises, sharpened their communication skills to better connect with others.

Sustainable HKMA

Star volunteers

Despite the demanding office work, 10 staff members were very motivated and contributed up to 138 hours to volunteering activities in 2023. At the end of the year, they were granted the Volunteer Recognition Awards for their efforts in making a tangible impact and forging meaningful connections with the individuals and organisations that the HKMA supports. Seven of them talked about their passion for community services.

The veteran volunteers have been serving the community for many years, some as early as in secondary school. Most importantly, they share a strong sense of purpose and find the experience rewarding. As Shirley Wong, chairlady of the Committee on Volunteering Services, reflected, "I feel great satisfaction from seeing the smiling faces of the seniors whom I have served". This was echoed by Yolly Lee, who added: "It is more blessed to give than to receive".

While they work in different departments, they often find the opportunity to mingle with one another at the monthly meal distribution activity. "I can serve the elderly in need. I think the activity is very meaningful," shared Vicki Ng. For Edna Cheng, she also values the opportunity to communicate with the elderly. "I like visiting old people at their homes. One of my most memorable volunteering experiences was in bringing homemade food to an old man living in a remote village."

Frances Lee concurred. "Social distancing measures during COVID-19 caused considerable stress to elderly living alone. When I visited them and offered a sympathetic ear, they could talk about their stories for hours." Indeed, the volunteers find that disadvantaged groups, be they old or young, appreciate volunteers' visits, because they feel that in the world there are still people who are concerned and care about them.

At the HKMA, organising volunteer activities is part of its corporate social responsibility. "These volunteer opportunities link us to those who are most in need of our support," said Shirley Ho.



*Yolly Lee, Manager, Enforcement (left)
Shirley Wong, Secretary, Banking Policy (centre)
Edna Cheng, Secretary, Banking Conduct (right)*



*Vicki Ng, Assistant Manager, Banking Supervision (far left)
Frances Lee, Head, Rates and Credit (left)
Shirley Ho, Senior Manager, Banking Conduct (right)
Samuel Ng, Manager, Administration (far right)*

In 2023, Samuel Ng contributed the highest number of volunteering hours. "It is worthwhile to sacrifice some personal time to join volunteering activities after work or on the weekends." Samuel has set a goal for himself to be volunteering at least once a month. "Just having a conversation with a needy person can make a greater difference than providing material things," he concluded.

Looking ahead, all the seven volunteers are keen to expand the HKMA's volunteer team and their scope of services, covering people from different walks of life, and in some cases, also protecting the environment and advancing sustainable development.

Sustainable HKMA

Passing on the spirit of volunteering

Jocelyn, aged 13, has been joining volunteering activities, including those organised by the HKMA, along with her father, Stephen Pang, Senior Manager, Financial Infrastructure Development, for many years. She figured that she had so far participated in some 60 events.

"I hope my daughter would be thankful and know that giving back to society is important," Stephen said. "Also, volunteering activities are great opportunities for the family to spend quality time together while working jointly for a meaningful cause."

"Volunteering helps kids cultivate compassion, which is a great virtue," noted Shirley Ho, Senior Manager, Banking Conduct. As a young parent, Shirley is another staunch supporter of family volunteering. Her two daughters, Valerie and Hillary, aged 10 and seven respectively, came along to several of the HKMA's volunteering activities during 2023.

All three children enjoyed reaching out to the elderly via home visits. Interacting with people of different backgrounds let them see a world other than their own and become aware of what life is like for the less privileged. All were again present at the Feeding Hong Kong's food sorting activity arranged by the HKMA's volunteer team. Jocelyn is more experienced in dealing with surplus food as she previously helped in picking up leftovers from wet markets for people in need. For Valerie and Hillary, the experience, not only brought excitement, but also brought home to them the importance of sharing.

Through volunteering with the HKMA, these children have learned leadership, collaboration and communication skills. Jocelyn has recently initiated a society service group in her school, rolling up her sleeves to run a charity sale for a food bank. Stephen and Shirley both agreed that volunteering can help their children as much as it helps others.



Jocelyn surveying an old couple on their necessity needs



Valerie and Hillary checking expiry dates of each pack of peanuts at the food bank

Sustainable HKMA

Activity highlights

Love to paint, paint to love

Around 70 staff volunteers and their family members joined the event, co-organised with Banyan Services Association in April to paint and distribute almost 200 goody bags to the elderly.



Meals for seniors

During 2023, HKMA staff volunteers participated in 33 free meal distribution activities sponsored by either Banyan Services Association or Gingko House. The recipients were mostly single elderly people. On each occasion, HKMA volunteers worked as a tight-knit team packing food boxes and handing out the hot meals.



Rescuing food

HKMA volunteers, along with their family members and friends, had a hands-on experience at the Feeding Hong Kong's food bank, packing donated quality surplus food for delivery to different charities. Volunteers also had the opportunity to look at the food bank's logistics management and were heartened by its huge quantity of donated food.



Sustainable HKMA

Engaging social enterprises

The HKMA supports social inclusion and ethnic diversity, and includes social enterprises on its list of local vendors with an aim to empowering people with different abilities. During 2023, the HKMA engaged social enterprises which are dedicated to assist women, ethnic minorities or disadvantaged groups, for hosting craft workshops, making chocolate and cookies gift packs, as well as running pop-up refreshment kiosks and lunch delivery services.



A lady instructor demonstrating dot mandala design



Hong Chi Association's students run a pop-up kiosk inside Hub 55



The Nesbitt Centre delivers lunch in recyclable boxes on alternate Wednesdays

Managing supply chain

One of the HKMA's key guiding principles when carrying out procurement practices is to source goods and services from suppliers that uphold sustainability values. There are rigorous supplier selection criteria, including consideration of a supplier's track record in complying with labour and health and safety regulations, and the working conditions and remuneration for non-skilled labours.

Sustainable HKMA

Addressing the needs of specific groups

Accessibility of Hong Kong banknotes

To help the visually impaired differentiate among different denominations of Hong Kong banknotes, accessibility features, including Braille, tactile lines and high-tactility numerals, are incorporated in the banknotes. In addition, the HKMA has sponsored the Hong Kong Society for the Blind to develop a mobile note-scanning app; and, together with the three note-issuing banks, sponsored the production of note-measuring templates to help the visually impaired identify the denominations of Hong Kong banknotes.

Free tools to help the visually impaired identify banknote denominations



Hong Kong Banknotes Reader application



Note-measuring template

Accessibility of public information

With a clear navigation structure on the HKMA website, the public can easily search for up-to-date information about the HKMA's work and regulations. A dedicated webpage on "Information in Other Languages" under the "Smart Consumers" section provides useful information on banking services in multiple languages which are commonly used in Hong Kong. The HKMA also aims to ensure 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 specific needs access its online information.

Information on banking services in multi-languages

▶ Chinese	▶ English
▶ Bahasa Indonesia	▶ Hindi
▶ Nepali	▶ Punjabi
▶ Tagalog	▶ Thai
▶ Urdu	▶ Vietnamese

Sustainable HKMA

Promoting financial consumer education

Financial consumer education of the public has been a key HKMA priority. Its education efforts are tied in with market development, to help the public keep up with changing circumstances, and more importantly, educating the public to use banking and financial services smartly and responsibly. The HKMA also seeks to help the public, and particularly younger generations, learn more about developments and career opportunities in the financial sector in Hong Kong. Multiple media and different communication channels are deployed to reach out to as wide a range of target audiences as possible.

Campaign themes

Encouraging the public to give out e-laisees and use good-as-new banknotes



Green habits

Drawing public's attention to the FPS' latest development

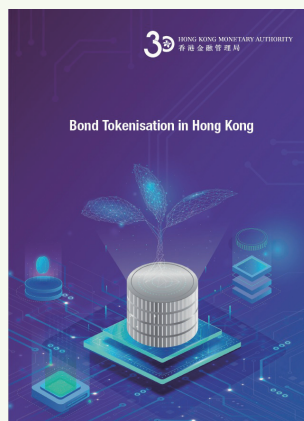


Sustainable HKMA

Campaign themes

Green and sustainable finance

Explaining the use of technology in the Government's tokenised green bond issuance



Raising the public's awareness of the Government's retail green bond offering



Designating "digital and sustainable economy" as the theme of a competition targeting secondary school students



Hong Kong Financial Literacy Championship

Smart financial consumers

Pointing out issues to note when shoppers buy online and choose "Buy Now, Pay Later" products



Updating on new fintech development



Sustainable HKMA

Campaign themes

Smart financial consumers

Teaching money management concepts through board games and workshops



Bank simulation game

Ongoing education on the Linked Exchange Rate System and other areas of the HKMA's work



Building a talent pipeline

Showcasing the work, career opportunities and prospects in four growing areas of the financial industry



Data science



Fintech



Green and sustainable finance



Wealth management

New video series: "Financial Special Forces: Unleashing New Horizons"

Sustainable HKMA

Sounding alerts

The HKMA, in collaboration with the Hong Kong Association of Banks (HKAB), launched the Anti-Scam Consumer Protection Charter in June to reinforce the importance of safeguarding credit card and personal information. The Charter was strongly supported by the banking industry, merchants across different sectors, the Hong Kong Police Force and the Consumer Council. Under the Charter, all the participating card issuing banks and merchants committed to convey the message – *Beware of scams* – to the public through various channels.

To capture public interest, the HKMA rolled out a cross-media awareness campaign on staying vigilant against fraudulent links embedded in instant electronic messages purportedly from banks and merchants.



Launching the Anti-Scam Consumer Protection Charter



Brand new video: "Protect your Personal Digital Keys; Beware of Fraudulent Links!"

In parallel, the HKMA strongly supported a series of promotions and activities arranged by the HKAB to remind the public to protect their personal and credit card information, and promote digital financial literacy, fraud prevention and data privacy protection for students and senior citizens.



The HKAB's publicity campaign: "Credit Card Transaction Protection – What You Need to Know"



The HKAB rolls out education activities targeting students and seniors



The HKMA officiates the opening ceremony of a bank-organised public education event to raise public awareness of fraud prevention

Sustainable HKMA

Cultivating a financial mindset

As part of its continuous efforts to raise financial literacy in Hong Kong, the HKMA launched in 2023, a new educational board game – “\$mart Money Management 321”, targeting primary school students. This life-simulation game lets children players learn different payment methods, money management skills, fintech and cybersecurity concepts.



During 2023, the HKMA organised various outreach activities, such as trial sessions for students, train-the-trainer workshops for teachers and social workers of non-governmental organisations, to familiarise themselves with this educational resource.



Experiential Centre at PMQ



Promotion at Hong Kong Book Fair 2023



School trial sessions



The “\$mart Money Management 321” board game and the “\$mart Money Management Experiential Centre” at PMQ won multiple international design awards, including the International Design Awards 2023 of the USA

Sustainable HKMA

Advocating financial inclusion

The HKMA strives to ensure that banking customers, including the vulnerable groups, are being treated fairly and have fair access to basic banking services. Embracing the spirit of financial inclusion, industry guidelines have been promulgated in recent years, setting out the relevant principles and recommended good practices to guide banks to serve customers in need. The banking industry is supportive of the initiatives and has implemented various barrier-free measures, arrangements and customer protection measures for customers with physical, hearing, visual and intellectual impairments, and for persons with dementia. These efforts have been well received by the community. The HKMA seeks to continue improving customer experience in accessing and using banking services in Hong Kong.



More than 2,000 automated teller machines (ATMs) are installed at a height suitable for wheelchair users

Caring of vulnerable banking customers



Promoting barrier-free banking services



Assisting persons with intellectual disabilities

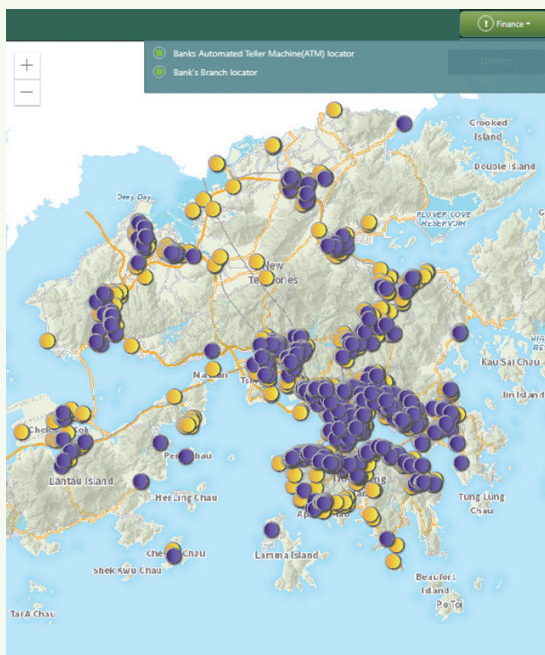
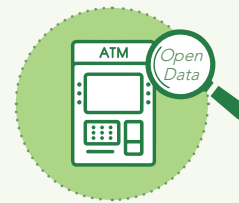


Assisting persons with dementia

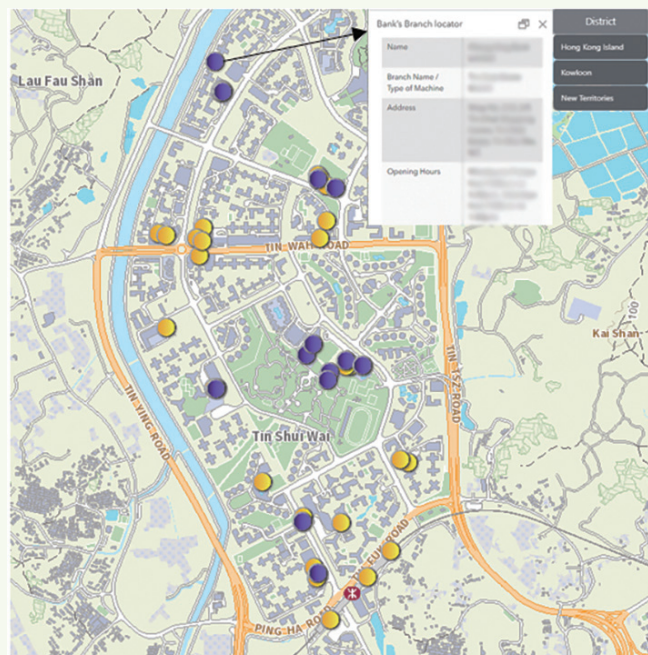
Sustainable HKMA

Displaying spatial information of physical branches and ATMs of retail banks

In 2023, the HKMA launched an open data inventory of physical banking facilities for public use, which comprises the locations and other information of branches and ATMs of 20 retail banks in Hong Kong. It serves as a centralised point of access for application (app) developers, technology service providers, and the public at large to make use of the open information for any potential applications development. Such information is also exhibited on an interactive digital map for the convenience of the public.



The public can browse the locations of branches and ATMs of retail banks through the digital platform



The spatial information of branches and ATMs can be found by districts

Sustainable HKMA

Supporting post-pandemic economic recovery

Multi-pronged support for the community

The HKMA and HKMC Insurance Limited (HKMCI)²² have been keeping track of the operating environment of corporates and maintaining a close dialogue with the banking and commercial sectors, in particular the small and medium-sized enterprises (SMEs), on exiting relief measures launched amid the COVID-19 pandemic, while assisting those sectors facing temporary difficulty in business resumption to secure appropriate credit support.

Pre-approved Principal Payment Holiday Scheme

The HKMA and the Banking Sector SME Lending Coordination Mechanism launched this scheme in May 2020, covering around 120,000 eligible corporates. As the pandemic was over and the participation rate had declined to 1% of eligible corporates from 16% at the initial stage, an orderly exit from this scheme commenced at the end of July 2023. To assist corporates to return to normal repayment, the partial principal repayment options were further enhanced by extending the duration of the repayment period. For corporates which were not financially able to transition to partial principal repayment, banks continued to offer principal moratorium on a case-by-case basis.

>118,000 applications for loan tenor extensions and other forms of relief, aggregating **HK\$1.2 trillion** approved by banks up to end-2023

The SME Financing Guarantee Scheme

Operated by the HKMCI, the SME Financing Guarantee Scheme (SFGS) covers the 80% and 90% Guarantee Products, as well as the Special 100% Loan Guarantee, which have provided crucial support to SMEs during the pandemic, enabling them to carry on their businesses and keep the jobs of their employees.

In 2023, around 12,000 applications for the SFGS were approved, involving a total loan amount of about HK\$37.5 billion. During 2023, the Government announced a further extension of the SFGS' application period to the end of March 2024. More flexible repayment options have also been made available. The enterprises may choose to repay only 10%, 20% or 50% of the original principal repayment amount each month during a specified period, giving them more time to gradually switch from principal moratorium to normal repayments.

>65,000 applications for the Special 100% Loan Guarantee under the SFGS approved up to end-2023, totalling **>HK\$139 billion**

The 100% Personal Loan Guarantee Scheme

The HKMCI also operated the 100% Personal Loan Guarantee Scheme (PLGS) which was launched in 2021, to offer a supplementary financing option to individuals suffering from cessation of main recurrent incomes from employment in Hong Kong during the pandemic. With the Hong Kong economy recovering steadily from the beginning of 2023, the PLGS' application period expired at the end of April.

>59,000 borrowers with a total loan amount of **HK\$4.66 billion** benefited under the PLGS

The Dedicated 100% Loan Guarantee Schemes

Pursuant to the Government's 2023-24 Budget, the HKMCI launched in late April 2023 the Dedicated 100% Loan Guarantee Schemes (DLGS) for the travel sector and the cross-boundary passenger transport trade, helping them to resume business following the COVID-19 pandemic.

The DLGS for Travel Sector aims to assist licensed travel agents and local tour coach owners in resolving short-term funding difficulties, hiring staff as soon as practicable and accelerating operational capability enhancement, so as to keep up with the pace of resumption of inbound and outbound tourism activities. The objective of the DLGS for Cross-boundary Passenger Transport Trade is to allow eligible registered vehicle owners, or ferry operators/owners of cross-boundary passenger transport, to apply for loans for the purpose of vehicle or ferry repair and maintenance, buying insurance, etc., with a view to resuming services as soon as possible.

Around **200** applications with a total loan amount of **HK\$201 million** approved as at end-2023

²²

The Hong Kong Mortgage Corporation Limited (HKMC) is wholly-owned by the Government through the Exchange Fund. The HKMCI is a wholly-owned subsidiary of the HKMC.

Sustainable HKMA

Social bonds

In September, the HKMC successfully issued its second social bonds of close to HK\$20 billion equivalent, under its Social, Green and Sustainability Financing Framework and the US\$30 billion Medium Term Note Programme. The issuance marked the largest social bond issuance in Asia, and for the first time, for a Hong Kong bond issuer to launch Hong Kong dollar, renminbi and US dollar tranches in one transaction. The net proceeds from the issuance were mainly used to finance or refinance the loans under the Special 100% Loan Guarantee of the SFGS, creating a positive social impact for society.