

Verification Statement



VERIFICATION STATEMENT

Scope of Verification

Hong Kong Quality Assurance Agency ("HKQAA") has been engaged by HK Electric Investments and HK Electric Investments Limited (collectively known as "HKEI") to undertake an independent verification for its Sustainability Report 2017 (refer to as "the Report"). The scope of HKQAA's verification covers the data and information associating to HKEI's sustainability performance for the period from 1st January 2017 to 31st December 2017. This is the 5th annual Sustainability Report of HKEI to communicate its commitments, efforts and progress of performance towards sustainability.

Level of Assurance and Methodology

The process applied in this verification was based on international standards. Our evidence gathering process was designed to obtain a reasonable level of assurance as set out in the standard for the purpose of devising the verification conclusion, and the extent of this verification process undertaken was based on the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards") and the Electric Utilities Sector Disclosures, as well as HKEI's Environmental, Social and Governance ("ESG") Reporting Guide.

In order to understand the process that HKEI adopted to ascertain the key sustainability issues and impacts, the Report compilation process including stakeholder engagement and materiality assessment processes was discussed. The system and process for collecting, collating and reporting sustainability performance data were also verified. Our verification procedure performed covered reviewing of relevant documentation, interviewing responsible personnel with accountability for preparing the reporting contents and verifying the selected representative sample of data and information. Raw data and supporting evidence of the selected samples were also thoroughly examined during the verification process.

Independence

HKEI is responsible for the collection and preparation of the information presented. HKQAA does not involve in calculating, compiling, or in the development of the Report. Our verification activities are independent from HKEI.

Conclusion

On the basis of our verification results and in accordance with the verification procedures undertaken, it is the opinion of the HKQAA's verification team that:

- The Report illustrates HKEI's sustainability performance on the significant aspects in a balance, comparable, clear and timely manner;
- The data and information stated in the Report are reliable and complete;
- The Report has been prepared in accordance with the "Core Option" of the GRI Standards and the Electric Utilities Sector Disclosures as well as the HKEI's ESG Reporting Guide;
- The Report has also addressed a significant number of material disclosures required under the "Comprehensive Option" of the GRI Standards.

HKEI has been engaging with its stakeholders continuously and being very responsive to the feedbacks gathered from the stakeholder engagement process by improving its disclosure regarding the material issues that are of importance to the company and high level of interest by stakeholders. The Report reflects appropriately HKEI's sustainability context and materiality.

Signed on behalf of Hong Kong Quality Assurance Agency

Jorine Tam
Director, Corporate Business
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