

# Webinar: Climate Change Risk Issues: How does it affect business?



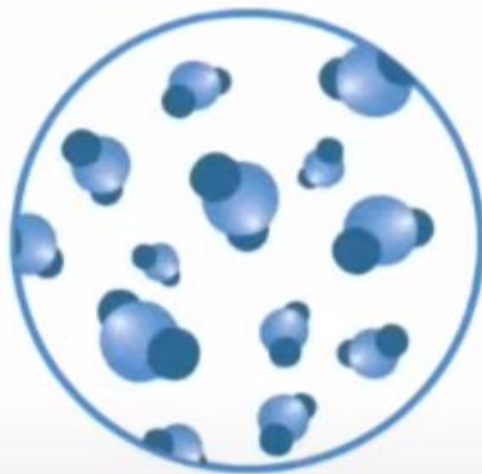
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# Welcome Speech

Felix Lam  
Head of Sustainability  
Green Council



**CO<sub>2</sub>**  
concentration



**Highest**

in at least

**2 million years**

**Sea level**  
rise



**Fastest rates**

in at least

**3000 years**

**Arctic sea ice**  
area



**Lowest level**

in at least

**1000 years**

**Glaciers**  
retreat



**Unprecedented**

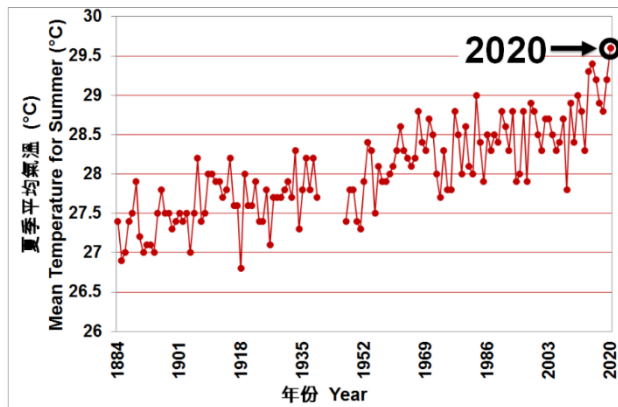
in at least

**2000 years**

**What about Hong Kong?**



# Climate Change: (1) Water Supply



Long-term time-series of mean temperature in summer in Hono Kono

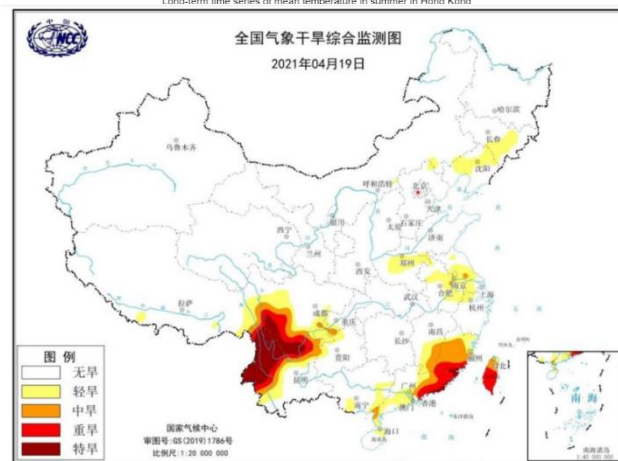


Lau Shui Heung Reservoir 2018

Image of the Lau Shui Heung Reservoir in Fanning all dried up. Photo: Winson Wong



Shek Lei Pui Reservoir: 2021



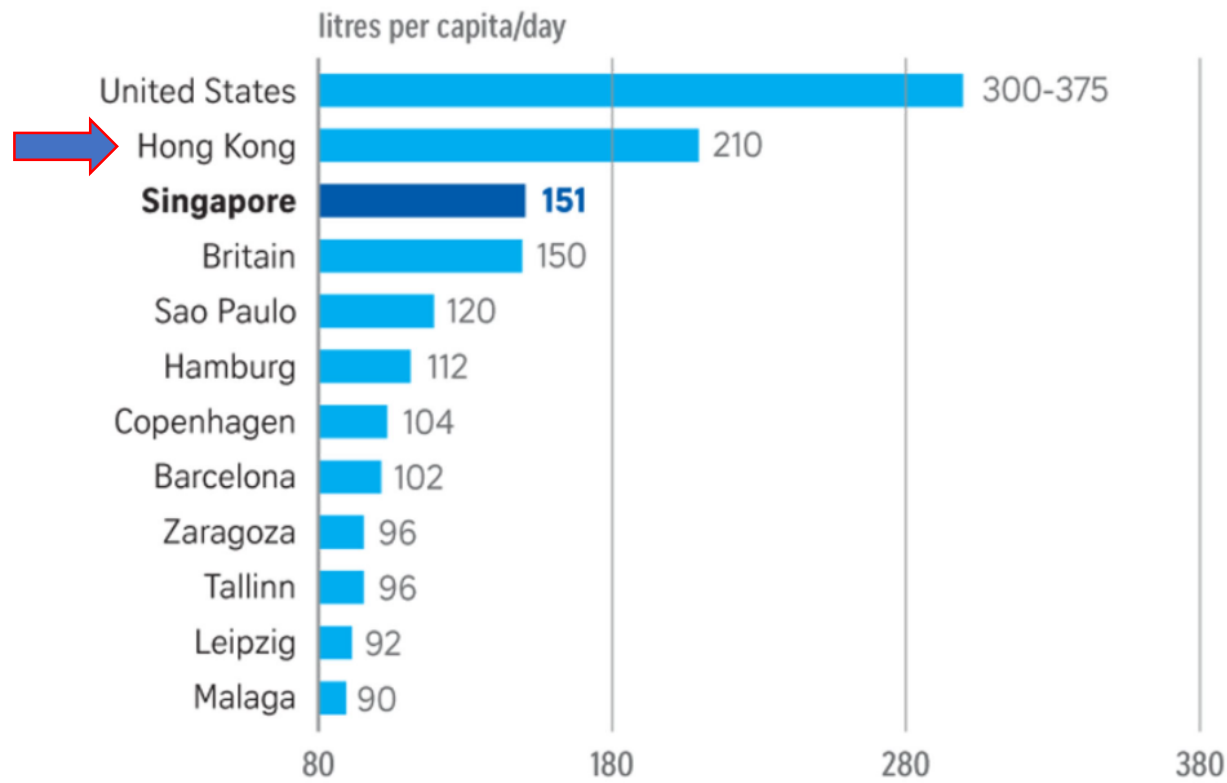
廣東省河源市萬綠湖:2021



粵東實施制水「供三停三」

# Shall we be sustainable if use water as usual?

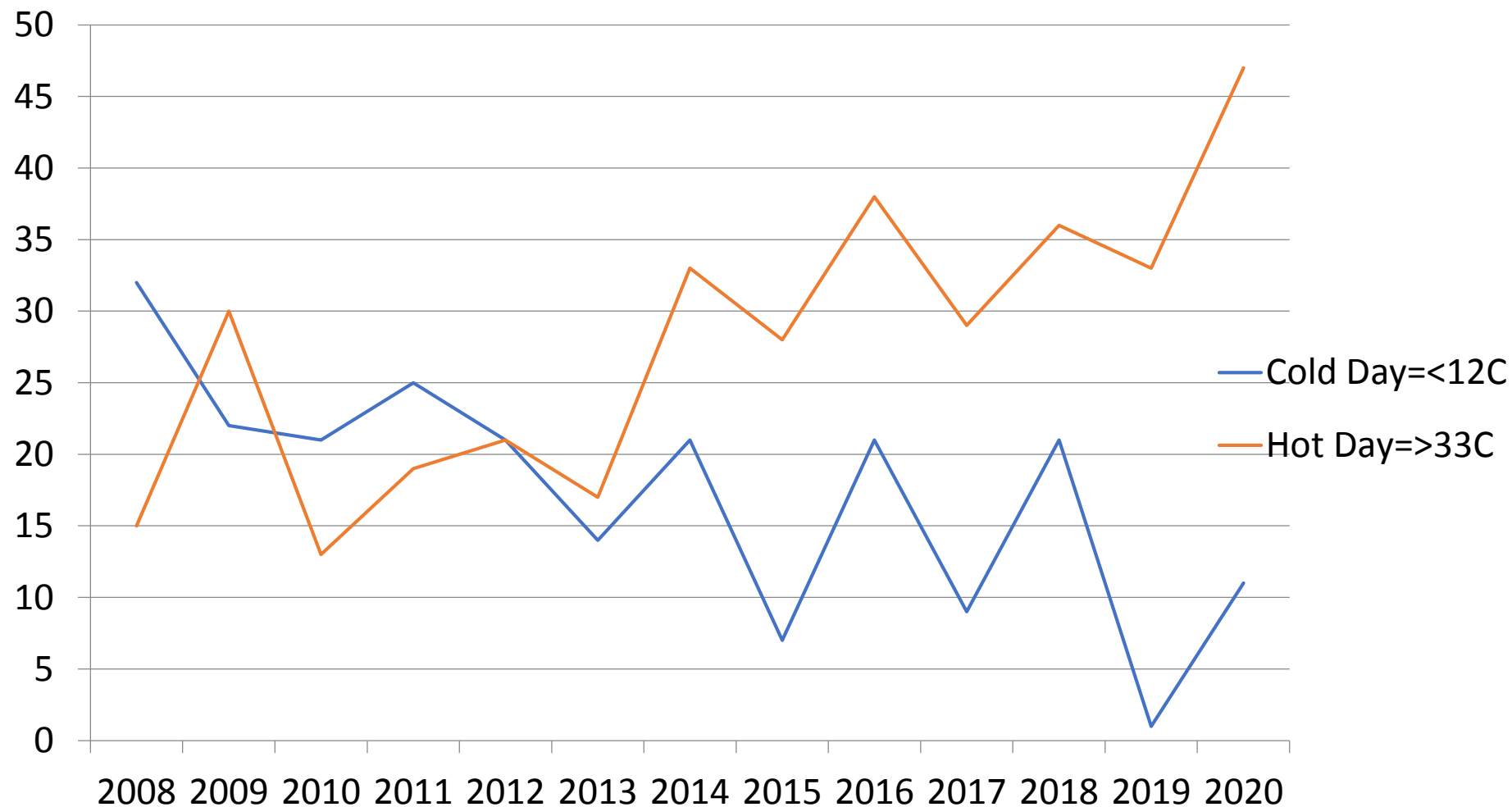
## Water usage around the world



Source: THIRD WORLD CENTRE FOR WATER MANAGEMENT, MEXICO STRAITS TIMES GRAPHICS



## Climate Change: (2) Extreme Temperature



Source: Hong Kong Observatory

# Consuming more energy under extreme temperature



## Total Energy Consumption by End Use

	Air-conditioning (Terajoule)	Hot Water (Terajoule)	Total Energy Consumption (Terajoule)	Population (million)
2008	43,392	13,788	281,438	7
2018	50,606	18,309	288,305	7.5
	+ 17%	+33%	+2%	+7%

Source: Hong Kong Energy End-use Data 2020 by EMSD

# Climate Change: (3) Policy Change

What are the policies for climate change in Hong Kong?



## Firms with no net zero plan to be blocked from tenders

- Prospective suppliers bidding for UK government & public bodies contracts above £5m/year will need to have published a Carbon Reduction Plan with effective from Oct 2021.
- Published plans should confirm the supplier's commitment to achieving net zero by 2050 in the UK, and set out the environmental management measures that will be utilised during the performance of the contract.
- Emissions include scope 1, scope 2 and some scope 3 (“business travel, employee commuting, transportation, distribution and waste”)

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991622/PPN\\_062\\_1\\_Taking\\_account\\_of\\_Carbon\\_Reduction\\_Plans\\_2\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991622/PPN_062_1_Taking_account_of_Carbon_Reduction_Plans_2_.pdf)



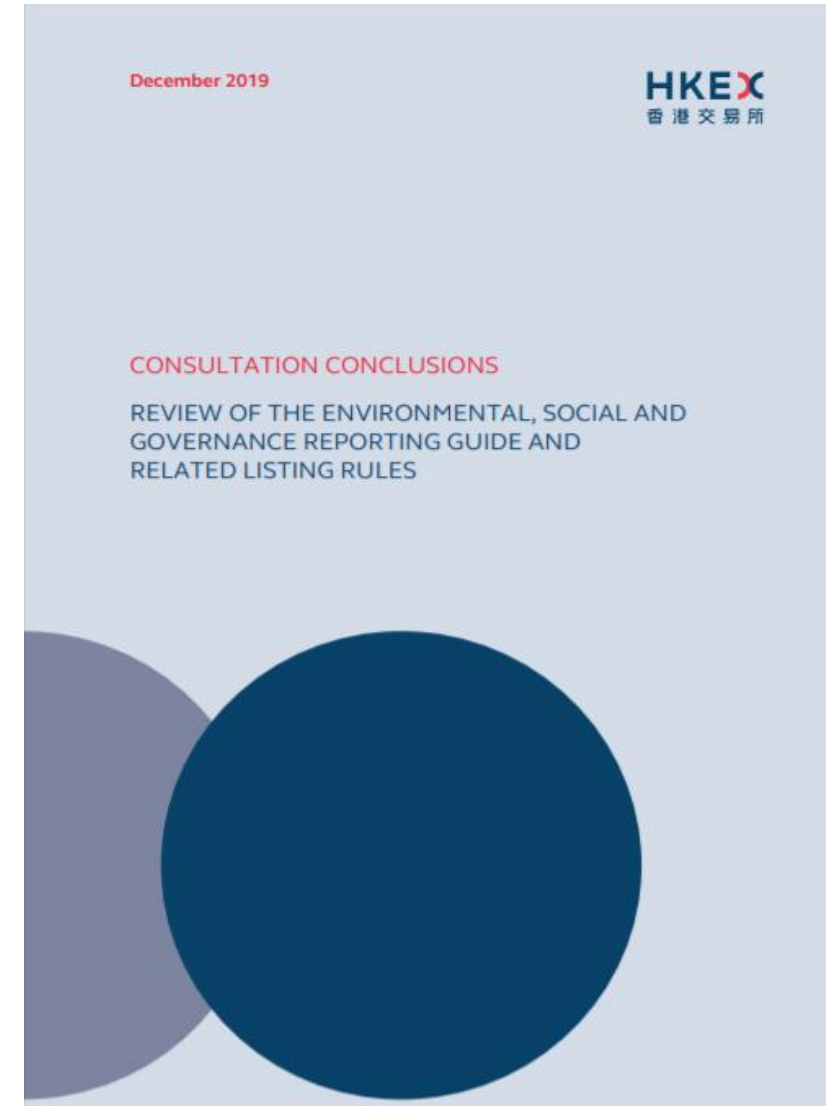
# Climate Change: (4) Disclosure Change

## Appendix 27

Environmental, Social and Governance Reporting Guide of  
The Stock Exchange of Hong Kong Limited

### A4: Climate Change

To disclose policies on managing significant climate-related issues  
which have impacted or may impact issuers.



What will be the climate risks to my business?

How could I ensure climate resilience?

What are the perspectives of government in response to climate change risks?

What information should I disclose?

What are the expectations of my bankers & investors?

What are disclosure requirements and reference?

???



# Topics

	Topic
1	Risk of climate change on Buildings and Construction – Government Perspective Mr. Wong Kam-sing, GBS, JP, Secretary for the Environment from Environmental Bureau of the HKSAR Government
2	Risk of climate Change – Engineering Perspective Mr. Steven Ho, Head of Environmental Affairs, HK Electric
3	Climate change and GRI: Beyond carbon, beyond reports Ms Verna Lin, Head of Greater China Regional Hub, GRI
4	Financing the Transition to a low carbon economy Mr. Stewart James, Managing Director, Head of Group Public Affairs, Asia Pacific, The Hongkong Shanghai Banking Corporation Limited
5	Climate Change Risk Issues: How does it affect business? Mr. Jonathan Drew, Vice President, Hong Kong Green Finance Association

# Climate Change Risk Issues: How does it affect business?

Welcome our speakers!



# Risk of climate change on Buildings and Construction – Government Perspective



**Keynote Speaker**

*Mr. Wong Kam-sing, GBS, JP, Secretary for the Environment from Environmental Bureau of the HKSAR Government*

Mr KS Wong was graduated from the Department of Architecture of the University of Hong Kong. He received further education on sustainable built environment in the postgraduate program from the University of British Columbia in Canada. He assumed the post of the Secretary for the Environment of the HKSAR Government on 1 July 2012.

As an architect by profession, Mr Wong has been promoting sustainable built environment since 1990s. His designs and researches on sustainable built environment have won him various local, regional and international awards. He served as the founder Chairman of the Environment and Sustainable Development Committee of the Hong Kong Institute of Architects, the Chairman of the Professional Green Building Council and the Vice Chairman of the Hong Kong Green Building Council, and has contributed to the promotion and research of the standards and guidelines for sustainable built environment applicable to the high-density urban environment of Hong Kong.

During his tenure as the Secretary for the Environment, Mr Wong has launched and updated a number of policy blueprints covering air quality, waste management, energy saving, climate actions and biodiversity.



# Risk of climate Change – Engineering Perspective



**Speaker**

Steven joined HK Electric after his graduation and has 30 years of experience in the power industry. He is a professional engineer with both local and overseas engineer institutions. He has worked in various technical posts for multi-disciplines infrastructure projects covering power generation, transmission and distribution of electricity, toll road, etc. both in overseas and Hong Kong. With HK Electric, Steven is the Head of Environmental Affairs leading a team of professional engineers responsible for environmental compliance, licensing, regulatory and sustainable development of HK Electric.

*Mr. Steven Ho  
Head of Environmental  
Affairs, HK Electric*

# Climate change and GRI: Beyond carbon, beyond reports



**Speaker**

Ms Verna Lin, Head of GRI's Greater China Regional Hub, is an experienced sustainability and investment management professional. Her knowledge and exposure in capital market equips her to interpret ESG disclosure from investors' perspective. GRI helps businesses and governments worldwide understand and communicate their impact on critical sustainability issues. Verna, representing GRI in this region, seeks continuing collaborations with policy makers to further advance global sustainability agenda. Verna is a CFA charter-holder.

*Ms Verna Lin  
Head of Greater China  
Regional Hub, GRI*

# Financing the Transition to a low carbon economy



## Speaker

*Mr. Stewart James, Managing Director, Head of Group Public Affairs, Asia Pacific, The Hongkong Shanghai Banking Corporation Limited*

Before joining HSBC in January 2016, Stewart worked in the public sector for over 20 years. He held a number of posts for HM Treasury (HMT), developing a specialisation in European affairs. He had two spells in Brussels at the European Commission and in the UK's Permanent Representation to the EU negotiating on financial regulation for the UK Government; and working on economic incentives for environmental policy.

In 2008, Stewart moved to Washington DC, representing the UK Government on the board of the World Bank for 5 years, and championing the centrality of tackling climate change to the World Bank's development mission. This was followed by a move to the Bank of England where he acted as Governor Mark Carney's Financial Stability Board (FSB) Sherpa. He established and ran a team to support the Governor in his role as FSB Chair, including the FSB's work on climate related financial disclosure, which gave rise to the TCFD. Stewart held this position until joining HSBC's Group Public Affairs team in 2016.

Stewart transferred to Hong Kong to become Head of Group Public Affairs, Asia Pacific, in February 2018. He leads Group Public Affairs in the region, working with the existing public policy teams in Hong Kong, Beijing and Shanghai.

# Climate Change Risk Issues: How does it affect business?



**Speaker**

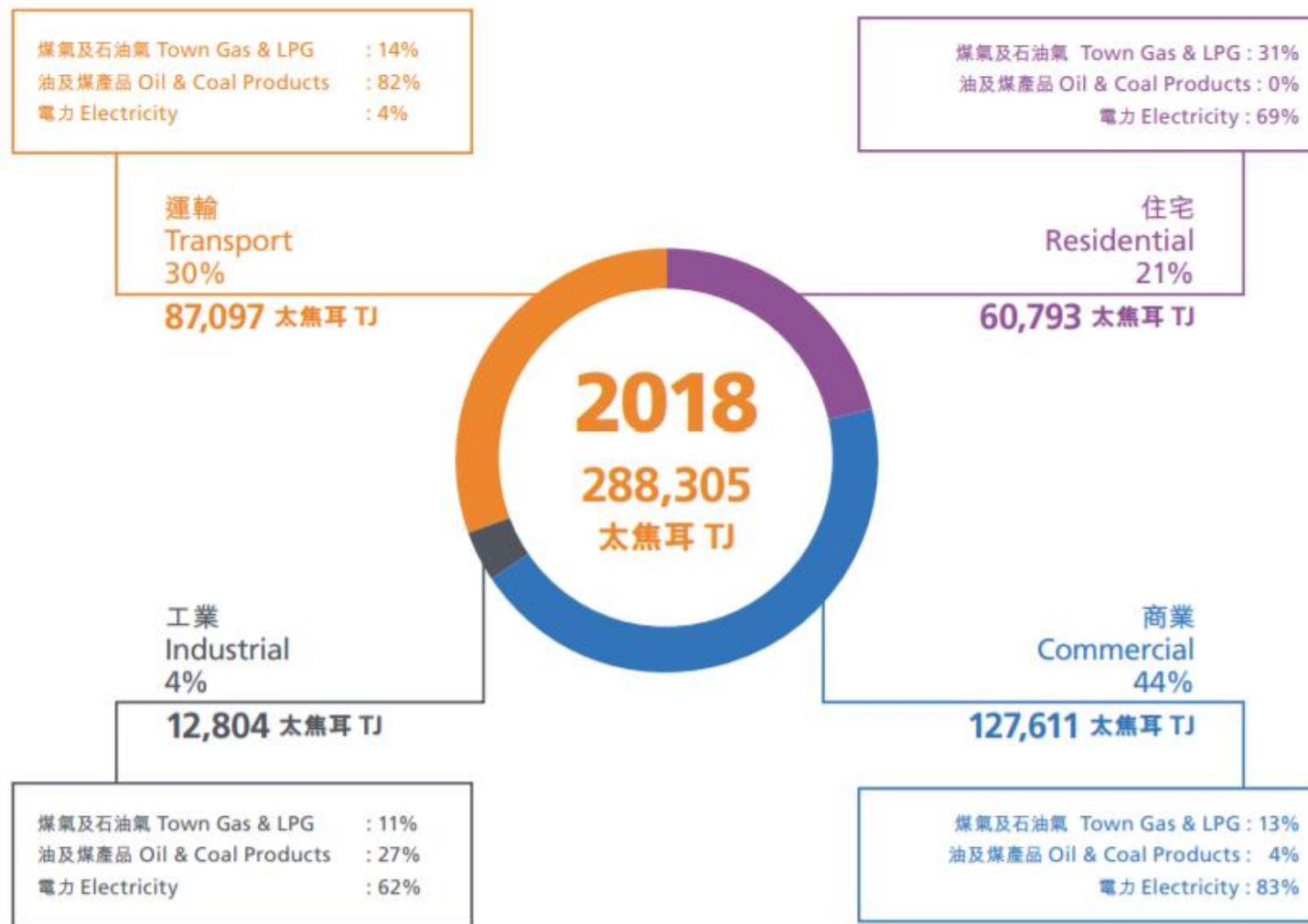
*Mr. Jonathan Drew  
Vice President, Hong Kong  
Green Finance Association*

Jonathan leads the ESG Solutions Group for Global Banking at HSBC. Jonathan graduated with an MA in Economics from Cambridge University in England and is also qualified as a Chartered Accountant. He has been involved in successful transactions across a wide range of sectors including advising on and arranging finance for projects and business across industrial and services sectors including energy, manufacturing, transportation and infrastructure, with a focus on resource efficiency and sustainability.

In recent years Jonathan has also been responsible for the structuring and delivery of sustainable bonds, loans and other financial support for corporate and institutional clients as well as collaborating with colleagues across businesses in the creation of sustainable investment opportunities. Jonathan is a member of the Executive Committee of the Hong Kong Green Finance Association and also chairs the Asia Pacific Loan Market Association Green and Sustainable Loan Committee.

所有能源消耗按類別和燃料劃分  
Total Energy Consumption by Sector & by Fuel

參考表格 Refer Table 3, 4, 5, 6, 7



Business sectors are key consumers in energy consumption:

- Commercial: 44%
- Transport: 30%



**Thank You for your listening!**

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