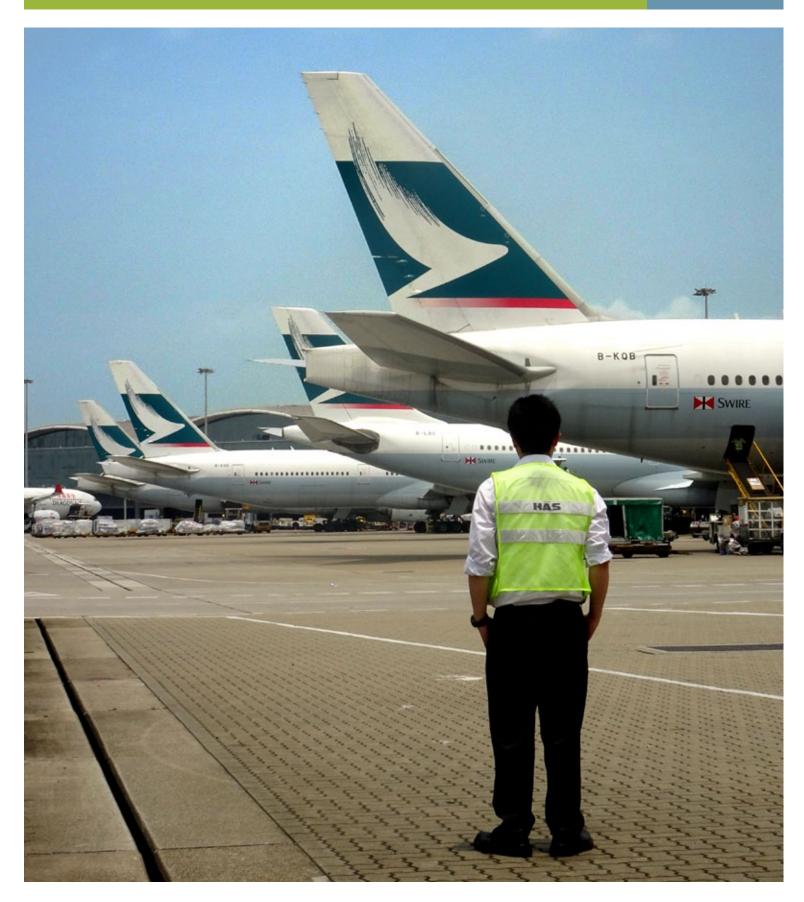


### SUSTAINABLE DEVELOPMENT REPORT PURSUING SUSTAINABILITY AT A GROWING AIRPORT



## **ABOUT THIS REPORT**

This is our ninth Sustainable Development Report. This report provides our stakeholders with an overall summary on our performances in the areas covering Environment, Occupational Health & Safety, Employees, Business Partners and Community Services in 2015. The report also describes the vision and values we uphold which set us towards a more sustainable future.

The report covers all correlative material from Hong Kong Airport Services Limited in the 2015 calendar year. This report covers our owned or operated businesses and does not address the performance of our suppliers, contractors or partners, as well as all financial information, unless otherwise noted.

Data disclosure in this report is guided by the GRI G4 'in accordance option' Core reporting guidelines. A GRI G4 Content Index details the extent to which each of the Guideline requirements have been covered in the report. GRI performance indicators are disclosed in the "GRI Content Index".

No external assurance was pursued for this reporting period.

The Sustainable Development Report 2015 and reports of previous years can be found on www.has.com.hk

# Table of Contents

Managing Director's Message	 p.4
Our Business	 p.5
Sustainability Management	 р.б
Risk Management, Corporate Governance	 р.б
Approach to Stakeholder Engagement	 p.7
Environment	 p.8
Occupational Health & Safety	 p.13
Our People	 p.18
Business Partners	 p.23
Community	 p.27
Sustainability Performance Indicators	 p.31
GRI Content Index	 p.33

# MANAGING DIRECTOR'S MESSAGE

Sustainable Development has always been one of the key strategic objectives of HAS. When we look at our long term strategy to meet with the Hong Kong International Airport development and align our approach with Group values, sustainability becomes a vital key for us to meet our future targets.

2015 was a year full of changes and development plans for the Hong Kong International Airport. HAS being the largest ground handling agent in the HKIA, we are prepared to face the challenges brought by the airport development plan such as Midfield Development and West Apron Expansion. In light of the foreseeable growing business and capacity of HKIA, we are endeavoured to embed sustainability elements into our corporate strategy and achieve sustainable business growth.

One of the major focuses of our work this year is the implementation of a series of LEAN Programme to streamline work processes and achieve operation efficiency. All levels of staff and departments were invited to participate in the programme and we are delighted to receive a positive result from 20 projects executed with over 16,000 man-hours and 310,000 pieces of paper being saved. Other than the large amount of paper being saved, we have been exploring more innovative opportunities to meet with the Carbon Neutral Growth (CNG) 2020 goals of Cathay Pacific Group and the green commitments of AAHK. In Year 2015, electric-driven lower deck loaders, an operational critical Ground Support Equipment (GSE) for aircraft loading, were introduced in our GSE fleet.

Work Safety has always been our first priority. HAS successfully renewed the bi-yearly ISAGO (IATA Safety Audit for Ground Operations) certificate in late 2014 which demonstrates our excellence in ensuring operation and work safety. And this year, Pristine Condition Manual Handling Project was initiated in HAS to improve work place safety and to reduce injury numbers. A significant drop of 25% in the Lost Time Injury Rate, which is a Safety performance indicator, was achieved in Year 2015.

HAS regards people as our important asset. To meet with the needs of our growing business and an expanding airport, we provided our staff with career development programme and continuous trainings to attract and retain talents for our long-term development. We also reviewed our human resources strategy and made relevant changes in our remuneration packages.

In this report, you will find out what we have been working to face the future challenges in HKIA. This is our ninth Sustainable Development Report and as always, we value your comments on our sustainability performance and your continuous support.



Raymond So Managing Director



# OUR BUSINESS

Hong Kong Airport Services Ltd. (HAS) was established in 1995 to prepare for professional ramp and cargo

services to airlines at the Hong Kong International Airport. HAS integrated with Hong Kong International

Airport Services Limited (HIAS) on 1 November 2008 and has become one of the largest one-stop ground

handling services providers in Asia. Our company now employs over 3,300 people and owns a fleet of over

3,000 ground-support equipment (GSE) and vehicles.

HAS provides essential ground services at Hong Kong International Airport while maintaining a 47.2% and 19.8% market share in ramp and passenger handling services respectively. Our company serves a total of 26 international airlines in 2015 including Cathay Pacific (CX), Dragonair (KA) and Air Hong Kong (LD).

Our workstations are mostly located at the Hong Kong International Airport including Dragonair House, Cathay City, Passenger Terminal Building and Cathay Pacific Cargo Terminal. In-town Check-in (ITCI) services at Kowloon MTR Station and Hong Kong MTR Station are also provided by professionals at HAS. HAS established a joint venture company "Shanghai International Airport Services Company Limited" (SIAS) with Shanghai International Airport Company Limited, Air China Limited and Shanghai Airport Authority in March 2012. SIAS provides ground handling services for international or regional and domestic customer airlines at Shanghai Pudong International Airport and Shanghai Hongqiao International Airport.

## SUSTAINABILITY MANAGEMENT

We have set up a Sustainable Development Committee to review the effectiveness of the sustainability management strategy and to strive for continuous improvements. The Committee is chaired by the Company Managing Director and comprised of sub-committees focusing on 5 major areas in our sustainability strategy,

- Environment
- Occupational Health & Safety
- Employees
- Business Partners
- Community

We also adopted the Sustainable Development Policy developed by Swire Pacific and further develop our own policies and Code of Conducts in these 5 areas. We are committed to achieve business growth while not compromising the environment, employees' wellbeing and community.





## CORPORATE GOVERNANCE

HAS clearly delineates the responsibilities and accountability of the Board of Directors. The governance of sustainability at HAS is executed through the Management Committee, which comprises of the Managing Director as a standing member and Board members appointed by Cathay Pacific Airways. The role of the Managing Director is to report the Company performance at regular intervals. The Board members are responsible for following a set of principles that address conflicts of interest, confidentiality, remuneration, and compliance with laws, rules and regulations.

### **RISK MANAGEMENT**

HAS possesses a structured process to identify the risks associated with identified hazards and to determine how they are managed and mitigated. As a wholly- owned subsidiary of Cathay Pacific Airways, we follow the risk management framework set by Cathay Pacific; and we adopt the risk management processes as described in the Corporate Risk Manual of the Group which includes the criteria for evaluating risks and the tolerable level that the organization is willing to accept together with the mitigating factors.



## APPROACH TO STAKEHOLDER ENGAGEMENT

We have started engaging our stakeholders on sustainability since 2009 and we have been engaging our identified stakeholders in helping to formulate our long-term sustainability strategies. 4 surveys had been arranged between Year 2009 and Year 2015 to better understand views and needs from our stakeholders. Besides, we constantly and systematically meet with our key stakeholder groups including Customers, Employees, Suppliers, Government & Regulators, Business Partners and Investors & their Advisors.

Stakeholder Group	Engagement Channel
Customers	<ul> <li>Regular and ad hoc meetings</li> <li>Customer Satisfaction Survey</li> <li>Joint-company site visits</li> <li>Airline performance campaigns</li> </ul>
Employees	<ul> <li>Regular performance reviews</li> <li>Committees and liaison group meetings</li> <li>Training and development programmes</li> <li>Awards and recognition schemes</li> <li>Employee relations activities</li> </ul>
Suppliers & Contractors	<ul> <li>Regular and ad hoc meetings</li> <li>Annual audits and on-site inspections</li> <li>Performance review meetings</li> <li>Direct dialogues</li> </ul>
Government & Regulators	<ul> <li>Regular forums, conferences and meetings</li> <li>Reporting on regular basis</li> <li>Direct and continuous communication</li> <li>Working groups</li> </ul>
Business Partners	<ul> <li>Regular and ad hoc meetings</li> <li>Direct dialogues</li> </ul>



## ENVIRONMENT

HAS is committed to being environmentally responsible and sustainable in the community in which we operate. We endeavour to minimise our impact on the environment through managing our carbon emissions, reducing the waste generated by our daily operations and engaging our staff in environmental related activities.

#### Actions Done in 2015

#### COMPLETED •

- Replaced the disposable plastic cutlery used in the staff canteen with biodegradable cutlery
  - Recycled scrapped computer equipment and electronic accessories
  - Organised voluntary community service to strengthen the awareness of environmental protection among Company staff
- ON-GOING Implement the second phase of the Ground Support Equipment (GSE) & Vehicle Replacement Programme to continue replacing aged and less fuel-efficient GSE and vehicles
  - Reduce the number of surplus festival products including red packets and wall calendars

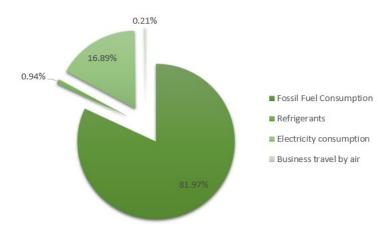
#### Planned Action in 2016

- Review on the energy usage in HAS offices and workplaces and the possible energy management opportunities
- Arrange workshops & events to enhance the environmental awareness and concept of sustainability among the Company

### **Carbon Emission Management**

In 2015, Greenhouse gas emissions generated by our operations totalled 10,592 tonnes of carbon dioxide equivalent (CO2e). Our carbon footprint mainly comprised fossil fuel consumption (Scope 1), electricity consumption (Scope 2) and business travel (Scope 3). Fuel consumed in our GSE and vehicles accounted for over 82% of the total carbon emissions.

Compared with 2014, we saved 121,443 litres of fuel and reduced our electricity usage by about 20,000 kilowatt hours. Over the years, HAS is keen on improving energy efficiency in day-to-day operations. An Energy Audit of the HAS office premises was arranged to explore new energy saving opportunities. Further studies and site visits were arranged to further investigate the feasibility of adopting energy-saving measures in our offices.



#### CARBON EMISSION ATTRIBUTE TO HAS 2015

## Global Positioning System (GPS) Tracking System for Motorised Airside Vehicles/ GSE

With the aim of improving airfield operational efficiency and safety, the Airport Authority Hong Kong (AAHK) has announced a plan to mandate the installation of a GPS tracking system onto all motorised airside vehicles/ GSE starting from November 2015. The basic vehicle tracking services include the management of traffic flow and driving behaviour.

Other than the basic features required by the AAHK, we will also include add-ons functions to further enhance our operational efficiency, including estimating GSE fuel levels, displaying the utilisation status of operationally critical GSEs and driver management. By checking the fuel level of GSE and locating idling GSE on the apron, we expect to save over 9,000 litres of fuel every year.

#### Introduction of new Ground Support Equipment (GSE) - Electric Loaders

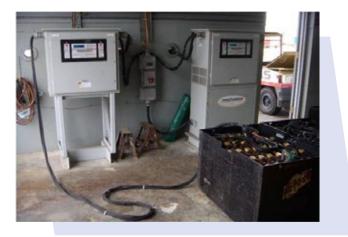
Ground Support Equipment (GSE) is the support equipment used to service the aircraft between flights including ground power operations, aircraft mobility, and cargo/passenger loading operations.

> Around 23% of HAS GSE & vehicle fleet is powered by electricity



HAS introduced 4 electric loaders into GSE fleet in 2015 and 6 more will be delivered to HKIA by the beginning of 2016. When comparing the new e-loaders with conventional diesel engine powered loaders, there is basically no differences in terms of the operation and major performances.

10 electric loaders could save over 200 tonnes of CO2e of exhaust gas emissions on ground per year compared to diesel powered loaders. It could also reduce the noise generated in operation and frequency of repair & maintenance.



#### Ground Support Equipment (GSE) and Vehicles Replacement Programme

HAS has been carrying out GSE Replacement Programme since 2011.

Until 2015, over 300 powered GSE and vehicles had been replaced in order to increase fuel efficiency and reduce carbon emission. Term II GSE and Vehicle Replacement Programme has been commenced in 2014 for 3 years.

The programme is now on-going and more fuel-efficient GSE and vehicles are expected to be introduced into our GSE fleet in the future.

#### FLY Greener Programme

HAS has been joining the FLY Greener Programme, a voluntary carbon offset programme launched by Cathay Pacific Airways to offset the CO2 emissions generated from business trips since 2008.

In 2015, HAS offset a total of 22.09 tonnes of carbon dioxide.

The FLY greener portfolio includes a wind farm in Taiwan and an efficient cook stove project in China which help to subsidise the cost of sustainable fuel-burning stoves for underprivileged families in China.

## Waste Management

Waste problem has been one of the concerned environmental issues in the society. We have been working to minimise the waste produced especially by paper. A series of campaign had been carried out since 2012 and encouraging results had been achieved. Paper consumption in Year 2015 reduced by 15 % when compared with Year 2014.

In 2015, Business Improvement Team (BIT) was established to drive and coordinate a series of Lean campaigns in the company in order to help our staff to work simpler, easier and smarter.

#### **E-filing System**

Our Load Control (LCL) Team has been working with Management Information Services (MIS) Team to reduce paper consumption since 2012. In late 2014, the e-filing programme was established to eliminate hard copies and reuse used paper properly.

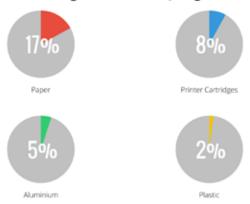
Under the new system, the working documents would be auto-saved in the designated email accounts instead of printing out.

Compared with 2014, the amount of A4 paper and printer toner purchased could be dropped by over 400 boxes & 10 boxes respectively per year.



Solid Waste Generated in HAS (in kg)

#### Percentage Increase in Recycling Rate



#### **Other Recycling Initiatives**

- 2015 Lai See Red Packet Reuse & Recycling
- Project Green Moon 2015 Mooncake boxes recycling programme
- Plastic Capsules Recycling from Company Christmas Gift Distribution
- 2016 Wall Calendars Donation



In order to raise the awareness and enhance the knowledge of Lean for all levels of staff, the Business Improvement Team (BIT) has been carrying out various kinds of activities including improvement projects, training and promotion across different departments.

analyze how to reduce wastes, while continuing to improve the operations and business processes.

To elicit more ideas and more improvement projects from all staff within HAS, BIT has launched the Go Paperless Marathon from August to November 2015 to leverage the wisdom of the crowd. Within 4 months, the team has gathered talents across 8 sections and successfully implemented 8 improvement projects. 2U projects completed in 2015

Over 310,000 pieces of paper being reduced

## **Employees Engagement**

Engaging employees in our sustainability targets and goals is essential to us. Motivating employees to actively participate in our sustainability programmes is crucial in order to strengthen the awareness of environmental issues across the Company.

#### Coastal Cleanup 2015



This year, our HAS Dynamics Volunteers joined the "Hong Kong Cleanup" and devoted to playing a part in keeping our city clean.

26 volunteers arrived at Wu Kai Sha Beach in the morning of 24 October 2015 and picked 10 bags of trash and a full box of broken glass from the coastline.

#### CLP Energy Saving Roadshow

Environmental Committee has aligned with CLP Hong Kong to arrange "Energy Saving Roadshow" at staff office in July 2015. Games, electricity saving tips exhibition and energy saving electrical appliances promotion were carried out in the roadshow.

Over 300 colleagues had joined the event and over 150 staff were invited to participate in the CLP energy saving campaign "Power Your Love".

#### Earth Hour 2015

HAS continued to participate in "Earth Hour" in 2015. This is the world's largest yearly collective environmental action initiated by the World Wildlife Fund (WWF), with aim to achieve low carbon emission.

Departments were invited to switch off all the non-essential lighting at 8:30pm for one hour on 28 March 2015. On the other hand, our headquarter office supported "Earth Hour" by turning off non-essential lightings for one hour during lunch time on 27 March 2015.

#### Awards & Recognitions

- 1. 1st Runner-up in The Best Subscription Award Single Building for the energy saving campaign "Power Your Love" awarded by CLP Hong Kong
- 2. "Hong Kong Award for Environmental Excellence Class of Excellence Wastewi\$e Label" Certification Award granted by Environmental Campaign Committee (ECC)



## **OCCUPATIONAL HEALTH & SAFETY**

Safety is our first priority at Hong Kong Airport Services Limited in all activities. To achieve this policy, we have been implementing different improvement tasks in the areas of safety management, work procedures and facilities. Throughout the years, continuous improvement trend for our injury rate has been observed.

#### Actions Done in 2015

- COMPLETED Signed Safety Charter on 15 May 2015 and organized road show in June 2015 to enhance the supervision and responsibility of staff
- ON-GOING Apply new engineering & Personal Protective Equipment in workplace to enhance safety precautions
  - Organize Safety Campaign /Incentive program to raise the safety awareness of all staff
  - Enhance supervisor or above's responsibility and accountability as well as communications between safety department and other sections
  - Refresh and update safety knowledge for all staff by providing recurrent trainings and talks to existing staff

#### Planned Actions in 2016

- Organise Daily Ramp Safety Audit to strengthen safety observations programme
- Arrange Pristine Condition Manual Handling Training & on-site training
- Carry out job hazard analysis
- Conduct GPS & Defensive Driving Assessment

Comparing with 2014, LTIR reduced over 25% in 2015 from 3.7 to 2.56

### **Our Safety Performance**



We continue to improve our safety performance over the last 5 years. The Lost Time Injury Rate (LTIR) was observed to reduce from 6.9 in 2010 to 2.56 in 2015.

## Workplace and Staff Safety

#### GSE & Vehicle Improvement Plan

HAS has been working on GSE & Vehicle improvements to cater for the operational needs of frontline staff and to address the safety concerns. Starting from 2015, several improvement items have been carried out including:



- 1. Install CCTV on GSE to strengthen the safety of both passengers & staff
- 2. Install hydraulic step covered with antiskid material on Passenger Steps to ensure passengers' safety
- 3. Replace the spring on raw tow hitch of tractors to avoid dolly separation during towing and ensure driving stability & safety
- 4. Renew reflective safety cones to improve visibility especially during night time

## Safety Culture & Training



#### Pristine Condition Manual Handling Project

HAS initiated the Pristine Condition Manual Handling Project since January 2015. The industry expert, Pristine Condition has a good reputation on their services and training program as to minimize work injury cases. Theoretical and practical training of Pristine Condition Manual Handling were provided for frontline staff.

Manual Handling Safety Ambassadors were assigned to visit the workplace of Ramp & Cargo Services Department aiming to promote and instill Pristine Condition Manual Handling skills into our staff as well as ensure that they fully understand the importance and advantages of these skills.

In addition, staff are encouraged to become accustomed to using Pristine Condition Manual Handling skills during their daily operations. It is believed that the injury rate regarding manual handling can be significantly reduced by these promotion activities.

#### **Occupational Safety Charter**





Occupational Safety Charter signing ceremony was held on 15 May 2015 at Dragonair House. The Safety Charter was signed by staff representatives and the management's representatives.

In addition, It was our honour to have Mr. Leung Yuk Keung (Chief Occupational Safety Officer of Labour Department) and Dr. Louisa Wong (Principal Consultant of Occupational Safety & Health Council) witnessing our signing ceremony. HAS is committed to fulfilling all safety responsibilities in the Safety Charter.

## Safety Month 2015



To enhance safety and security awareness, HAS Safety Section organized a "Safety Month 2015", a series of activities including game booth, manual handling promotion, safety talk and exhibition were held in October. Traffic safety experts of Police were also invited to give a safety talk to share their experiences in driving safety. Over 850 participants joined these promotion activities and each of them received a water bottle as a present. Through these activities, the company aims to foster the safety and security awareness of our staff, thus reducing the work injuries and irregularities.

#### Quarterly and Yearly Ramp Safety Role Model 2015

Safety Role Models are selected quarterly and yearly from baggage services, cargo handling, ramp services and transport services sections in recognizing their outstanding efforts and performance in maintaining workplace safety. Each role model was observed for a long period of time.

The selected role model received certificates and prizes from management to show the Company's support towards a good and positive safety culture.

## Staff Health & Wellness

Our company recognize the importance of mental and physical wellness of our staff. Good health is vital to individual performance and development. We organized different activities to develop healthy lifestyles and promote healthy culture.

- Health Seminar Stay Peaceful with Allergies
- Stretching Exercises
- Employee Assistance Programme
- Health tips via emails and electronic notice boards
- Employee Abundance Programme

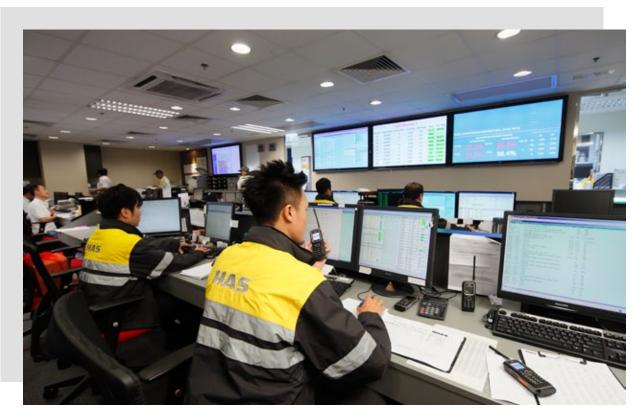
## IATA Safety Audit for Ground Operations (ISAGO)



The bi-yearly ISAGO (IATA Safety Audit for Ground Operations) recertification was carried out by the auditing airline successfully in October 2014 with a remarkable result which demonstrated our standard operating procedures and practices are conformed to the ISAGO Standards and Recommended Practices, and HAS is one of the qualified Ground Service Providers within 165 members worldwide listed on the ISAGO Registry.

#### Awards & Recognitions

- 1. 2014/2015 Airport Safety Recognition Award Corporate Safety Performance Award
- 2. Prize Presentation Ceremony of Airfield & Baggage Hall Safety Campaign 2015



## OUR PEOPLE

HAS places high importance in our human resources and its related management. We work to provide a safe, healthy and fulfilling work environment for our employees so that they would take pride in their work and have a sense of belonging to HAS. At the same time, we provide staff with career development programme and continuous trainings to attract and retain talents for our long-term sustainable business growth.

#### Actions Done in 2015

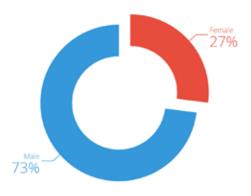
COMPLETED •

- Provided summer job and placement experience for more than 40 students in 2015
   Organized different staff activities including Day Trip to HK GeoPark, Airport Visit for staff and families, Summer Movies Day and arranged different sport activities for our employees in 2015
- **ON-GOING** Continue to provide corporate learning and development opportunities to groom our employees, such as Leadership Development Programme, Recruitment Ambassadors.

#### Planned Actions in 2016

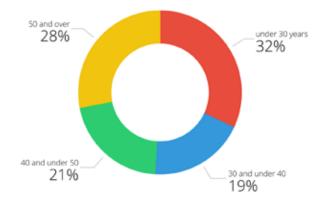
- Continue to partner with local organisations/ institutions for placement and summer job opportunities
- Cooperate with Hong Kong College of Technology (HKCT) to develop a trainee programme in ramp handling to attract younger generation
- Initiate staff uniform reform project

## **Demography of HAS Staff**



HAS Employee Profile by Gender

#### HAS Employee Profile by Age Group



## **Training & Staff Development**

## ERB Manpower Developer Award Scheme

With a view to instilling a corporate culture advocating the importance of manpower training and development, the Employees Retraining Board (ERB) launched the core scheme, called "ERB Manpower Developer Award Scheme" in December 2009 to recognize organizations which demonstrate outstanding achievements in manpower training and development as Manpower Developers (MDs).

We are honoured with the title of Manpower Developers 2015-2017 continuously in recognition of the outstanding performances in five aspects,

- Leading a Learning Culture
- Resources Planning
- Training and Development System
- Performance Management
- Corporate Social Responsibility in Manpower Development

## HAS Corporate Training and Development Curriculum

People are our valuable asset and therefore our aim is to cultivate a continuous learning and development culture by developing the "HAS Corporate Training and Development Curriculum" (HASCTDC) to help our people to sharpen their skills to grow with us.

The "HASCTDC" acts as a catalyst to help our people to work more effectively and to inspire them to develop continuously. We have categorized our programmes into four categories, including "Management Skills & Leadership", "Personal Effectiveness", "Corporate Culture" and "Specialty Courses".

## Corporate Image and Business Etiquette

In today's competitive business world, projecting a positive, a professional image is vital to our company and personal success.

In this regard, we implemented the workshop on "Corporate Imaging and Business Etiquette" in 2015. We aimed at targeting our Company representatives who continuously participate in Corporate events, such as recruitment and career talks, marketing events and interviews invited by the media. Company representatives play an important role in sharing working experience in HAS and handle question and answer session.

The workshop provides the knowledge and skills required to project a professional image. It enables participants to project company corporate building, through the principles of successful personal imaging.

## **Team Engagement**

#### Staff Coordination Team & Communications

HAS recognized the importance of communications as a vital element in building and maintaining positive working environment. In this regards, Staff Coordination Team was set up to enhance staff communications.

During Easter, the Staff Coordination Team distributed some cute Easter candies to our Passenger Services staff in all operational areas sending warm wishes and greetings to our staff.





#### Passenger Services Staff Recognition Awards

To recognize Passenger Services Staff's effort in receiving compliments and identifying passengers' invalid travel documents prior to acceptance, staff received highest scores in each quarter will be awarded to appreciate their excellence performance.

#### **Best Grooming Award**

To improve staff grooming standard and to encourage them in performing outstanding grooming continuously, HAS Passenger Services Department organized a "Best Grooming Award". Winners were voted by the Passenger Services team based on Dragon Airlines' grooming standard and staff ranked in top tier were awarded "Best Grooming Award". In this event, a total of 495 nominations were received and over 260 staff were being voted.



#### Forum for Passenger Services Staff

Effective from May 2015, a series of "Forum" has been introduced by Passenger Services Line Training Team (PDV) as well as Passenger Services Line Operation Team to replace the briefing except the daily operation one for creating a platform to discuss recent passenger services related hot topics with our frontline staff. They not only can strengthen the communication as well as interaction with our colleagues, but also aim for advancing their sensitivity and awareness for their work, especially on situation handling.

## Youth Development in Tertiary Education

#### Dragonair Youth Aviation Academy Aviation Career Workshop

Youth Aviation Academy organized an "Aviation Career Workshop" at Dragonair House in October 2015 to introduce the aviation industry to the students.

Dragonair invited several industry partners to introduce various areas of the aviation industry, and the career opportunities available, to more than 100 students from 20 local institutions and educational programmes. Being an industry partner, HAS also participated in this meaningful programme and arranged a familiarization tour to Ramp and Passenger Services Operation for 30 students.

#### Scholarship Presentation Ceremony

To support our future generation, HAS keeps connecting with the tertiary institutions in organizing recruitment activities and internship programmes for students.

HAS was invited to the Scholarship Presentation Ceremony of Hong Kong Airport Services Limited and IVE Business Administration to award students from Hong Kong Institute of Vocational Education (IVE) (Tsing Yi). Four staff from Passenger Services Department were awarded for their outstanding performance.

## Work-Life Balance

Standard Chartered Hong Kong Marathon The 22nd Green Power Hike Day Trip to Hong Kong Geopark Airport Visit Summer Movie Day HKIA Super Bowl Cup SWIRE Intra-Group Sports Competition Annual Dinner Christmas Party









## **GroundStar Project**

GroundStar is an interactive process and resource management system to optimize all planning and deployment activities in ground handling operations at airports. It has been used by HAS since 2010. Consultant conducted a full system review in 2014 and proposed recommendations to further enhance the system to fulfill our business requirements, to increase system utilization and to introduce best practice process.

The GroundStar team was formed accordingly to fully implement all modules to all HAS departments in different aspects and refine the system to become more user-friendly. The team has completed the familiarization to various functional areas including Ramp, Cargo, Landside, Airside and Load Control to understand the logic of the current Master Roster arrangement, the engagement standard as well as the workflow of the end to end process of Real Time (RT) and Rostering (RO) and to discuss what can be improved for a more user-friendly system.





## **BUSINESS PARTNERS**

HAS has more than 3,000 employees and handles almost half of aircraft movements of the airport every month. Effective communication with our business partners is critical for efficient operation and resource management. With reliable support from different business partners in a seamless logistics process, our staff can go extra mile in delivering excellent services and making us an indispensable presence in the local aviation industry and a long standing partner for a range of international airlines.

#### Actions Done in 2015

ON-GOING • Continue to conduct annual contractor audit

#### New Customer Airlines in 2015

- May Air Astana
- September Tiger Airways

#### Planned Actions in 2016

• Work closely with Swire Group to explore the feasibility of expanding the scope of bulk purchasing to other office materials

## **Suppliers and Contractors**

#### Supplier Code of Conducts

Our suppliers and contractors are required to comply with the HAS Supply Chain Sustainability Code of Conduct for confirming compliance with our company as part of the terms of relevant agreements. The same requirements are expected to cascade down whole supply chain to encourage the best practice in various aspects including ethical procurement, environmental protection, health and safety, labour rights. The sustainability performance of the supplier would also be considered in accordance to HAS Supply Chain Sustainability Code of Conduct.

#### Sustainable Procurement

HAS is committed to sustainable purchasing and give preference to sustainable products. HAS would identify, select and purchase products (i.e. goods and services) with significantly less adverse environmental and social impacts than alternative competing products.

#### **Annual Contractor Audit**

Annual contractor audit was carried out in late September 2015 to ensure the compliance of all the applicable legal requirements and evaluate their performances on environmental protection, occupational health and safety, and quality assurance.

### Focus on Customers

#### **Customer Satisfaction Survey**

Our airline customers are invited to participate in the quarterly Customer Satisfaction Survey to provide their feedback on our service performances. Their comments are the index of quality for our review to foster a collaborative relationship with our customer airlines.

#### Service Enhancement - Elite Team



From January 2015, a dedicated "Elite Team" starts to serve Dragonair (KA) First and Premium Class passengers at KA First Class counters and ambassador of KA First Class. It aims to strengthen and enhance services for KA First and Premium Class passengers.

The professional team members are selected from experienced Passenger Services Officers in Landside Operation.

"Elite Team" has extended their coverage to Lounge Services since April 2015 and delivered a wonderful Check in & Lounge Services to KA First and Premium Class passengers before they board their flights.

### Awards and Recognitions

1. 2014/2015 HKIA Customer Service Excellence Programme Award Presentation



To recognize the efforts and dedication of airport staff, Airport Authority had introduced 3 categories of awards to distinguish individuals and teams who had delivered outstanding customer services in 2014. The Award Presentation Ceremony was held on 24 July 2015.

This year Hong Kong Airport Authority presented "Individual Excellence Awards", "Corporate Excellence Awards", "Best Check-in Service Awards (Passenger Handling Agents)" and "Cross-Company Excellence Award" to HAS in recognition of its provision of outstanding customer service.

#### 2. Betsy Award 2015



HAS, the passenger services provider to Dragonair, was honoured to be awarded the 'Betsy Award' in 2015.

The 'Betsy Award' is the highest accolade given to Cathay Pacific Airways & Dragonair staff in recognition of their service excellence and this year HAS was also included in this prestige award. HAS have been awarded 2 Individual and 2 Team Awards in 2015.

#### 3. 2nd Position of Best Station 2014 for Swiss International Air Lines Ltd. (Hong Kong Station)

In May 2015, LX Hong Kong Station of Swiss International Air Lines Ltd's (LX) was awarded the First Runner-Up of the Best International Stations in "SWISS Station of the Year Awards 2014". HKG was only 0.36 mark behind the Champion Station NRT.

#### 4. "Give Me Five" Campaign



Give Me 5 in the Airport campaign was a 3-week service appreciation activity with the aim to recognize staff who deliver excellent customer service. The campaign was held in November 2015 to invite passengers and airport staff to vote for top five companies and frontline staff for each of the six award categories.

HAS received "The Most Helpful Company" award at the ceremony in December 2015. In addition, 2 staff from Passenger Services won the "Most Helpful Staff" award in the individual category.

#### 5. "Best Centralized Load Control Station" by Air Astana



Air Astana's (KC) Hong Kong Station was recognized as the "Best Centralized Load Control Station" in 2015. The award was presented by the representatives of KC to HAS on 1 December 2015.

KC is impressed by our load control team's dedicated and professional performance.



#### 6. "Ramp Incident Free" by Japan Airlines

HAS received the commendation of "Ramp Incident Free" from Japan Airlines on 27 March 2015. Mr. Thomas Woo, General Manager of Japan Airlines at Hong Kong International Airport, presented the commendation to ramp services representative. This is the seventh consecutive years for HAS to obtain this recognition.

#### 7. Passenger Services Cutover 2014 Achievement Recognition

In March 2015, HAS Baggage Services Section was awarded "Passenger Services Cutover 2014 Achievement Recognition" for Best Split System Supports which recognised HAS' assistance in avoiding massive short-shipped bags during the split system (CUPAC/CM) period.



## COMMUNITY

HAS is committed to serving the society through adopting our corporate social responsibilities to bring positive contribution to the community for the people in Hong Kong and around the globe, while respecting their culture and heritage.

#### Actions Done in 2015

COMPLETED •

- Organised 3 community voluntary services in showing love and care to senior citizens in Hong Kong
- Joint hands with UNICEF HK to support Nepal relief work

#### Planned Actions in 2016

- Continue to focus on seniors who are in need
- Work with different committees in organising volunteering and community services and enhance cross-committee cooperation

#### **Dynamics Volunteer Team**

Our HAS Dynamics Volunteer Team serves our community and participates in various charity programmes, elderly services, children and youth development and underprivileged families. In 2015, HAS had organized 14 community services and events in helping people in need within and outside Hong Kong and accumulated over 140 service hours in 2015.

#### Caring Company 10+ years

Hong Kong Airport Services Limited (HAS) is delighted to be awarded for the 10 Years Plus Caring Company Logo (10+) by The Hong Kong Council of Social Service (HKCSS) in 2014-2015, in recognition of our commitment in Caring for the Community, Caring for the Employees and Caring for the Environment over the past years.

HAS has been awarded as Caring Company continuously for more than 10 years, and eligible for the 10 years plus Caring Company after the nomination of five nominators

## Contributing to the Community

#### Photo Shooting for Elderly 2015



The Photo Shooting for Elderly 2015 was held on 25 April 2015 for the Hong Kong Family Welfare Society – Senior Citizen Centre (Kowloon City). There were 15 HAS Staff and family members participated to show our care to the elderly people.

#### The Mid-Autumn Festival Home Visit

The Mid-Autumn Festival Home Visit 2015 was held by Yang Memorial Methodist Social Service – Choi Hung Community Centre for Senior Citizens on 19 September for sending our warm blessing to the elderly people in Wong Tai Sin District. A total of HK\$4570 were also donated by HAS staff.

The team brought along the 'Mooncake Gift Packs' included mooncake, rice and calendar to the elderly. The elderly were happy to receive the gift and they also shared their happiness with the volunteers.

#### Knitting in Love

Our staff prepared woolen scarves or knit hats to show our care and blessings to senior citizens for enjoying a warm winter this year.

All the scarves received were collected and delivered to charitable organizations for further distribution to the elderly.



## **Deliver Our Care By Donations**

#### Gift Donation 2015

AAHK had organized the 'Gift Donation 2015' and the closing ceremony was held on 26 January 2015. HAS was honourably invited for participating the closing ceremony. Our Passenger Services uniformed staff represented HAS to donate the gifts on stage.

Total 62,975 pcs of gift were donated in the event. HAS collected a variety of gifts including toys, watches and cushion etc. The gifts were sent to Salvation Army and donated to the local people in need.



#### **Skip Lunch Day**

In 2015, the Community Chest organized a 'Skip Lunch Day' and HAS successfully raised a donation of HK\$2650.

#### **Books for Love**

The BOOKS for LOVE 2015 Charity Sale, organized by the Swire Properties was successfully launched. HAS collected a total of 145 books for the charity sale at the BOOKS for LOVE@\$10 event.

The event was held in mid-April for 4 consecutive day, with all proceeds went to The Boys' and Girls' Clubs Association of Hong Kong to assist in providing educational opportunities for children in need and distribution to the elderly.

#### Love Teeth Day 2015

Jointly organised by The Community Chest of Hong Kong, The Hong Kong Dental Association and Oral Health Education Unit of the Department of Health, Love Teeth Day aims at reminding citizens on tooth health whilst showing care to those in need.

#### **Orbis Plane Pendants**

ORBIS's Flying Eye Hospital has been delivering the hope of light & vision since 1982. It continues its sight-saving mission and offers care to people suffering from visual impairment all over the Third World.

A total of 157 pieces of Orbis pendants were purchased by HAS staff to support their work.

#### **Chocolate Charity Sale**

The Chocolate Charity Sale was held by Sheng Kung Hui St. Christopher's Home. The donation assisted orphans and children from broken families or low-income families for development opportunities and horizon-broadening activities, emotional counselling and tutorial support. HAS colleagues purchased totally 64 gift packs with donation of HK\$3,162.



## We also set up donation boxes for

#### **Changing Young Lives Foundation**

We continue to support the Changing Young Lives Foundation, to help all children for those who have difficulties, homes with domestic violence, and who live in single parent family.

#### Nepal Earthquake Appeal

HAS, Cathay Pacific Airways & Dragonair had joined hands with UNICEF HK to support the Nepal relief work. A two-week staff appeal was launched to raise funds for the victims of the earthquake. All the proceeds was directed to support UNICEF HK's relief efforts and to build community resilience in Nepal. The projects had supplied shelters and clean water to families and children, and ensured the supply of hygiene kits and vaccines to help prevent the outbreak of diseases. UNICEF HK had also been working to get children back to school as quickly as possible, in addition to giving psychosocial support to help them overcome the trauma of the devastating earthquake.

# SUSTAINABILITY PERFORMANCE INDICATOR

## Environment

	UNIT	2007	2008	2009	2010	2011	2012	2013	2014	2015
Energy Consumption										
Mobile - Diesel	GJ	116,639	109,953	101,202	106,297	140,368	111,710	118,278	123,932	119,652
Mobile - Unleaded Petroleum	GJ	2,202	2,760	3,281	3,234	3,749	4,179	4,619	5,514	5,888
Purchased Electricity (1)	GJ	10,473	9,026	10,417	10,145	9,749	9,588	9,767	10,292	10,222
GHG Emissions										
Direct Carbon Dioxide Emissions (Scope 1)	Tonnes	8,692	9,109	7,534	8,044	7,860	8,370	8,731	9,130	8,781
Indirect Carbon Dioxide Emissions (Scope 2)	Tonnes	1,571	1,354	1,563	1,522	1,598	1,571	1,709	1,801^	1,533
Other Carbon Dioxide Emissions (Scope 3)	Tonnes	NA (2)	22.9	25.0	21.0	18.0	17.0	12.0	8.1	22.1
Ozone-depleting Substance Emissions	Tonnes	0	0	0	0	0	0	0	0	0
Water										
Municipal water consumption	m³	9,701	10,429*	11,125 *	9,334	11,253 *	11,499	12,631	12,340	18,480
Total water discharged	m³	9,701*	10,429 *	11,125 *	9,334 *	11,253 *	11,499 *	12,631 *	12,340 *	18,480*

(1): The electricity consumption in Cathay City, Dragonair House and Cathay Pacific Cargo Terminal are excluded.

(2): This information is excluded due to changes in the data collection system.

\* : Numbers are estimated.

<sup>^</sup> : The information has been updated.

## Social

	UNIT	2007	2008	2009	2010	2011	2012	2013	2014	2015
Employment										
Total Workforce	Number	1,957	2,017	3,086	3,270	3,317	3,365	3,543	3,469	3,309
By Type of Employment										
Total Permanent Employee	Number	1,730	3,033	2,607	2,672	2,467	2,638	2,828	3,004	3,136
Fixed Term & Temporary Contract     Employees	Number	227	489	479	598	850	727	715	465	173
Total Hours Worked	Thousand hours	5,371	5,649	8,235	8,641	9,177	9,463	9,618	9,727	9,158
Occupational Health & Safety										
Total Fatalities	Number	0	0	3	0	0	0	0	0	0
Total Injuries	Number	128	183	239	294	210	215	185	180^	117
Lost Days due to Injuries	Days	4,424	6,516	18,292	21,124	17,594	13,307	16,831	15,832^	15,300
Lost Time Injury Rate (3)		4.77	6.48	5.8	6.8	4.61	4.54	3.85^	3.7^	2.56
Lost Day rate (4)		164.7	230.7	444.3	488.9	385.9	281.3	350^	325.3	334.1
Training & Education										
Average Hours of Training per Employee	Hours	NA <sub>(5)</sub>	14.4	27.1	NA <sub>(5)</sub>					
Executive - Top/Senior     Management	Hours	NA <sub>(5)</sub>	NA <sub>(5)</sub>	NA <sub>(5)</sub>	2.1	11.7	11.5	3.7	5.7	2.9
<ul> <li>Executive - Middle/ Junior</li> <li>Management &amp; Supervisory</li> </ul>	Hours	NA <sub>(5)</sub>	NA <sub>(5)</sub>	NA <sub>(5)</sub>	26.9	39.6	31.7	27.7	23.6	36.0
Non-executive - Customer Facing     Staff	Hours	NA <sub>(5)</sub>	NA <sub>(5)</sub>	NA <sub>(5)</sub>	49.1	88.5	102.4	73.8	57.5	184.9
Non-executive - Non-customer     Facing Staff	Hours	NA <sub>(5)</sub>	NA <sub>(5)</sub>	NA <sub>(5)</sub>	20.6	24.4	20.8	26.9	19.3	27.2
Convicted Case of Corruption	Case	0	0	0	0	0	0	0	0	0

(3): Lost Time Injury Rate = Total injuries / Total Hours Worked x 200,000\*. (\* This represents rate per 100 employees, based on 40 hours / week for 50 weeks a year.)
(4): Lost Day Rate = Total Days Lost/ Total Hours Worked x 200,000\*. (\*This represents rate per 100 employees, based on 40 hours / week for 50 weeks a year.)

(5): This information is excluded due to changes in the data collection system.

^ : The information has been updated.

# **GRI CONTENT INDEX**

This report was prepared with reference to GRI G4 Guidelines.

The GRI Content Index below shows where relevant GRI indicators are covered in this report.

Contents	GRI Indicators
	G4-17, G4-18, G4-19, G4-20, G4-21, G4-23
About this report	G4-28, G4-29, G4-30, G4-32, G4-33
Managing Director's Message	G4-1
Our Business	G4-3, G4-4, G4-5, G4-6, G4-7, G4-8, G4-9
Sustainability Management	G4-15
Governance	G4-34, G4-38, G4-39, G4-45
Risk Management	G4-14
Stakeholders Engagement	G4-24, G4-25, G4-26, G4-27
Environment	G4-DMA, G4-EN6, G4-EN7, G4-EN22, G4-EN23
Occupational Health & Safety	G4-DMA, G4-LA6
Our People	G4-10, G4-56, G4-LA9, G4-SO4
Business Partners	G4-12, G4-DMA, G4-EC9, G4-PR5
Community	G4-DMA
Sustainability Performance Indicators	G4-LA9, G4-EN15, G4-EN16, G4-EN17, G4-EN19, G4-EN20, G4-22
Contact Us	G4-31

#### Remarks:

G4-11	Not reported – The majority of HAS employees are in Hong Kong where there is no statutory recognition of collective bargaining agreements.
G4-13	There were no significant changes during the reporting period regarding HAS's size, structure or ownership.
G4-22	No restatement of information from earlier reports.



## CONTACT US

We invite you to give feedback on our report and performance. Should you have any comments or questions, please contact us:

Business Support Department

E-mail Tel Fax Address sd@has.com.hk +852 2928 0180 +852 2928 0296 4/F, Dragonair House, 11 Tung Fai Road, Hong Kong International Airport, Lantau, Hong Kong

To view the full report www.has.com.hk