

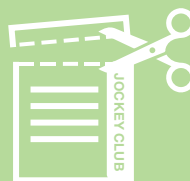


The Hong Kong Jockey Club

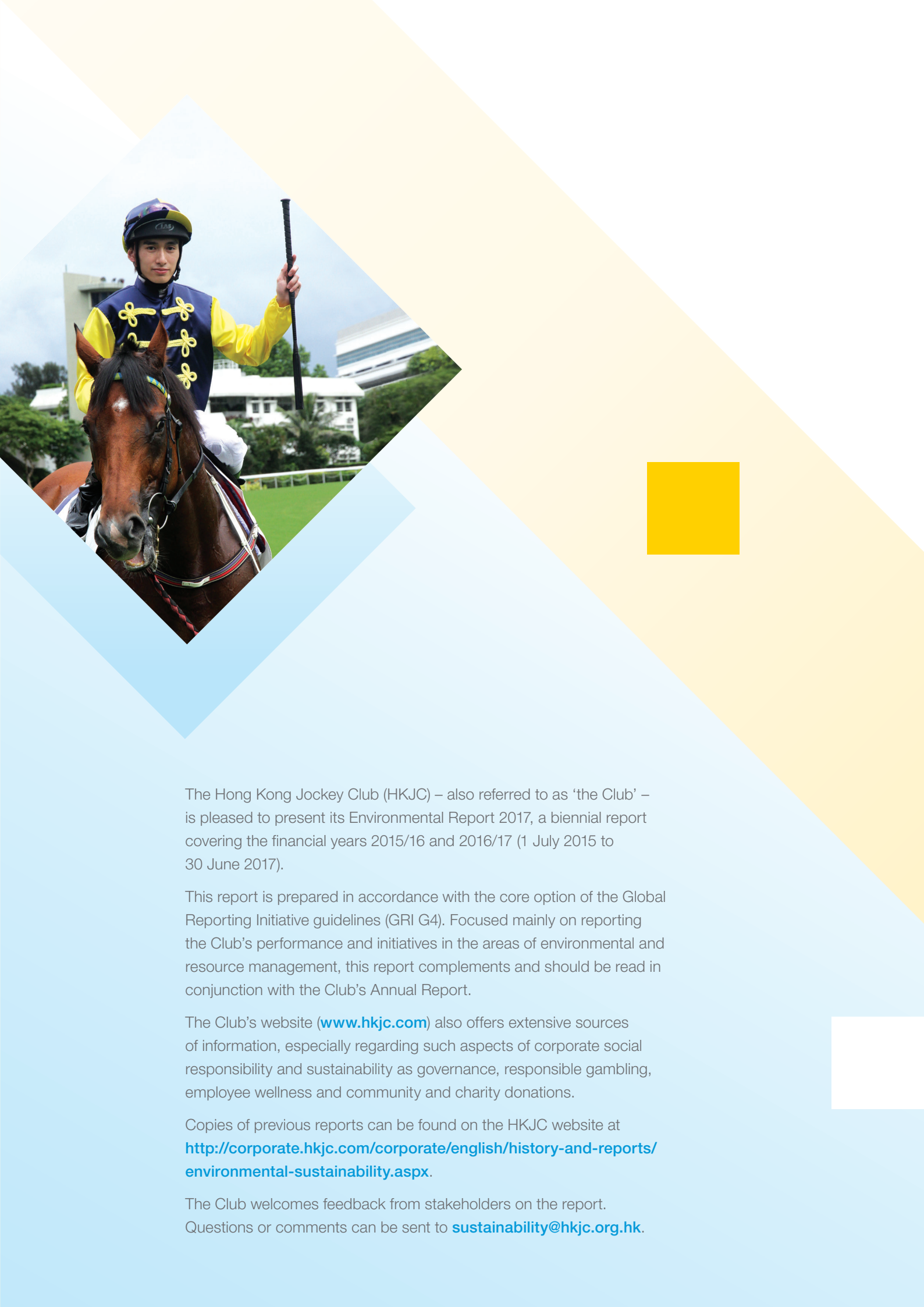
RIDING HIGH TOGETHER

Striding On Together for a Greener Future

Environmental Report 2017



2017



The Hong Kong Jockey Club (HKJC) – also referred to as ‘the Club’ – is pleased to present its Environmental Report 2017, a biennial report covering the financial years 2015/16 and 2016/17 (1 July 2015 to 30 June 2017).

This report is prepared in accordance with the core option of the Global Reporting Initiative guidelines (GRI G4). Focused mainly on reporting the Club’s performance and initiatives in the areas of environmental and resource management, this report complements and should be read in conjunction with the Club’s Annual Report.

The Club’s website (www.hkjc.com) also offers extensive sources of information, especially regarding such aspects of corporate social responsibility and sustainability as governance, responsible gambling, employee wellness and community and charity donations.

Copies of previous reports can be found on the HKJC website at <http://corporate.hkjc.com/corporate/english/history-and-reports/environmental-sustainability.aspx>.

The Club welcomes feedback from stakeholders on the report. Questions or comments can be sent to sustainability@hkjc.org.hk.

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Message from the Chairman of the Sustainability Committee

Continuous development recognises that we cannot sit still in a world that is constantly changing and evolving. We must always improve our organisation and community in order to continuously fulfil our purpose. For that, the Club is grateful for the support of the Club's members, employees and community partners in working together for the betterment of our society.



HKJC Purpose:
As a world-class racing club, we act continuously for the betterment of our society

Core Values:

- World-class Leadership
- Uncompromising Integrity
- Continuous Development
- Serving the Community

Towards a Greener Future

The Club is a unique global brand; 26 of our horses were ranked in the 2016 year-end World's Best Racehorse Rankings, and the Club's total donations reached new highs in each of the past two years. At the heart of these achievements are our core values which commit to high standards in all aspects of our operations, including environmental aspects.

As you will see from the pages that follow, we have made positive progress in many areas in the two years since our last Environmental Report. In particular, we continue to make significant investments in the more efficient use of resources, especially in the area of energy. These include the extensive use of Building Management Systems to optimise energy use and adopting more efficient lighting and cooling systems at Club premises. Despite growing business operations and an increase last year in the number of racedays, our total carbon emissions have fallen by about 3.5% since the base year of 2009/10.

We have also made substantial reductions in paper usage across the whole operation, saving 43 tonnes of paper a year on betting tickets alone, and reducing office paper by over 30%. To 'avoid waste' is the mindset change being guided by a Club-wide waste reduction and management working group; with new initiatives showing progress to avoid food waste and plastic waste.

Along with avoiding waste, we have increased recycling efforts and enhanced recycling facilities. We have focused effort on engaging staff to improve clean separation of waste, which in turn has increased recycling of plastics by 24 tonnes.

It is the Club's policy to favour the purchase of only electric or hybrid vehicles. Having set a target of 25% electric/hybrid passenger vehicles to be reached by 2018/19, the Club surpassed this figure by the end of March 2017.

Through conscientious efforts to understand and measure environmental impacts, we are focusing on driving results. Most importantly, we are setting clear targets to improve our hoofprint, and measuring performance so that we can see and act on the results.

Looking forward, the Conghua Training Centre, which is targeted to open in the third quarter of 2018, represents a significant expansion of the Club's operations. The centre is being constructed with due regard to the environment and incorporating best practices. Environmental management and oversight systems are being developed in preparation for its opening.

It is important to stress, however, that we cannot do this alone; efforts in some areas are currently constrained by a lack of available options. Hong Kong needs to move much faster than at present in establishing renewable energy and expanding the scale and scope of its recycling facilities. We are nevertheless encouraged by Government plans to implement waste disposal charging on a 'user pays' principle and to implement new procedures for waste electrical and electronic equipment.

Meanwhile, besides taking our own initiatives to manage the Club's hoofprint, we continue to engage Club members, employees, customers and other stakeholders in supporting these efforts and adopting environmentally friendly practices. In short, we are striding on together to create a greener and more sustainable Hong Kong.

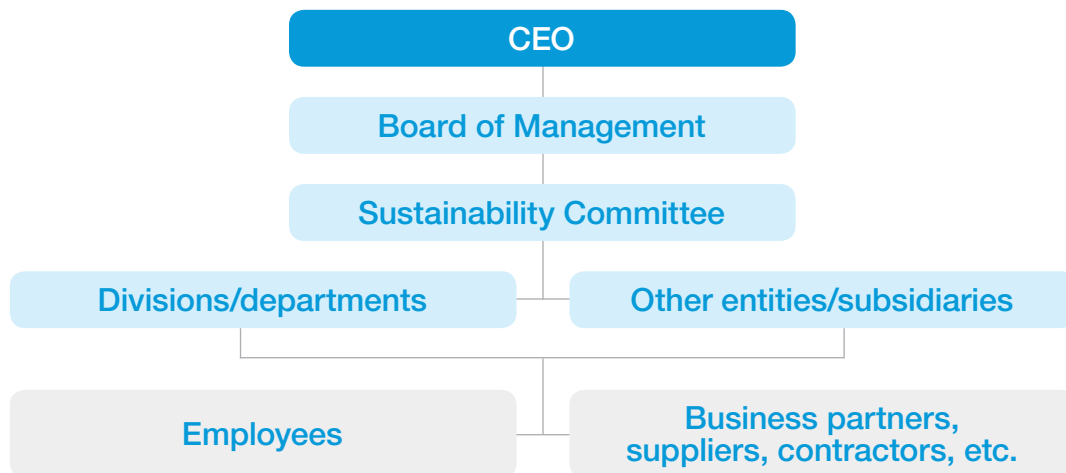
Christoph Ganswindt

Executive Director,
Information Technology and Sustainability;
Chairman of the Sustainability Committee

Green Governance

Leading the Club's drive towards more environmentally sustainable operations is a 12-strong Sustainability Committee on which all major operational divisions are represented. It reports directly to the Club's Board of Management.





Governance Structure for Environmental Sustainability

“

All departments set KPIs for meeting the Club's environmental objectives

The Sustainability Committee is responsible for overseeing the Club's sustainability policies and practices, and ensuring they are implemented in a co-ordinated manner across all departments. The aim is to embed sustainable practices into the Club's culture and major processes.

As part of the corporate planning process, individual divisions and departments set key performance indicators (KPIs) for meeting the Club's environmental objectives. They are also responsible for environmental compliance within their sphere of operation. Vesting the ownership of environmental responsibility in this way provides a powerful driver for change.

A good example of how different divisions of the Club have worked together to achieve change right across the organisation can be found in its progress towards going paperless. A combination of corporate change to the delivery of printing services and the adoption of enabling technology and policies to avoid waste, with each department taking ownership for identifying and implementing efficiencies, has reduced paper usage in offices by 30% since 2010/11, while a change to betting tickets design in 2016 is saving 43 tonnes of paper a year. More details of these initiatives can be found under 'Managing Our Hoofprint'.

For more information on the Club's management structure and governance, please refer to the Annual Report or website.



Annually, environmental objectives and KPIs are included in the Performance and Development Review for relevant Executives and Assistant Executives within the Club.

Priorities and Focus

The Club's sustainability priorities are periodically reviewed and adjusted where necessary following regular engagement with both internal and external stakeholders.

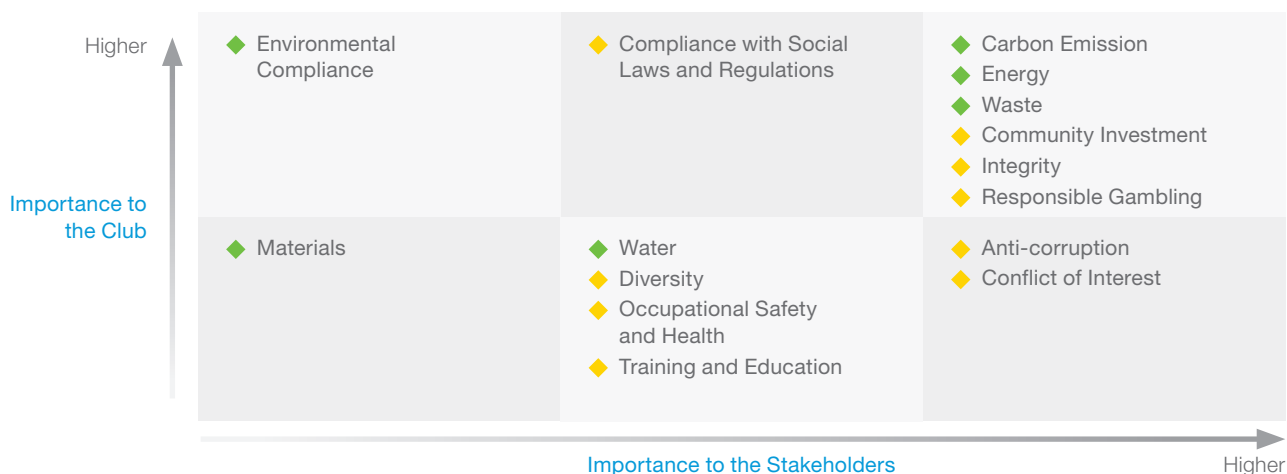
The Club routinely engages with its wide range of stakeholders, using its annual business planning process to review progress, assess priorities and set clear targets for environmental performance. To help determine the material sustainability issues of the Club, a workshop was held with a broad representative group of stakeholders in October 2014. In addition to the routine engagement, a stakeholder dialogue with the Government, peer corporations, and NGOs was held in January 2017 to focus on the priority topic of waste reduction and management.

The matrix on this page presents the environmental and social issues identified as commanding the highest priority for the Club and its stakeholders, developed with reference to the GRI, AA1000APS and BS 8900:2006.

As can be seen, the three areas currently accorded top priority in environmental sustainability are carbon emissions, energy and waste. Details of the Club's performance and ongoing work in these areas can be found on pages 8-15 under 'Managing Our Hoofprint'. The performance summary and GRI Content Index can be found at the end of this report.

The Club's Charities Trust continues to serve a broad range of community needs while focus is given to four areas – youth; the elderly; sports; and arts, culture and heritage. The Club's priorities and achievements in the economic and social areas are covered extensively in the Annual Report and on the HKJC website.

Matrix on Sustainability Issues



Influence

The Hong Kong Jockey Club is conscious of the high expectations placed on it by the public and strives to set an example by adopting best practices wherever it can. It can also help to bring global thinking to the city's sustainability challenges.

Through its extensive supply chain, the Club is able to create market influence by specifying sustainable goods and services wherever possible, from building materials to seafood products.

Meanwhile The Hong Kong Jockey Club Charities Trust, which ranks among the world's top ten charity donors, works in close partnership with NGOs, academics and other experts to study best local and global practices and seek innovative solutions to some of Hong Kong's sustainability challenges. For instance, through the Jockey Club Water Initiative on Sustainability and Engagement (see page 20), the Trust works with The University of Hong Kong to introduce the 'water footprint' concept and localise it to Hong Kong's context, revealing the true magnitude of the water resources issues affecting the community. The Trust also supports the Jockey Club CarbonCare Open Innovation Lab, which incubates new ideas and creative solutions from individuals who have the entrepreneurial spirit and passion to address climate change issues.

In a further effort to encourage international exchange, the Club or its Charities Trust have supported the hosting

of a number of international conferences and seminars. Over the past two years, examples have included a Dongjiang River Source Afforestation and Sustainable Forest Management Forum, co-organised with the China Green Carbon Foundation and the Guangdong Provincial Forestry Department; the Walk21 Hong Kong Conference (see page 21) and the Philanthropy for Better Cities Forum, the first in Asia to address the growing challenges of modern cities, both social and environmental.

The Club is committed to supporting Hong Kong's ambitions to reduce energy use and municipal solid waste significantly. In 2016, given its large property portfolio, the Club joined the Environment Bureau's Energy Saving in Buildings partnership to collaborate on and support an 'energy wise' transformation for Hong Kong. The Club is setting a standard in its own buildings such as the Club's Sha Tin Communications and Technology Centre, opened in 2015, and projects funded by the Charities Trust, such as the Christian Family Service Centre Jockey Club Building BEAM Plus Accreditation and Enhancement Project.

The Trust's donations also support numerous environmental initiatives in Hong Kong, promoting recycling and upcycling, and encouraging local residents to adopt a greener lifestyle.



The Philanthropy for Better Cities Forum is the first philanthropy forum of its kind in Asia, focusing on metropolitan issues, both social and environmental.

Managing Our Hoofprint

The Club is focused on its carbon emissions, energy efficiency and the reduction or recycling of waste materials, as well as demonstrating responsible care for the environment. Each subsidiary and department of the Club is responsible for optimising its own performance, according to its differing nature and hoofprint, and for meeting the needs of its stakeholders. In taking initiatives to improve its own hoofprint, the Club also aims to contribute to a greener society.

The Club is focusing its efforts on enhancing its management of resources, especially in the areas of energy efficiency, water usage, waste reduction and the recycling of materials, with KPIs set to track and measure progress. These are showing positive results, despite the ongoing challenge of expanding business operations and initiatives to enhance the customer experience.

The Club also makes wide-ranging efforts to engage staff, customers, suppliers and the wider community in supporting environmental initiatives and contributing

to change. Examples include beer jugs reuse at Happy Wednesday, recycling bins and signs at racecourses and off-course betting branches, and green practices at clubhouses.

In September 2016, the Club received the Sustainable Business Award from the World Green Organisation for its efforts in environmental protection and practice, one of numerous accolades it has received over the years.

Looking forward, the Conghua Training Centre, due to open in 2018, will herald a significant expansion of the Club's operations. The centre is being constructed with due regard to the environment and incorporating best practices. An environmental management and oversight plan is being developed in preparation for its opening.



Carbon Emissions

The Club's total carbon footprint in Hong Kong over the past two years was 238,055 tonnes of CO₂-e emissions, a 4.5% decrease on the previous reporting period despite its growing level of operations. Total emissions in 2016/17 have shown a 3.5% decrease since the base year of 2009/10. In 2015/16, the Club's success in achieving a carbon intensity reduction of 40% was recognised by the award of a CarbonCare Label (Level 3).



The Club's success in reducing carbon intensity was recognised with a CarbonCare Label Award.



3.5%

**decrease in total
emissions in
2016/17 compared
to 2009/10**

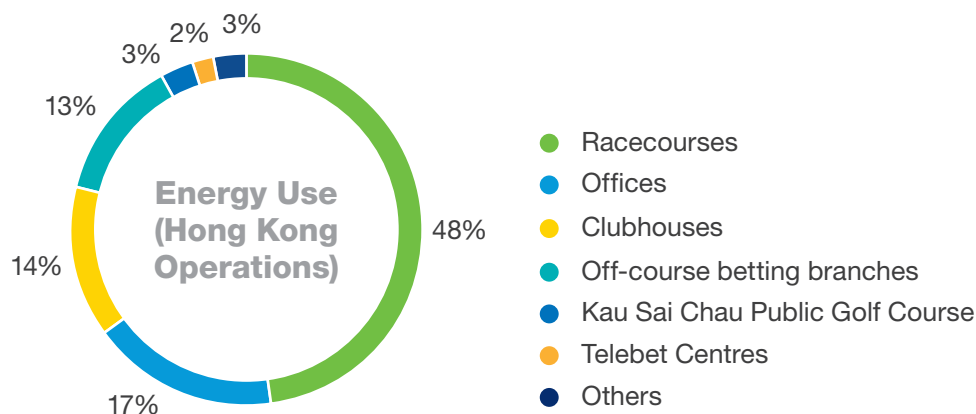
Electricity continues to account for some 90% of emissions (Scope 1 and Scope 2), which are greatly impacted by the fuel mix and resulting carbon factor of the Hong Kong electricity supply. Hence the Club is focusing its efforts on efficient energy usage in existing and expanding operations. It is also replacing backup power systems, running biodiesel (B5) made from used cooking oil on diesel-powered machineries and generators, upgrading vehicles and equipment to

newer models (see page 14), and exploring the use of more environmentally-friendly refrigerants.

The Club has a small inventory of carbon credits; at the end of 2016/17, these amounted to 9,944 tonnes of CO₂-e. In addition, an estimated 200,000 tonnes carbon credit will be received over the next 20 years from the Club's sponsored forests.

Energy

As electricity use comprises 90% of its carbon footprint, the Club continues to prioritise energy efficiency. All divisions are expected to set and meet energy-saving targets in their sphere of operation.



Operating through well over 100 different properties citywide, including racecourses, clubhouses, restaurants, off-course betting branches, office buildings, data centres and staff quarters, as well as public riding schools and a golf course, the Club is deeply conscious of the need to manage its energy usage and reduce any negative impacts on the environment.

The Club continues to make investments in installing or retrofitting energy-efficient lighting and cooling systems throughout its operations, while making good use of Building Management Systems (BMSs) to monitor real-time energy use and optimise energy performance.

Recent investments include the installation of dimmable LED lighting at the Club's headquarters, with projected savings of 95,031 kWh in 2017/18, and new direct current cooling systems which are expected to yield energy savings of 71% to 80%. In addition, the Sha Tin Stables District Cooling System was extended to cover more buildings, replacing the use of air-cooled chillers at Sha Tin Central Complex.

In 2016, the Club joined the Environment Bureau's Energy Saving in Buildings partnership to collaborate on and support an 'energy wise' transformation for Hong Kong. To share its learning and support skills, the Club is also active in sponsoring conferences. In May 2017, it sponsored a Sustainable Facility Managers' course run by the International Facility Managers Association, held for the first time in Hong Kong.





**Over
15,000**
lamps replaced
by LEDs that reduce
70% energy
consumption

Improving the energy efficiency of existing buildings is a key strategy for improving the Club's hoofprint.



>300

**energy meters
allowing costs
of the SCTC to
be recharged
on a user-pays
principle**

Sha Tin Communications and Technology Centre (SCTC)

Opened in 2015, SCTC has been designed to achieve the highest possible standards of energy efficiency over the life of the building, making use of renewable sources where feasible, as well as enhancing the working environment for the 3,000 staff who will ultimately be based there. In 2016, the Centre received an ASHRAE Technology Award under the New Building Category.

The BMS at SCTC has some 12,000 monitoring and control points that enable energy usage to be monitored and optimised as more occupants move in, while over 300 energy meters allow costs to be recharged to different departments on a user-pays principle. Energy reductions are being achieved through the use of LED lighting coupled with occupancy and daylight sensors, water-cooled centrifugal chillers for air-conditioning, and CO₂ sensors to optimise fresh air ventilation. Shielded exterior lighting and external shading devices help reduce energy loss and avoid light or noise spill to the neighbourhood.

In addition, solar panels have been employed at SCTC to provide hot water supply to the toilets, changing rooms and kitchens. The annual generation of renewable energy is over 92,000 kWh.

The Racecourses

Over 15,000 tungsten halogen lamps were replaced by LED fittings at the two racecourses in 2016, reducing lighting energy consumption by some 70% and saving around 594 tonnes of carbon emissions a year.

Beijing Clubhouse

In Chinese Mainland, energy use at the HKJC Beijing Clubhouse has been progressively reduced since 2015 by the installation of LED lighting in all areas and upgrading of the cooling and air-conditioning systems with more energy-efficient equipment.

Digitalisation

As the Club's operations grow and become steadily more digital, the need to modernise and enhance IT infrastructure remains a continuous effort and energy demands are growing. While paper use is declining, customers increasingly seek ready access to large volumes of information including streamed videos. Hence, the Club continues to invest in further digitalisation of its customer channels while at the same time innovating and enhancing its world-class wagering support systems.

Using Resources Wisely

The Club employs over 21,000 full-time and part-time staff in its various operations, while its two racecourses attract total attendance exceeding two million each year. Many thousands more patronise the Club's 100-plus Off-Course Betting Branches citywide, or make use of its four clubhouses as members. All this adds up to a significant annual use of materials and other resources.

Aware of the impact this brings to the community, the Club is committed to making progressive improvements in its efficient consumption of resources, along with substantial reductions in waste.

In 2016, the Club put into operation a comprehensive Waste Reduction and Management Plan, making reference to the Government's waste reduction targets for Hong Kong. This followed an organisation-wide waste audit conducted in 2014/15. The Club's waste policy has also been updated to put a priority on avoiding waste by reducing consumption and encouraging reuse and recycling.

To help prevent food waste, central kitchens at Sha Tin Racecourse have successfully piloted a digital measurement technology that allows chefs to monitor

the source, type, and quantity of unconsumed food, then modify ordering and food preparation accordingly.

The Club was the first organisation in Hong Kong to adopt this system, which is now being expanded to other major Club kitchens and setting an example for all its catering teams.

Surplus food at racecourse and clubhouse dining outlets is donated to social welfare organisations such as St. James' Settlement and Food Angel, who convert it into nutritious hot meals for distribution to elderly and needy residents. Food that cannot be redistributed is separated where practicable for recycling as compost or fish food.

In the Club's office buildings, 'quick win' ideas like recycling evaporated milk cans and spent coffee grounds are proving successful. In 2016/17 over 90% of milk cans and 1.9 tonnes of coffee grounds were recovered. Employees are encouraged to take coffee grounds home, reusing them as fertilisers, deodorisers or abrasive cleaners. Surplus coffee grounds are sent to a recycler for reuse or upcycling. These initiatives are helping to embed sustainable thinking into the workforce.

At Happy Valley Racecourse, promotional coupons for the popular Happy Wednesday theme parties have largely been replaced by e-coupons. In addition, LED stage backdrops are being used instead of prefabricated wooden versions and game booths are making increasing use of digital media to replace single-use materials.





43

**tonnes of paper is
being saved each year
by the reduction in
size of betting tickets**

Going Paperless

Among various initiatives to reduce paper consumption, the Club has introduced a managed print system for its offices. Workshops and target setting drove departments to identify paper avoidance opportunities. As a result, total office paper consumption has been reduced by 32%, from 26.0 million sheets in the baseline year of 2010/11 to 17.6 million sheets in 2016/17.

An innovation also enabled the Club to reduce the size of its betting tickets by changing an algorithm to reverse the direction of printing. This has produced savings of 43 tonnes of thermal paper per year, equivalent to a 205-tonne reduction in CO₂ emissions. The Club was awarded the CarbonCare Action Label in 2016 for this achievement.



20,000

**plastic packaging
bags reused a
year at OCBs**

The Club is also working with internal departments to increase the separation and recycling of plastic packaging. It reuses an estimated 20,000 plastic bags a year and increased plastic recycling by 24 tonnes in 2016/17.

With the need for constantly upgrading its IT infrastructure to meet customer demand, the Club is committed to responsibly manage used equipment. Much of it is donated to the Caritas Computer Workshop which combines the missions of reducing dumping, training the unemployed, and helping the needy or elderly bridge the digital barrier. In Chinese Mainland, the Club's Shenzhen Technology Centre donated 60 reconditioned computers to a school in North-East China in 2016 and brought the school up to the National standard.

In the important area of procurement, the Club has developed supplier sustainability guidelines and is making efforts where possible to use recycled products or materials with a lower environmental impact, for example Forest Stewardship Council (FSC) certified paper products.

Currently 21 items are specifically mandated for green procurement, including recycled copy paper, degradable food containers and energy-saving IT equipment. Internal guidelines are in place for others.

The Club sees responsible sourcing as part and parcel of delivering the highest quality experience for members and customers. It uses its specifications to encourage local suppliers to source sustainable products, especially in areas such as seafood. The Club does not purchase shark's fin or the critically endangered bluefin tuna at all.

The Club is also working with suppliers to help reduce resource consumption. For example, over 70% of beer jugs used by customers of the Beer Garden at Happy Valley Racecourse are now collected, hygienically washed and reused at the next event. The beer suppliers then reduce the number of jugs they provide each week accordingly.

Green Mobility & Air Quality

The Club operates a fleet of some 250 vehicles including pool cars, delivery vans, horse transporters and off-road vehicles for such work as track maintenance, as well as equipment such as standby generators.



**Club surpassed
its 25% target
on electric/
hybrid vehicles
2 years early**

In November 2014, the Club set a policy to procure only electric or hybrid passenger vehicles where practical. Having set a target for 25% of the passenger vehicle fleet to be electric/hybrid models by July 2019, it surpassed this figure by the end of March 2017.

As regards goods and off-road vehicles, for which non-diesel options are not generally available, the Club is committed to phasing out all Euro IV and earlier models.

Where feasible, the Club's off-road equipment uses biodiesel (Euro V biodiesel marked B5), as do standby generators at both racecourses. This biodiesel is recycled from used cooking oil, some from the Club's kitchens, thereby supporting a circular economy.

All main generators used by the Club are now fitted with uninterrupted power supply devices, enabling them to operate in standby mode. As a result, annual diesel consumption has been reduced by 16,000 litres, while annual average levels of the greenhouse gas NO₂ (Nitrogen dioxide) have fallen by 13%, with the highest one-hour NO₂ levels reduced by 70%.

Other initiatives to reduce air pollutants include the use of paint and adhesives with non-volatile or low-volatility organic compounds for all new renovation projects.



16,000 litres
**reduction in annual
diesel consumption**

Water

All operations are expected to observe the Club Water Policy and Water Management Guidelines. Practices continue to be reviewed and appropriate targets set in an effort to ensure efficient use of water resources.



Self-sufficient irrigation system, at Kau Sai Chau Public Golf Course

While there has been an increase in fresh water consumption since the base reporting year of 2011/12, much of this can be attributed to the installation of more water-cooled chillers, which achieve corresponding savings in energy use and the addition of the Kau Sai Chau Public Golf Course data into this report.

To help reduce general water usage, all divisions are expected to observe the Club Water Policy and Water Management Guidelines issued three years ago, following a Club-wide water audit. Practices continue to be reviewed and appropriate targets set. Particular efforts are being made to monitor and optimise water usage for tracks and in the stables, which are among the major consumers of fresh water. All water discharges are monitored per permit and licence requirements.

At the Jockey Club Kau Sai Chau Public Golf Course, funded and operated by the Club, the three courses have been

designed to provide a completely self-sufficient irrigation system, collecting and storing rainfall in reservoirs. About 70% of the North and South Courses return rainfall to the reservoirs, while the newer East Course has been designed with a fully-closed drainage system, providing 100% return through a system of five underground tanks and two lakes. The facility also has its own sewage treatment plant, with the effluent being given a second life as irrigation for the courses.

For the newly-opened Sha Tin Communications and Technology Centre, a drinking water system using mains water with UV filtration was selected in preference to a conventional bottled water system, saving an estimated HK\$200 million over the life of the building. This system is also now being used in the clubhouses and newly-renovated offices.

Striding on Together for a Greener Future

The Club is well aware that if its wide-ranging efforts to contribute to a greener, more sustainable future are to be successful, the support of both its staff and customers is critical.

On the staff side, the Club's aim is to embed sustainability into the mindset of each and every one of its employees, getting them actively involved in working towards the Club's purpose and objectives for a greener future.

All Executive and Assistant Executive induction programmes now include environmental sustainability policies. To embed sustainability in the operations, employees are engaged via different channels, to work together for a greener future. From workshops, contests to roadshows, their feedback and suggestions

shape initiatives and their efforts are recognised to further embed a green mindset in our culture.

In preparation for the Government's waste-charging scheme to be implemented in 2019, the Club is working with staff helping to test the scheme's impact and effectiveness by measuring waste at its two main office buildings and one residential block. A Headquarters Inter-Floor Waste Reduction Challenge is also helping to encourage behavioural change and promote green office practices.

Each year the Club organises Green Action programmes for staff, including recycling campaigns, a green dress day and eco-tours to help promote environmental awareness among staff and their families. In addition, the Club has been taking the opportunity to strengthen bonds between its Hong Kong staff and the growing number of employees across the Guangdong border by involving them in tree-planting exercises at the Club-funded Dongjiang (East River) Afforestation Project near Heyuan City.





4,300

customers across all OCBBs were engaged during the 4th Annual Green Day in 2017

Engaging our Network

During the past year, staff in the Club's 100-plus Off-Course Betting Branches (OCBBs) have taken part in a three-stage environmental awareness programme involving firstly the dissemination of information on energy, water and waste issues; secondly a quiz to test knowledge; and finally a contest inviting staff to propose resource-saving ideas, with prizes awarded for practicability, creativity and cost-effectiveness.

All external lighting at the OCBBs is now switched off after midnight, in keeping with the Environment Bureau's Charter on External Lighting to which the Club is a signatory.

Meanwhile, customers of the OCBBs and racecourses are encouraged to adopt environmentally friendly practices through various promotional activities each year.

During the last Chinese New Year, over one million recycled *Lai See* packets were distributed at the OCBBs and Club office buildings as part of the *Lai See* Packets Recycling and Reuse Programme organised by Greeners Action.

Good use is also made of the citywide OCBB network to promote a smoke-free culture in the community through health talks, health exhibition boards, promotional videos on Channel JC, posters and leaflets. These efforts were recognised in 2016 with the award of the Hong Kong Smoke-Free Leading Company Gold Award to the Club's retail team.

The Club also supports numerous conferences, seminars and awards as another means of building environmental awareness in the community and promoting best practices. In addition, it continues to maintain active dialogue with peer corporations, consultancies, charities and NGOs, including through Business Peer Engagement Workshops which have provided valuable insights into improving the Club's environmental practices.



1,000,000

'reborn' *Lai See* packets



Trust-funded Projects

Each year the Club supports more than 200 charitable and community projects of all types and sizes through The Hong Kong Jockey Club Charities Trust. In 2015/16 and 2016/17, the Trust's total donations were HK\$3.9 billion and HK\$7.6 billion, respectively. Included in year 2017 was a special donation of HK\$3.5 billion for the construction of the Hong Kong Palace Museum in celebration of the 20th Anniversary of the Hong Kong Special Administration Region.

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By initiating and supporting various environmental projects in the community, the Charities Trust is keen to act as a catalyst in creating a greener Hong Kong. We work closely with other interested parties to develop the most suitable projects, and put a strong emphasis on public education programmes.

Leong Cheung

Executive Director, Charities and Community



>220,000
people have visited
the Jockey Club
Museum of Climate
Change at CUHK
since 2013

A number of these projects are specifically directed at helping Hong Kong enhance its environmental sustainability, while others promote and support a green lifestyle. Here are just a few examples:

Energy and Carbon Reductions

The CUHK Initiative Gaia is a five-year, HK\$70 million community engagement programme launched in 2012 in partnership with The Chinese University of Hong Kong. It has helped spread the low-carbon lifestyle to more than 870,000 residents of all ages through educational activities, public conferences and education fairs, and conducted carbon audits for 59 schools and NGOs. A focal point is the Jockey Club Museum of Climate Change at CUHK, the world's first museum dedicated to this critical issue, which has received well over 220,000 visitors since it opened in late 2013.

An associated Carbon Reduction Project, supported by additional Trust funding of HK\$13.6 million, has enabled 39 partner schools and NGOs to put carbon reduction plans into action by upgrading their facilities. This has helped them reduce annual electricity costs by over HK\$1.2 million, and saved an estimated 540 tonnes of carbon emissions.

Another Charities Trust grant is enabling the Christian Family Service Centre to transform its headquarters into a BEAM-Plus accredited green building by retrofitting its existing facilities and enhancing its operational management. Besides reducing energy usage, the renovation is addressing other issues such as water consumption, waste management, utilisation of resources and indoor environmental quality, as well as supporting stronger environmental stewardship among the Centre's staff. As this will be one of the first institutional buildings to attain BEAM Plus Existing Building certification, it is hoped that the project will serve as a showcase for green buildings in the welfare sector in Hong Kong.

Jockey Club COOL Neighbours for Energy Saving is a project organised by Friends of the Earth and granted funding by the Trust in 2017. It uses a mobile app to encourage residential households to adopt an energy efficient lifestyle. An annual energy-saving contest enables the public to compete for awards based on reduced electricity consumption.



The Club's Executive Director, Charities and Community, Leong Cheung (5th right) joins Secretary for the Environment Wong Kam-sing (5th left) and Vice-Chancellor and President of CUHK Professor Joseph Sung (4th left) at the Jockey Club Museum of Climate Change Environment Fair 2017.



The third phase of the Hong Chi Jockey Club Glass Bottle Recycling Project launched in 2016 aims to promote 'Clean Recycling' concept.

“

Water Footprint Calculator is a first-of-its-kind mobile app that helps people check the impact of popular local food

Waste Management

Launched in 2010 with the Hong Chi Association and the Government's Environmental Protection Department, the Hong Chi Jockey Club Glass Bottle Recycling Campaign is Hong Kong's largest NGO-run glass recycling project with some 270 collection points and has become a showcase for tackling the city's solid waste problem, as well as creating vocational opportunities for trainees with intellectual disabilities. The project also involves citywide public education programmes to encourage glass bottle recycling. The third phase launched in 2016 aims to strengthen the 'Clean Recycling' concept to enhance the quality and value of the glass bottles recycled.



Water

The Jockey Club Water Initiative on Sustainability and Engagement (JC-WISE), run in partnership with the University of Hong Kong, is a three-year, HK\$14.7 million project to raise public awareness and appreciation of the importance of attaining long-term water sustainability for Hong Kong. A notable initiative is the Water Footprint Calculator, a first-of-its-kind mobile app that helps people check the footprint of popular local food. This innovative and engaging tool encourages residents to make wiser food choices and reduce their water footprint, thereby integrating the concept of water sustainability into their daily lives. Another programme, the 'My River, My Community' Scheme, helps reconnect the public with Hong Kong's rivers and their ecological importance through workshops and guided field trips.

The Hong Chi Jockey Club Glass Bottle Recycling Project creates vocational opportunities for trainees with intellectual disabilities.



At the press conference of Jockey Club Water Initiative on Sustainability and Engagement, the Hong Kong-first Water Footprint Calculator mobile app and a three-city survey on public water attitudes are announced.



The 'My River, My Community' Scheme under JC-WISE programme helps reconnect the public with Hong Kong's rivers.



>150
speakers
attended
the Walk21
Hong Kong
Conference
on Walking
and Liveable
Communities

Green Mobility

The Club was lead sponsor of the Walk21 Hong Kong Conference on Walking and Liveable Communities, held in October 2016, and supported the Hong Kong Jockey Club Public Forum: Walking Towards a Low-Carbon Hong Kong. Organised by Walk21 and Civic Exchange, the five-day conference, held for the first time in Asia, attracted over 150 speakers from 38 countries and over 600 delegates – around one-third from overseas – including policy makers,

government officials, architects, planners, businessmen, entrepreneurs, healthcare and civic organisation leaders, academics and students. It raised public awareness of the issues of walkability, which has been recognised as a key element of sustainable cities, and the need for a policy shift from vehicular-based transport planning to people-based city planning. It also provided an opportunity for Hong Kong to position itself as a regional knowledge hub for pursuing a walkable city under a dense urban setting.



The Club's Deputy Chairman Mr Anthony Chow (3rd left) joins the-then Chief Secretary for Administration Carrie Lam (3rd right) at the opening ceremony of the Walk21 Hong Kong Conference.

Performance Summary Data

Environmental Performance (Hong Kong Operations)

	2016/17	2015/16	2014/15	2013/14	2009/10 Baseline
Carbon Emissions (CO₂-e in tonnes)¹	118,254	119,801	126,577	128,805	122,570
Indirect emissions from electricity	110,420	112,200	118,399	115,911	116,008
Fugitive emissions from refrigerant	3,972	3,741	4,293	2,677	2,686
Direct emissions from facilities	2,290	2,339	2,342	2,654	2,367
Direct emissions from transportation	1,058	1,011	1,016	1,030	1,035
Indirect emissions from gas	514	510	527	533	474
Carbon Emissions by Purchased Electricity Consumption (CO₂-e in tonnes)¹					
Racecourses	51,260	50,274	56,624	55,514	52,982
Off-course betting branches	16,803	17,303	18,159	17,512	18,837
Clubhouses	17,192	17,286	18,760	18,286	18,082
Offices ²	18,164	18,100	12,757	12,886	13,827
Telebet Centres and Integrated Contact Centre ³	2,315	4,623	6,830	6,833	7,981
Kau Sai Chau Public Golf Course	2,775	2,813	3,461	3,163	2,741
Staff Quarters	1,116	1,107	1,220	1,155	1,012
Public Riding Schools	795	694	588	562	546
Carbon Emission Factors⁴					
Electricity (Hong Kong Island) (kg CO ₂ -e/kWh)	0.79	0.78	0.79	0.78	0.81
Electricity (New Territories) (kg CO ₂ -e/kWh)	0.54	0.54	0.64	0.63	0.56
Electricity (For OCBBs and Public Riding Schools) (kg CO ₂ -e/kWh)	0.7	0.7	0.7	0.7	0.7
Towngas (kg CO ₂ -e/unit)	0.599	0.6	0.62	0.61	0.628
Energy Consumption					
Electricity (kWh) ¹	177,865,310	181,101,095	172,066,382	170,028,094	180,691,747
Towngas (units)	857,637	849,534	850,660	874,481	798,673
Diesel (litres)	164,258	148,830	143,025	149,382	420,343
Petrol (litres)	70,647	76,762	80,229	83,073	77,833
LPG (litres)	12,462	6,019	6,750	10,564	11,685
Biodiesel (B5) (litres)	203,487	218,016	221,670	316,620	–
Emission of Ozone-depleting Substances by Weight (kg CFC-11 equivalent)	54	68	88	73	132
Water Consumption (m³)¹					
From municipal source	1,944,150	1,863,086	1,768,103	1,804,053	–

	2016/17	2015/16	2014/15	2013/14	2009/10 Baseline
Materials Purchased					
Bet slips (thousand sheets)	488,465	499,016	523,354	563,305	647,294
FSC paper	100%	100%	100%	100%	18.6%
Office copy paper (boxes)	6,372	6,605	9,131	8,435	9,714
Recycled paper	73%	77%	60%	41%	11%
Paper hand towels (boxes)	13,022	12,446	10,307	10,035	11,446
Recycled paper	54%	62%	58%	48%	0%
Toilet paper (boxes)	7,923	7,426	6,944	7,437	8,084
Recycled paper	77%	80%	74%	77%	0%
Horse bedding – newspaper (23kg bags)	349,100	365,728	384,959	464,394	585,260
Horse bedding – wood shaving (18-21kg bags)	477,969	409,862	366,580	251,421	70,130
LED lamps (units)	3,980	8,840	7,228	7,527	–
Source Separation, Donations and Recycling					
Donations, Food (kg): ⁵	15,489	18,584	17,703	10,615	–
Recycling:					
Food waste (kg) ⁶	865,472	917,071	704,123	696,873	–
Paper (kg)	526,980	550,508	610,120	444,339	385,967
Glass bottles (kg)	106,081	98,280	100,360	96,073	21,059
Plastic (kg)	38,417	14,443	21,736	26,526	4,367
Metal (kg)	5,495	3,325	1,910	6,119	857
Used cooking oil (litres) ⁷	15,347	13,828	11,447	11,259	–
e-waste (units)	13,686	13,707	6,557	3,894	5,137

1. Historical data adjusted from previous reports, as the Kau Sai Chau Public Golf Course is newly covered.

2. Data of the Sha Tin Communications and Technology Centre included since 2015/16.

3. The Sha Tin Telebet Centre was moved into the Sha Tin Communications and Technology Centre in 2015.

4. The carbon emission factors reference sustainability reports published by the energy companies and the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong, Environmental Protection Department, 2008.

5. Data available since November 2013.

6. Data available since 2012/2013.

7. Data available since 2013/2014.

Environmental Performance (Beijing Clubhouse)

	2016/17	2015/16	2014/15	2013/14	2009/10 Baseline
Carbon Emissions (CO₂-e in tonnes)⁸	7,402	9,365	9,856	10,037	10,393
Indirect emissions from electricity	6,933	8,908	9,384	9,556	9,928
Direct emissions from facilities	469	457	472	481	465
Energy Consumption					
Electricity (kWh)	7,840,282	8,552,402	8,869,244	9,275,744	9,383,904
Natural gas (m ³)	232,993	226,578	234,439	238,651	230,748
Water Consumption (m³)					
From municipal source	99,012	92,021	94,538	97,117	87,268
Source Separation, Donations and Recycling					
Recycled (kg):					
Green waste	57,672	47,965	65,828	76,438	–
Food waste	45,048	33,655	48,831	75,591	–
Paper	6,808	9,335	8,655	5,411	–
Plastics	1,494	952	2,400	2,350	–
Glass bottles	974	1,599	4,157	2,872	–

8. The carbon emission factors published by the Department of Climate Change of the National Development and Reform Commission (NDRC) were adopted.

GRI Content Index

Strategy and Analysis

G4-1	Chairman's statement	ER – Message from the Chairman of the Sustainability Committee
G4-2	Description of key impacts, risks and opportunities	AR – Financial Report (Business Review) ER – Priorities and Focus

Organisational Profile

G4-3	Name of the organisation	ER – Inside front cover
G4-4	Primary brands, products, and services	AR – Financial Report (Business Review)
G4-5	Location of headquarters	AR – Back cover
G4-6	Countries of operation	AR – Financial Report (Financial Statements)
G4-7	Nature of ownership and legal form	AR – Financial Report (Financial Statements)
G4-8	Markets served	AR – Financial Report (Business Review)
G4-9	Scale of the organisation	AR – Financial Report (Business Review)
G4-10	Workforce	AR – Financial Report (Statistical Summary) (Full-time and Part-time distribution)
G4-11	Percentage of total employees covered by collective bargaining agreements	Not applicable as there is no legislation applied in Hong Kong
G4-12	Supply chain	ER – Influence
G4-13	Significant changes during the reporting period	The Kau Sai Chau Public Golf Course is included in the Scope of this Report
G4-14	Precautionary approach	AR – Financial Report (Business Review)
G4-15	External charters, principles, or other initiatives	The Club subscribes various external environmental charters, such as the Environment Bureau's Charter on External Lighting and Food Wise Charter, and Community involvement projects under the Government's Environment and Conservation Fund
G4-16	Memberships of associations	WEB – About HKJC

Identified Material Aspects and Boundaries

G4-17	Entities included in the organisation's consolidated performance	AR – Financial Report (Financial Statements) ER – Inside front cover
G4-18	Process for defining the report content and the Aspect boundaries, how the organisation has implemented the Reporting Principles for Defining Report Content	ER – Priorities and Focus
G4-19	Material Aspects	ER – Priorities and Focus
G4-20	Aspect boundary within the organisation	All aspects disclosed are considered to material within the Club
G4-21	Aspect boundary outside the organisation	The following aspects are considered material both within and outside the Club: economic performance, indirect economic impacts, energy, emissions, waste, local communities and anti-corruption.
G4-22	Effect of any restatements	Nil
G4-23	Significant changes from previous reporting period	The Kau Sai Chau Public Golf Course is included in the Scope of this Report

Note:

AR – Annual Report; ER – Environmental Report; WEB – Official website (www.hkjc.com)

Stakeholder Engagement

G4-24	Stakeholder groups engaged by the organisation	ER – Priorities and Focus The Club engages a wide range of stakeholders from Club's customers, Members and employees; suppliers; government departments; local community bodies; District Councils; and the media
G4-25	Basis for identification and selection of stakeholders with whom to engage	On environmental aspects, the Club has identified the key stakeholder groups including government departments, business peers, green groups, customers and employees, as well as working partners involved in planning and implementing Club-funded community projects, who are NGOs and educational bodies
G4-26	Approach to stakeholder engagement	ER – Priorities and Focus The Club maintains regular engagement with different stakeholder groups through a wide variety of means including customer service channels, electronic communications and publications, Club websites, surveys, focus groups and workshops.
G4-27	Key topics and concerns raised by stakeholders	ER – Priorities and Focus

Report Profile

G4-28	Reporting period	ER – Inside front cover
G4-29	Date of the most recent previous report	Environmental Report 2015, published in April 2016
G4-30	Reporting cycle	ER – Inside front cover
G4-31	Contact point for questions regarding the report or its contents	ER – Inside front cover
G4-32	'In accordance' option chosen	ER – Inside front cover
G4-33	Assurance	This report has been assured by a third party

Governance

G4-34	Governance structure of the organisation	AR – Board of Management ER – Green Governance
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Ethics and Integrity

G4-56	Organisation's values, principles, standards and norms of behaviour	AR – Core Values
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Economic Performance Indicators

Aspect: Economic Performance

G4-DMA	Management approach	AR – Financial Report (Business Review)
G4-EC1	Direct economic value generated and distributed	AR – Financial Report (Business Review)

Aspect: Indirect Economic Impacts

G4-DMA	Management approach	AR – Charities and Community
G4-EC7	Development and impact of infrastructure investments and services provided	AR – Charities and Community
G4-EC8	Significant indirect economic impacts, including the extent of impacts	AR – Charities and Community

Environmental Performance Indicators

Aspect: Materials

G4-DMA	Management approach	ER – Managing Our Hoofprint (Using Resources Wisely)
G4-EN1	Materials used by weight or volume	ER – Performance Data Summary
G4-EN2	Percentage of materials used that are recycled input materials	ER – Performance Data Summary

Environmental Performance Indicators (continued)**Aspect: Energy**

G4-DMA	Management approach	ER – Managing Our Hoofprint (Energy)
G4-EN3	Energy consumption within the organisation	ER – Performance Data Summary
G4-EN6	Reduction of energy consumption	ER – Managing Our Hoofprint (Energy)

Aspect: Water

G4-DMA	Management approach	ER – Managing Our Hoofprint (Water)
G4-EN8	Total water withdrawal by source	ER – Performance Data Summary

Aspect: Emissions

G4-DMA	Management approach	ER – Managing Our Hoofprint (Carbon Emissions)
G4-EN15	Direct greenhouse gas (GHG) emissions (scope 1)	ER – Performance Data Summary
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2)	ER – Performance Data Summary
G4-EN19	Reduction of greenhouse gas (GHG) emissions	ER – Managing Our Hoofprint (Carbon Emissions), Performance Data Summary
G4-EN20	Emissions of ozone-depleting substances (ODS)	ER – Performance Data Summary

Aspect: Effluents and waste

G4-DMA	Management approach	ER – Managing Our Hoofprint (Using Resources Wisely)
G4-EN23	Total weight of waste by type and disposal method	ER – Performance Data Summary

Aspect: Compliance

G4-DMA	Management approach	ER – Green Governance
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Zero, no breach of environmental laws and regulations recorded

Social Performance Indicators**Aspect: Occupational health and safety**

G4-DMA	Management approach	AR – Employees (A Safe Workplace Culture)
G4-LA5	Percentage of total workforce represented in formal joint management–worker health and safety committees	All employee are covered

Aspect: Training and education

G4-DMA	Management approach	AR – Employees
G4-LA9	Average hours of training per year per employee, by gender, and by employee category	AR – Employees (Developing Our People)
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	AR – Employees (Building Leadership Capability)

Aspect: Local communities

G4-DMA	Management approach	AR – Wagering and Lottery (Responsible Gambling)
G4-SO2	Operations with significant actual and potential negative impacts on local communities	AR – Wagering and Lottery (Responsible Gambling)

Aspect: Anti-corruption

G4-DMA	Management approach	AR – Financial Report (Business Review)
G4-SO4	Communication and training on anti-corruption policies and procedures	AR – Financial Report (Business Review)

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