



Conference Summary

Name of event	Knowledge Primer 1 – Sustainability and the “New Normal”
Date	11 June 2021
Time	14:30 – 16:30
Venue	Rayson Huang Theatre, The University of Hong Kong & Live Stream
Organization	Partnership for Sustainability Leadership in Business, Centre for Civil Society and Governance, HKU

Overview

On June 11th 2021, the Centre for Civil Society and Governance (CCSG) of The University of Hong Kong has hosted its first Knowledge Primer (KP), themed “Sustainability and the ‘New Normal’ – Building Business Preparedness and Leveraging New Opportunities” under its Partnership for Sustainability Leadership in Business (PSLB) programme. The conference took place at the Rayson Huang Theatre of The University of Hong Kong, and was simultaneously broadcasted online. Approximately 200 people were in attendance in total.

The Knowledge Primer brought together various industry experts and practitioners in the field of business sustainability. It discussed the challenges and opportunities for corporations to integrating sustainability principles and ESG factors into their strategic operations in a post-pandemic economy. It began with Professor Wai-Fung Lam, Director of CCSG delivering opening remarks, followed by Mr. Darwin Leung, Assistant Project Manager of CCSG, introducing the Sustainable Value Chains (SVC) Commitment and SMEs Sustainability Leadership Recognition Scheme. An official launching ceremony for the aforementioned schemes, which aspire to connect large corporates and SMEs and provide capacity-building resources for co-creating SVC in Hong Kong and the region was held next. Then, the first keynote speaker, Mr. Daniel Chan, Head of Greater Bay Area, HSBC, shared his views on the role financial institutions can play in accelerating sustainable development and value chain collaboration in the Greater Bay Area (GBA). Whereas the second keynote speaker, Professor Witman Hung, JP, Principal Liaison Officer for Hong Kong, The Shenzhen Qianhai Authority, examined how sustainability risks and opportunities can be addressed alongside the industrial transformation and upgrading of the GBA. A panel discussion was held thereafter to gather insights and experiences from dedicated corporate guests on building a sustainable business ecosystem and value chain collaboration. Moderated by Professor Wai-Fung Lam, panellists include Ms. Yan Chan, Deputy General Manager of Business Innovation Department of Nam Fung Group; Mr. Peter Choy, Vice President in Supply Chain and Sustainability of Starbucks Coffee Asia Pacific; Ms. Winnie Ho, Senior Corporate Director of Brand Communications of Rosewood Hotel Group, and; Mr. Victor Kwong, General Manager – Corporate Sustainability of The Hong Kong and China Gas Company Limited.



Rethinking ‘Sustainability’ to Prepare for the Post-Pandemic Era

In the opening remarks, Professor Wai-Fung Lam started by describing the COVID-19 pandemic as a double-edged sword. While the relationships between people become increasingly distant, the pandemic has exposed our intricate dependencies on the environment and global communities. Businesses cannot thrive in traditional economic models built on the exploitation of nature and pervasive inequalities. Heightened sustainability challenges, such as climate change, unequal distribution of resources and poverty, have brought to our attention that cross-sector solidarity is needed to tackle issues arising out of this “New Normal”. Due to rising societal awareness and tightened compliance requirements imposed by regulatory authorities, the business sector has become increasingly aware of the pivotal role sustainability plays in cultivating resilience and longevity. Some businesses had already expanded their sustainability scale from their internal operations to the whole value chain involving different upstream/downstream stakeholders. On behalf of the Partnership for Sustainability Leadership in Business (PSLB) programme, Professor Lam also invited businesses to take on a more proactive role and further their sustainability commitments by joining the Sustainable Value Chains (SVC) Commitment and SMEs Sustainability Leadership Recognition Scheme. The schemes aim at creating a sustainable business ecosystem by fostering closer collaboration between large corporates and SMEs, through providing capacity-building materials and by leveraging the strengths of academic institutions, industry experts and the community at large.

Embracing GBA’s Transformation and Strategic Opportunities

Following the opening remarks, the two keynote speeches have shed light on the GBA development trends, talent landscape in the region, and the strategic opportunities for Hong Kong to leverage and scale up its competitive advantages. Some key takeaways are summarised as follows:

- Hong Kong businesses and entrepreneurs should capitalise on the opportunities arising from the 10 key strategic positionings of the GBA, including ‘Technology Innovation’, ‘Digitalization’, ‘Talents’, ‘Green/Blue GBA’, ‘Professionals’, ‘Infrastructure’, ‘Consumption’, ‘Fin+Tech’ and ‘Creditability’.
- Integrating sustainability into daily operations and across the value chains is crucial for rebuilding a greener and more resilient business in the post-pandemic era. A sustainable value chain should be underpinned by a collaborative approach that creates shared value for the private sector, local community and the environment.
- Nurturing a talent pool is essential for driving sustainability transition. Hong Kong, as a talent hub in the GBA, should strengthen its competitive edge based on combined efforts



from grooming local talents to recruiting professionals worldwide, and supporting youth development and education for powering the growth in digital innovation and green economy in the GBA. Forging partnerships between higher education institutions and the industry is increasingly perceived as an important vehicle for cultivating future talents, incubating collaborative researches, and building a quality workforce for a more innovative economy enhancement.

- Sustainable development has become one of the strategic priorities in the GBA, while green and sustainable finance is emerging as a significant business trend. The finance and banking sector has a pivotal role to play in channelling investments and providing financial incentives such as preferential loans for corporates with robust ESG agendas to drive more sustainable business operations and practices.

‘Sustainability as Business Strategy’ to Build Back Better from the Pandemic

The pandemic has brought new insights and changed the sustainability discourse.

Reflecting on the panel discussion, it has been obvious that global sustainability challenges cannot be resolved with the effort of a single individual or sector. A concerted, industry-wide effort and swift actions are needed to foster a truly sustainable business ecosystem. The panellists highlighted that business strategies must be forward-facing and risk-sensitive. Companies should embrace resilience and environmental sustainability in the supply chains to ensure longevity against future shocks, such as the escalating threats imposed by climate change and the possible outbreak of another global pandemic. Transitioning to a sustainable business model that enables operational resilience and value creation could prevent enterprises from being caught off-guard by unpredictable crises.

The panel discussion also touched upon the merits of developing a stronger sense of purpose beyond a simple profit motive. By having better disclosure methods, higher transparency, and taking a more people-centred approach helps a company connect more deeply to their ‘community of interest’, including employees, customers and the local communities where the business operates, which is conducive to addressing stakeholder demands as well as meeting the needs of society in the post-pandemic world.

Towards Collaborating with Business Partners Along the Value Chains

A value chain perspective on sustainability helps companies identify how they can best manage their impacts and create shared values for businesses, local communities, and the environment. The panellists shared the view that in order to stay competitive and adapt to sustainability challenges, companies must look beyond their own operations and collaborate with their



upstream/downstream business partners to reduce their environmental footprint (e.g. eco-friendly production, green procurement) and increase their positive social impact (e.g. local jobs, fair wages and investment in the local community) across the entire value chain.

It is envisaged that by working closely with value chain partners (e.g. suppliers, contractors, distributors, retailers), and foster a culture of open, transparent communication with stakeholders and the public, companies can effectively drive impactful actions against sustainability challenges.

Closing

Professor Lam, Director of CCSG, expressed his gratitude to all participants and honoured guests.