



About this Report

Our Sustainable Development Report describes the economic, social and environmental challenges that are linked to our operations in the Hong Kong International Airport and shows the strategies that we are running our business responsibly, and creating sustainable partnerships.

We have been reporting on our sustainability management since 2007, this is our fifth Sustainable Development Report. Our report theme of the year is “Delivering Performance”. We believe that continuous improvement is an effective way for us to achieving our business goals and implementing our sustainable development strategies. It also provides us the motive force to take a step forward in committing social and environmental relationships by further enhancing our initiatives in environmental protection, health and safety, and social care.

This report is split into 2 main parts. The first part provides an overview of our company as well as sustainability strategy that we take. While the second part is divided into 5 main performance areas covering Environment, Health and Safety, Our People, Business Partners, and Community.

The action plan on Climate Change has guided our emissions reduction projects, efficiency improvements and research investments. In addition, we expanded and deepened our engagement with suppliers, employees and non-governmental organizations. On topics spanning governance and climate change, we shared our views and listened to our stakeholders.

The annual Sustainable Development Report provides descriptions, data and perspective on our environmental and social performance for 2011. The initiatives and accomplishments describe our effort to achieve our vision as a leader in airport services and to deliver our values to our stakeholders. The vision and the values are our foundation to build sustainable relationships and create quality living and working communities in Hong Kong.

Scope of the Report

This report covers all correlative material from Hong Kong Airport Services Limited in the 2011 calendar year. We also occasionally mention events that took place in early 2012 when they help provide a clearer picture of our performance. 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. Our previous report was published in September 2011 and covers 2010 data and activities.

Global Reporting Initiative

We continue to be informed by reporting frameworks and guidelines that include the Global Reporting Initiative (GRI) annually. We included an index to help readers find information corresponding to the GRI indicators. This report covers 24 GRI performance indicators and has been set at Application Level B, according to the criteria described in the G3.1 Model. No external assurance was pursued for this reporting period.

The Sustainability Development Report 2011 and reports of previous years can be found on www.has.com.hk. We welcome your comments and feedback at sd@has.com.hk.

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There is indeed a trend for developing business in a wiser and thoughtful way, and that trend is coming strongly, right now, in favour of increased corporate responsibility, transparency, and sustainability.

Managing Director's Message

As a part of the airport community and being the largest ground handling company at HKIA, we strive to improve our service standards and efficiency through various means. In our planning and business development process, we ensure that our future expansion is achieved in a sustainable way.

Our new sustainable development strategy focuses on environmental performance and occupational safety. In 2011, we had put a lot of efforts in reducing carbon emission in our work processes as well as improving our occupational safety through various initiatives, so as to provide a safe, clean and comfortable environment for our employees and passengers at HKIA.

We have continuously worked for the betterment of air quality in HKIA, and I am glad to announce that our Company has achieved remarkable results in reducing greenhouse gas emission in 2011 along with our efforts in environmental protection. Our total greenhouse gas emission dropped by 2%, notwithstanding the fact that our flight handling record reached a new height. This is the result of our drive in reducing energy consumption both on conventional fuel and electricity use, thus reducing carbon emission during conversion process. In the near future we will launch out measures and projects to further reduce any impact we made to the environment during business process, leading us to a more sustainable future.

Another key issue that we focus on is Occupational Health and Safety. "Putting Safety First" has always been the first priority in our daily operations. I am pleased to report that the number of injury cases had dropped by 28% in 2011 which clearly illustrated our commitment to achieving work safety and our efforts spent on improving occupational safety. We will continue to work towards our target of achieving zero injuries and accidents through a comprehensive Safety Management System, training, promotion and

education. We require strict compliance of established operation procedures and safety guidelines.

The sustainable development agenda also covers our approaches to staff, business partners and community. We communicate our commitment towards sustainability to various stakeholder groups. This report describes our business approach on sustainable development, explains our policies and performances, and our vision in future development.

Effective and bi-lateral communication also plays an important role in facilitating sustainable development. We encourage open and transparent communication within the company and also engage staff in our business processes. Staff feedback is highly valued. We also strive to maximise staff potentials through career development and training programme.

We have made good progress in 2011 and will continue to strive for excellence in all aspects of our operations in a sustained way.

Alex Chau
Managing Director

Our Business

Hong Kong Airport Services Limited (HAS) was founded in 1995 and is currently with over 3,300 employees and a fleet of over 2,900 ground support equipment (GSE) and vehicles. We provide one stop ground handling services in Hong Kong International Airport.

Ramp Handling for CX flight

We provide ramp services for 29 customer airlines from different countries in the world.



Managing Director's
Message

Our Business

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HAS provides one-stop ground handling services, including loading and unloading of aircraft, baggage handling, cargo and mail delivery, ramp co-ordination, aircraft load control, aerobridge and passenger steps operation, ULD storage and crew transportation at Hong Kong International Airport for more than a decade. Apart from ramp and cargo services, HAS also provides passenger and flight handling services such as passenger check-in, ticketing and flight dispatch.

Now we are providing passenger handling service for 22 airlines, and ramp and cargo services for 29 international airlines. Our customers include three major home carriers - Cathay Pacific, Dragonair and Air Hong Kong. We are the largest ramp handling company at Hong Kong International Airport with over 47% and 28% market share respectively in ramp handling and passenger handling services in 2011. Furthermore, HAS was awarded the IATA Safety Audit for Ground Operations (ISAGO) certificate after successful completion of its audit in HKIA with zero observation and zero finding.

Our offices are located at 3 major areas, with the Head-quarter in Dragonair House, one office in SuperTerminal 1 and four premises inside the Passenger Terminal Building at the airport.

Overview of 2011

The worldwide economy of 2011 was rather fluctuated resulting from uncertainties in European bond crisis. But the overall economy in Hong Kong was stable based on sustained strong consumption demand, steady growth of trading business as well as improved unemployment rate.

Demand for aircraft services, both cargo and passenger flights, also increased remarkably in 2011 due to prosperous economy and majority well off in Hong Kong. Increase in flight movements means more business to our company which on the other hand, caused huge pressure to our carbon emission throughout our working process. To tackle this problem, we have carried out different initiatives and projects concerning carbon reduction.

To reduce the carbon emission from engine combustion, we have implemented a new vehicle deployment and parking system. Under the new system, Ground Support Equipments (GSEs) were more efficiently used by avoiding unnecessary trips on the tarmac. This helped to reduce fuel consumption in our daily operation.

On top of the new system, a large scaled Ground Support Equipment Replacement Program will be undertaken in 2011 – 2013. The new and more fuel efficient GSEs will push fuel consumption down further. With our effort in reducing carbon emission, the total consumption of fuel has dropped by 2% despite of an increase in flight movements.

“Putting Safety First” is one of our missions in sustainable development. To address the high injury rate of our employees, we have put more resources in safety management and investigation to injury cases. And we are glad to report that the rate has significantly improved in 2011.

Looking forward, more initiatives and project will be launched in 2012, including installation of the new fast chargers to reduce battery charging time and electricity consumption. With our continuous improvement in different aspects, we are confident to grow in a sustainable way.



Sustainability Management

Our Sustainability Strategy that was built on our Vision and Missions has clearly identified the concept of sustainable development. We are now moving steadily to our goals in terms of Environmental, Social and Economic.

Earth In our hands

We strive our best in protecting our environment and achieving a sustainable future



Managing Director's
Message

Our Business

Sustainability
Management

In the past few years, we have developed a full Sustainable Development Policy based on our long-term values and clear policy guidelines that are valid in all parts of the business. The Vision and Missions Statement of the company sets the framework for us to regulate the Sustainability Strategy, which provides steering mechanism and defined goals by which we measure ourselves.

Our sustainability strategy is managed by the Sustainable Development Committee chaired by the Managing Director and comprise the heads of five departments. This body provides direction, implements and oversees initiatives, and acts as a coordinator among internal and external parties regarding sustainable development issues. It also works closely with the sub-committees, including Environment, Occupational Health and Safety, Employees, Business Partner and Community. These sub-committees serve as a platform for our stakeholders and employees to communicate their views.

We tried to define our targets in sustainable development by figuring out the most significant impacts throughout our operation. Then we carried out initiatives to fulfil our social responsibilities towards the people we hire, suppliers and customers we collaborate with and the environment in which we are operating in.

Corporate Governance

We are committed to maintaining a high standard of corporate governance and devoting considerable effort to identify and formalise best practices of corporate governance. We believe that good corporate governance is a cornerstone of strong business performance.

Under strong governance framework supported by control mechanisms, HAS clearly delineated the responsibilities and accountability of the Board of Directors. The governance is executed through the Management Committee. The Managing Director is a standing member of the Committee, and reports the company performance on regular time interval to the Board of Directors.

Our Managing Director is responsible for the day-to-day management of the Company's business and focuses his attention on matters affecting the Company's overall strategic policies, finances and stakeholders as well as environmental and social initiatives.

Members of the Board are appointed by Cathay Pacific Airways and follow a set of principles that address conflicts of interest, confidentiality, remuneration, and compliance with laws, rules and regulation.

Awards in 2011

- The Wastewi\$e Label - Class of Excellence (Hong Kong Awards for Environmental Excellence)
- The Clean Air Charter Certificate (Hong Kong General Chamber of Commerce)
- The 5th Years Plus Caring Company Logo 2010/11 (Hong Kong Council of Social Services)
- ISAGO certificate



Stakeholder Engagement

We continue to engage with a variety of stakeholders in 2011, which helps us to know more about their views and concerns towards our future development. Employees, customers and suppliers remain the most concerned stakeholder groups to our company, and the engagement process helps us evaluating our results towards the goal concerning sustainability development, hence provides us a better insight on how our policies and instruments can be improved in sustainability management.

In 2011, we completed the Stakeholder Engagement Mapping by collecting feedbacks and opinions from our management staff on behalf of various stakeholder groups. This engagement mapping helped us to draw up actions and initiatives in stakeholder engagement.

To find the year’s significant stakeholder engagement activities, we present a table of our identified major stakeholders and the significant initiatives undertaken to close the gaps in their expectations.

Stakeholder Dialogue in 2011 with Various Stakeholder Groups		
Stakeholder	Profile	How We Engaged
Customers	Airlines	Airlines performance campaigns Customer satisfaction questionnaire Regular meetings Participating in site visit
Employees	Approximately 3,300 HAS employees in Hong Kong	Training and development programs Regular meetings Regular company updates Bi-monthly newsletters Regular performance reviews Staff briefings by Managing Director
Suppliers	Numerous multinational and local companies, service and product providers	Supplier Code of Conduct Engaging in direct dialogues Participating in site visits Regular Audit Review meetings
Business Partners	Joint Venture partners in Hong Kong and China Other Airport Operators	Regular meetings Participating in site visits Engaging in direct dialogues
Local Communities	Numerous communities in Hong Kong old districts, new development areas	Community engagement program Participating in community services
Government	Hong Kong SAR Government	Attending conferences and meetings Engaging in direct dialogues
Non-governmental Organisations	Numerous business forums, and academic institutions	Participating in forums and seminars Attending conferences and meetings Engaging in direct dialogues Participating campaigns



Risk Management

HAS has a structured process for the assessment of risks associated with identified hazards being expressed in terms of Consequence and Likelihood. Being a subsidiary of Cathay Pacific Group, we adopt the risk management processes as described in the Corporate Risk Manual of the Group which includes the criteria for evaluating risk and the tolerable level that the organization is willing to accept together with the mitigating factor.

To ensure continuing relevance, the Corporate Risk Management Policy is normally reviewed every year.

We regularly identify the significant risks we faced as a company, producing a Corporate Risk register on an annual basis and form a strategy in response to these issues. This management process is continuous and responsive to the changing business environment and to the influences of stakeholders.

The Issues We Face

1. Greenhouse Gas Emissions Control

This year we have taken many initiatives in minimising our environmental impact throughout operations. By effectively managing the effective use of ground support equipments, we successfully reduced our energy consumption and our carbon intensity in 2011. See page 9 for our strategy.

2. Employees Health and Safety

To tackle the high injury rate, Safety Section performed detailed investigation and analysis into each case in order to reduce injuries. For more details, please refer to safety strategy and our efforts to separate people and risk on page 14.

3. High Turnover Rate Among Junior Staff

We strive to retain our staff by providing caring and personal development plan, such as career development programs, aiming at increasing the loyalty of new joiners and high potential staff. Emphasis on enhancing staff relations and communication will be continued in 2012.

4. Community Focus

We aspire to focus on building integrated communities by increasing employee involvement and fostering active leadership. Being a socially responsible company, we have actively participated in different community events and activities. Please refer to the section of Community on page 30.



HAS Vision and Missions

Vision

Our Vision to excel as a regional, full service ground handling agent.

Missions

- Putting safety first
- Building a sustainable relationship with our customers by providing excellent service, quality and efficiency
- Creating value for all our stakeholders
- Recognising the contribution of our employees
- Cherishing team work
- Committing to corporate sustainable development

Environment

HAS is committed to protecting the environment and ensuring that all potential impacts of our operations on the environment are identified and managed in a responsible manner. The same principle also applies to all internal processes and procedures.

HAS new electric tractors
We now have total 136 electric GSE and vehicles serving in Hong Kong International Airport



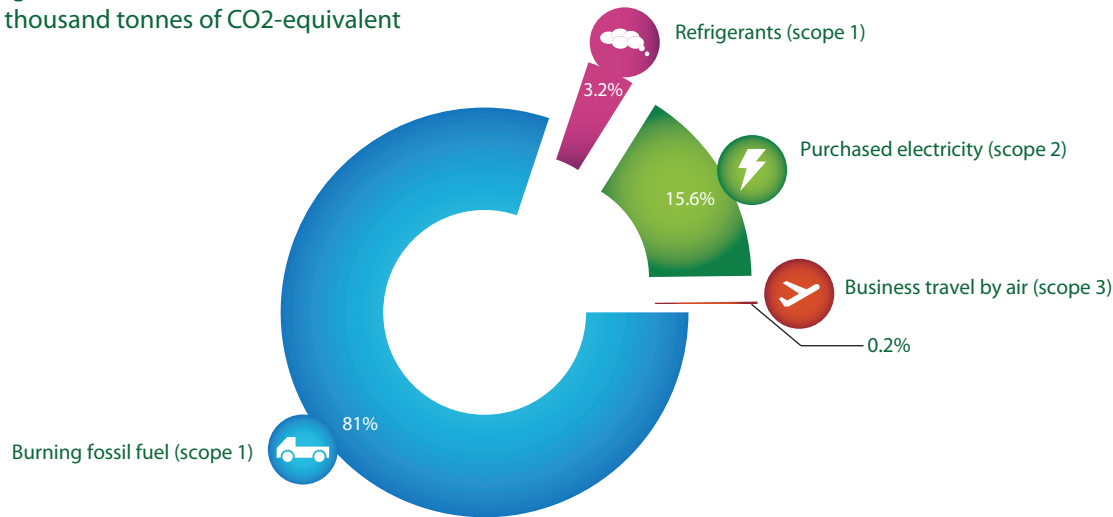
Environment
Health and Safety
Our People
Business Partners
Community

Environmental Performance

Reducing our greenhouse emission during operation processes has been our long term commitment. 2011 is a memorable year that we have achieved tremendous result in cutting fuel consumption as well as tailpipe emissions. A clear drop in electricity consumption is recorded.

We have set a target to reduce 12% carbon intensity per air traffic movement (ATM) by 2015 based on the 2007 emission level. Comparing with 2010 record, the intensity has reduced 3.6% in 2011, and total 11.6% accumulated reduction has already been achieved since 2007. This performance encourages us to do better in achieving our 2015 carbon intensity target.

Greenhouse gas emissions attributable to HAS 2011
 Total = 9.34 thousand tonnes of CO₂-equivalent



Emission factors are from the 'Guidelines to account for and report on greenhouse gas emissions and removals for buildings (commercial, residential or institutional purposes) in Hong Kong', published by the Environmental Protection Department and the Electrical and Mechanical Services Department in 2010.

Management Approach

Implementing responsible environmental management is our goal in respect of environmental performances. Our Environmental Management Plan and Policy consist of handling procedures in accordance with the regulations and legislation of Hong Kong. We keep on putting our largest effort on environmental performances by setting guidelines in all aspects of our operations to comply with the policy.

The Environmental Committee is one of the divisions of Sustainable Development Committee, overseeing the environmental projects and issues managed by Business Support Manager. Being a member of the Swire Group, we work closely with the Swire Group Environmental Committee in developing corporate-wide environmental management direction and practices.

Our comprehensive environmental strategy covers resources conservation and pollution minimization to reduce our operational impacts to the environment, including waste, air and water pollution. We always look for advanced technology to help us achieve goals in protecting the environment. For instance, we are going to install fast battery charger for our electric vehicles in 2012.



In addition, regular environmental audits are conducted by internal and external parties, focusing on solid and chemical waste disposal, waste water discharge, refrigerants recycling and disposal, oil and electrolytes spillage and pest control. It helps us to identify potential problems and do better in the future.

Increasing our Energy Efficiency

Enhancing energy efficiency is the main initiative that we use in reducing greenhouse gas. We are committed to raising the energy efficiency and reduce carbon intensity in all kinds of operations. Being the largest ground handling agent in Hong Kong, Greenhouse gas (GHG) combustion from our ramp operation contributes the majority of our carbon emissions. Therefore, the ramp operation has always been the first priority area for us to improve. We keep on increasing our energy efficiency by improving the functions of motorized equipments in apron area with advanced technology and usage.

HAS has outsourced GSE & vehicle maintenance services to two GSE maintenance franchisees in the airport. The Service Level Agreement covers prevention maintenance and corrective repairs, it can ensure our GSE fleet operating at good working condition. It also helps to reduce our carbon footprint during operation. Besides, we continue to explore new technologies on

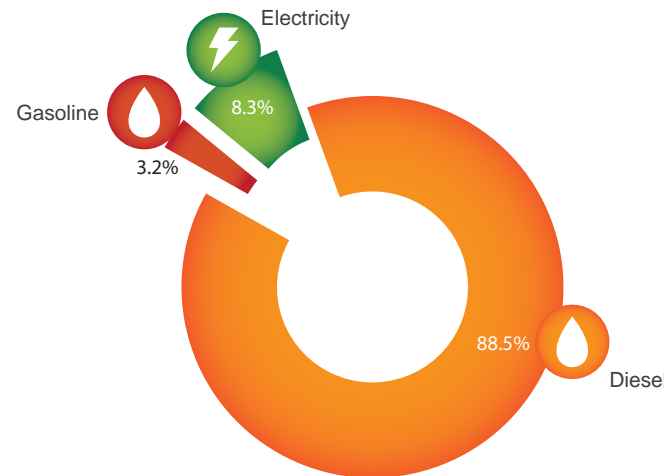
non-conventional vehicles and Ground Support Equipment (GSE) to further reduce air pollutants generated.

Electric power is commonly used in our ramp operations, and it is a relatively cleaner energy resource comparing with other fossil fuel. In 2011, the innovative hybrid Dual-power Loader was put into services and it can be powered by city electricity or diesel. It can reduce maximum 80% of tailpipe emission during the cargo loading and

unloading processes by using the city power system, when compared with traditional diesel powered engine. This innovative design helps to reduce fossil fuel consumption as well as exhaust gas from engine combustion.

Furthermore, we finetuned GSE deployment to minimize unnecessary travels between the passenger apron & cargo apron, hence reducing the GSE running distance as well as improving the energy efficiency of equipment.

Energy consumption attributable to HAS 2011
Total = 117.87 thousand Gigajoules



GSE Replacement Program

For conventional fuelled Ground Support Equipment (GSE) and vehicles, a large scaled GSE Replacement Program would be undertaken from 2011 to 2013. GSEs and vehicles which are worn out or emitting heavy air pollutants during ramp operation would be gradually phased out, and

replaced by more fuel efficient and environmental friendly models.

In 2011, we had spent over \$40 million in this replacement program, and we budgeted to spend \$50 million for GSEs replacement next year. Undoubtedly, this programme would help to control our carbon emission in the airport as well as improve the functional efficiency of the fleet.

Currently, we still have four pre-Euro and Euro I vehicles in service, and all of them would be phased out by 2012. In line with this vehicle replacement plan, HAS replaced 4 crew shuttle buses with Euro V emission standard vehicles in 2011.

Now in total, 25% of our in-service fleet are low-emission vehicles. It comprises 10 Euro IV, 7 Euro V vehicles and 136 electric GSE.



New Euro V Crew Bag Transporter

Reducing Electricity Consumption

On top of our efforts in reducing GHG emissions in ramp operations, we would also take every opportunity to reduce carbon emissions in other business aspects.

Since 2010, we have been replacing less energy efficient office equipment with more energy saving models, to help reduce energy use and emissions. We have also installed T5 fluorescent light tubes in three of our offices during renovation to reduce electricity consumption. The performance is appealing that the electricity consumption has reduced by 4% when compared with 2010.

Moreover we installed motion sensors in conference rooms inside Dragonair House offices to conserve unnecessary power usage. The lighting would be automatically switched on and off by sensing the motion inside the room area, and this will effectively reduce unnecessary electricity usage while the venues are idle.

In 2012, we are going to move further by reducing electricity consumption, and installing the Fast Chargers in our charging facility. The new chargers can support higher electric flow and current, thus can shorten the charging time of GSE batteries sharply from original 8 hours to around 3 hours only.

By reducing the charging time, electric GSE can be returned back to the operations faster, but more important is that the new chargers can reduce maximum 20% of electricity consumption, by using battery monitoring system and cutting down the power loss during re-charging.



New Fast Charger for electric GSE



Order Less Waste Less Food Waste Reduction Scheme

In 2011 HAS Staff Annual Dinner, our employees were actively involved in the Food Waste Reduction Campaign organized by Friends of the Earth (HK). In this event, employees were encouraged to change their dining habit to reduce food waste at source. Reusable microwave food boxes were provided for them to take away the remaining cuisines back home. The campaign was so successful that our employees did not leave any food waste in the annual dinner, and Friends of the Earth gave positive comments and showed appreciation to us after the Waste Reduction Campaign about our active participation.



Controlling Air Emissions

Being the largest ground handling agent at HKIA, we pledged to be a responsible airport operator and minimize our carbon emission at HKIA. We supported the “Hong Kong International Airport Carbon Reduction Programme” organized by Airport Authority, by committing actions in response to minimizing the carbon emission at airport-wide by 2015.

As a signatory of the scheme, we pledge to reduce carbon emission by increasing the efficiency of energy and fuel usage. For instance, we have implemented the policy of switching off engines for all GSEs and vehicles while idle to minimize the carbon emission in airport area. We share our carbon reduction plan with other airport community members by updating our actions through AA Internet and forums, and by sharing ideas with each other on how the airport can be developed in sustainable way.



We have also joined Cathay Pacific’s carbon offset program, FLY greener, which enables us to offset the carbon dioxide emissions of our employees duty travel. In 2011 we offset 17.66 tonnes of carbon dioxide emission through this program, and the fund raised from it would be used to support development of emissions reduction projects, like building hydropower station and wind turbines in China.

Managing Our Resources

Waste Management

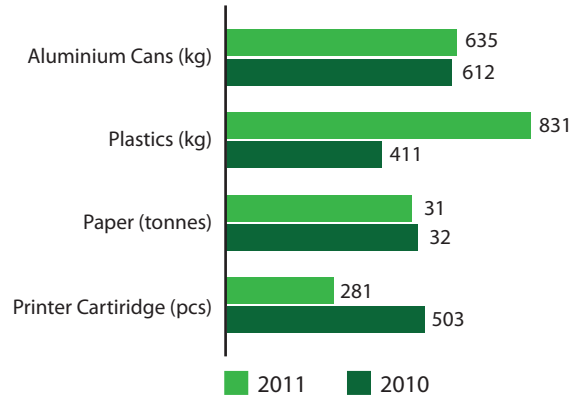
We believe proper waste disposal is the foundation of practicing good waste management, and this idea becomes the skeleton for us to facilitate waste handling procedures to reduce our impact to the environment. Our waste management system was launched in 2010, this system monitors chemical and office waste generated in our daily operations, and also the materials being recycled from our offices.

In 2011, we generated around 37 tonnes of solid waste. We recycle those which are recyclable material and sent them to terminal recyclable waste collection points in HKIA. All employees are encouraged to fully utilize resources and do waste recycling in their daily lives and ensure that the products we use in the workplaces meet the standard of less waste creation and less harmful to the environment.



Along with our commitment in reducing waste production and generation, we are active in recycling. We were granted Wastewi\$e “Class of Excellence Award” in October 2011. This has already been the 9th year of winning this award to commend our commitment in effective waste reduction measures.

Waste Recycling



Waste reduction also applies on computer waste handling, we joined the “Computer Recycling” scheme of Caritas Hong Kong. The computers and equipments collected by Cartias will be repaired and reconditioned, then donated to the needy students who cannot afford to buy a new computer, hence prolong the life cycle of those computer equipments . In 2011 we had donated more than 90 computer equipments to Cartias. This action reduces the number of worn out business used computers and other electrical appliances being disposed to the landfills.

Water Management

We realize that responsible water management is a cornerstone of environmental responsibility. In HAS, water management not only means reducing water consumption, but also measures to avoid oil and fuel spilling into drainage system at HKIA.

To have good precaution for the above issues, we closely cooperate with our vehicles maintenance contractors, Dragonair Airport GSE Service Ltd. (DAS) and Ground Support Engineering Limited (GSEL), and monitor the workflow on sewage handling, to ensure that water discharged from the workshop meeting the EPD standard. In 2011 there was no significant fine for non-compliance and spills reported in our ground operations.

In 2011 we had conducted environmental audits with these two contractors, and the result was satisfactory with no significant issues found. In future we will continue to monitor water pollution putting emphasis on:

- Placing drip trays under electrical vehicles whilst being recharged
- Providing extensive maintenance programme for all equipment to prevent accidental oil or hydraulic leakage
- Monitoring hydraulic hoses on GSE regularly
- Washing of vehicles done on site during maintenance



DAS Environmental Audit

Engaging Our Employees

We continually develop environmental awareness among our employees at all levels, and cultivate them in the workplace and staff activities. Our employees work proactive to commit success in environmental performance, and the Environmental Committee keeps the momentum to lead members to contribute their efforts through different initiatives. Our synergy in environmental protection pushes us to remain active in various kinds of environmental activities and strive for outstanding recognition from the public.

We have consecutively shown our support to the WWF Earth Hour since 2008. We turned off all non-essential lighting in the offices for one hour on that day to demonstrate our concern on energy use affecting climate changes. We also invited our staff to support WWF Earth Hour at home and at work, and urged our business partners to do the same.



Furthermore, we tried to engage our employees in protecting our natural environment by organizing Hong Kong Geopark Tour for employees to join. The activity was held in November 2011, participated employees had learnt more about nature protection and all committed to reviewing their living habits by reducing resources usage and waste generated, so help to protect this invaluable nature environment.

✦ HAS
e-Payslip System

The innovative e-Payslip system has been launched in September 2011, together with the Self-help Electronic Kiosks set up in all offices. Our employees can now retrieve their past salary records through the Kiosks or Intranet. The printing of monthly salary slips has ceased after the successful launch of e-payslip system, saving both paper and administrative work.

Progress on 2011 targets	Agenda for 2012
<ul style="list-style-type: none"> Expand the scope of waste recycling and energy saving projects Develop a systematic vehicle replacement scheme Introduce more energy efficient equipment 	<ul style="list-style-type: none"> Phase out all Pre-Euro and Euro I vehicles and replace by more fuel efficient models Install the new Fast Chargers for electric tractors Put more plants in our offices Purchase at least 3 electric vehicles in 2012

Health and Safety

Occupational Health and Safety has always been our prime concern. We devote significant efforts in providing employees a reliable, safe and secure working environment for our ground handling operations.

Conducting IATA Safety Audit
HAS was awarded the IATA Safety Audit for Ground Operations (ISAGO) certificate with zero observation and findings



Environment

Health and Safety

Our People

Business Partners

Community

Management Approach

Our Safety Management System (SMS) provides us an organized approach to work on safety, including the necessary organizational structures, accountabilities, policies and procedures, so that issues on occupational safety and health can be managed systematically and effectively in all departments. The Safety Manager and divisional committees manage the HAS Safety Review Committee, which is under direct supervision of the Managing Director. The committee engaged in policy implementations and safety management reviews. The Health & Safety Policy was reviewed regularly to maintain a high standard of safety in workplace, to ensure that our operations and business functions comply with all laws, regulations and requirements. And most important is to ensure that all our employees are working under a safe and healthy environment.

We strived for continuous improvement in operational safety and risk management. This motivates the Safety Section to form a Board of Investigation (BOI) in 2011. The BOI meeting would be held monthly, with the aim to locate the direct, indirect and root causes of each injury case, and thereby preventive measures and policies can be carried out to prevent recurrence of those incidents. The fact shows that injury rate has been reduced after the BOI was formed and also a better safety culture being developed amongst the team.

Recurrent training programmes are provided to all levels of staff in HAS, to enhance the safety awareness and precaution of them. We carry out scheduled safety audits, by internal or external parties, focusing on flight handling, ramp and equipment condition, dangerous goods handling, safety awareness and documentation, which help us to achieve and measure the target set on safety performance. A comprehensive safety management system audit was conducted in January 2012 by Safety Section in accordance with Safety Management System, hence having a detailed check on the efficiency, effectiveness and reliability of the system.

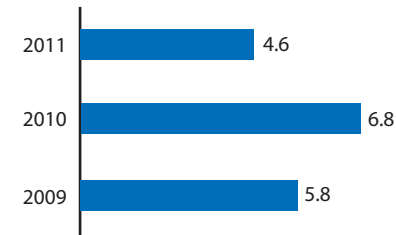
Safety Performance

There were a total of 210 Lost Time Injuries reported in 2011. It reduced from 6.80 injuries per 100 employees in 2010 to 4.61 in 2011. This is a significant drop in injury rate. Close cooperation with frontline sections, together with the full support from senior and line management, contributed to this remarkable outcome. By strengthening the investigation in injury cases and understanding the reason behind each case, occupational safety achieved great improvement in 2011. In 2012, more actions and plans would be implemented on occupational health and safety, to further enhance the safety awareness of frontline colleagues and creating a more work safe environment.

Our analysis shows carelessness, uncontrollable and undesired actions are the major reasons of injuries which are caused by complexity of ground operations and human factors. Over half of accidents were related to manual handling tasks such as gate baggage handling and connection flight passenger handling.

To minimize the injury rate during operations, Safety Section and divisional operations management have put their largest efforts in addressing potential hazards in our daily operations. Actions were taken to improve on technical safety precautions and to raise safety awareness of staff. Examples of health and safety initiatives and practices in place at our operations are outlined on the following pages:

Lost Time Injury Rate per 100 employees





**HAS 2011
 Ramp Safety Perfect 10**

To promote the concept of “We Put Safety First” and “We Boost & Anchor HAS Safety Culture”, we launched the HAS Ramp Safety Perfect Ten in 2011. Seven operation units were invited to join this campaign. The main goals of this campaign is to enhance safety culture in the company and ensure employees put safety first on operations. The most important objective was to ensure that our employees fully understand and implement the Standard Operating Procedures (SOPs). We distributed the “Perfect 10” safety handbooks to all frontline staff so that they could follow the SOP guidelines much easier. Moreover, we promoted importance of stretching exercise, aiming at reducing injury case due to muscle stretch.



Improving Equipment Safety

Safe and efficient equipments contribute a lot to operational safety. Manipulation of heavy ground handling equipment is inevitable in our daily operation, therefore we make huge investment in equipment procurement to ensure our staff safety. Purchasing more efficient and technology advanced model would improve our equipment standards as well as safety performance.

We also strive for improvement by initiating various kinds of modification to our equipment. In 2011, Technical Services Section carried out 20 GSE modification projects to enhance GSE operation safety and standardize equipment control panel and switches.

The Equipment Improvement Gathering Committee, consist of members from management and operational staff, has provided a platform to our employees in sharing their views on ground support equipment. We continue to ensure all equipment are safe to operate so as to achieve world-class occupational health and safety performance.

The provision of personal protective equipment (PPE) to employees working in high-risk areas is crucial, and we have strict policy for our frontline staff to ensure compliance.



Improving Employee Health

We are concerned about the health of our employees, both physically and mentally, as they are the most valuable asset of the company. We understand that the stressful life style and work pressure that our employees are facing could lead to potential health problem. Therefore, to develop a happy, healthy and productive workforce, a consulting firm has been appointed to provide professional personal counselling and consultation services for our staff. It offers help to our staff in preventing, identifying and resolving difficulties in personal, family or work-related issues.



To cultivate the healthy lifestyle among our staff, we put efforts in promoting precautionary measures to protect the health of our employees. Practical demonstration and office stretching exercises were included in our induction and refresher courses. In 2011, a “Spinal Health Talk” was held by Airport Authority and Hong Kong Chiropractic Group Limited, with HAS staff actively participated. The health talk was presented by registered chiropractor, and he shared the professional knowledge in spinal health and protective measures to our staff. To promote the side effects of smoking, we had organized an Anti-smoking health seminar in August 2011, conducted by consultants from Department of Health.

Onsite Bone Mass Density Checkups had been organized to our staff with Health Consultations from June to August 2011. A comprehensive medical scheme covering both outpatient and hospital services was provided to our employees and their dependents. In addition, we offered subsidized medical check-up and dental schemes to employees for further enhancement on employees’ health.

Enhancing Safety Communication

We believe that effective and adequate safety communication are important elements in safety management, and raise the awareness of our staff in occupational safety.

Safety information is promulgated through our communication platforms. We broadcast safety information on electronic notice boards and Intranet, including safety alerts, weather updates and best safety practices. On top of that, we also arranged different safety quiz and campaigns through the Intranet and staff newsletter, HAS Touch, promoting safety awareness amongst the staff.

Staff Training and Awareness

We continued to cultivate staff’s safety awareness by providing different kinds of training to our staff. New joiners are required to complete safety training before they join the force to ensure that they understand the importance of work safety.

Moreover we held various types of recurrent training and campaigns for our staff aiming at raising the safety awareness. A series of training were provided to supervisory staff, focusing on rules and regulations, team management skills, reporting system, safety investigation and measurement, to further enhance alertness in occupational safety. In 2011 we launched the campaign called “2011 Ramp Safety Perfect Ten” to enhance safety culture amongst the staff and putting safety first in daily operations.

To strengthen safety culture among our staff, we conducted a number of Occupational Health Talks together with other professional institutes, so as to reduce injury through refresher trainings. In 2011 we have organized the following talks to our staff:

- Deafness Talks held by Occupational Deafness Compensation Board
- Spinal Health Talk hosted by Airport Authority and Hong Kong Chiropractic Group Limited
- General Driving Safety Health Talk organized by Airport Authority and Police Force



We also encouraged our staff to participate in external activities including “Airfield and Baggage Hall Health and Safety Campaign” organized by the Airport Authority Hong Kong in November 2011. The objective of this campaign was to enhance safety awareness of all colleagues who worked in apron and baggage hall. In this campaign, one of our staff was awarded the Best Safety Role Model Election and another staff won the 2nd runner up of Smart Driving Design Contest. These awards recognised our outstanding achievement in promoting occupational safety among staff.



Progress on 2011 targets

- Enhance safety monitoring by advocating supervisor empowerment
- Monitor the effectiveness of SMS in reducing injury rate
- Further cultivate employees on occupational safety through e-Board



Agenda for 2012

- Conduct regular safety inspections with line manager
- Conduct Safety Management System Audit to test the efficiency and effectiveness of the system
- Enhance staff safety awareness by stimulating safety culture development

Our People

We aim at providing an environment that promotes diversity and respect, safeguards occupational health and safety, offers equal opportunities and an appropriate work-life balance.

HAS Passenger Services Officer

All the frontline colleagues in HAS need to attend recurrent training and workshop regularly, to ensure that high quality standard of services is provided.



Environment

Health and
Safety

Our People

Business
Partners

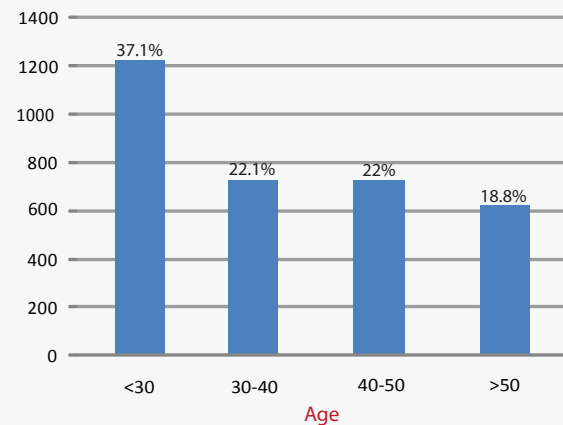
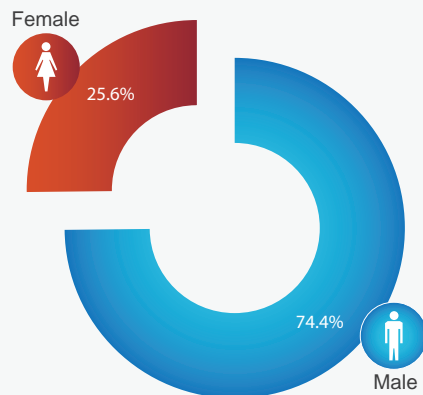
Community

Human resource is definitely the most valuable asset for our company. Therefore we have put great efforts to ensure our employees are competent, efficient and professional. In 2011 HAS employed 3,317 staff, comprising 2,467 (74.4%) permanent employees and 850 (25.6%) contract employees, making us one of the major drivers of employment opportunities in the airport community. In addition, we implemented the practice of local hiring, all of our employees are based and hired in Hong Kong.

We highly valued the importance of our workforce and understand that listening to staff and knowing their thoughts would help us to do better. We engaged staff through various communication platforms that not only share company values with them, but also gather their feedback. Collaborating closely with our employees have enabled HAS to further improve and meet the ongoing challenges facing the aviation industry.

Demography of Employees

Total 3,317 number of HAS employees in Hong Kong



Enhancing Communications

We believe staff engagement plays a vital part in our strategy on people management. We therefore continue to improve our feedback mechanism and make sure that employees' opinions and feedbacks are responded effectively.

To have better communication with our employees, we have conducted our 2nd Staff Communication Survey in 2011. This staff survey is conducted every two years and aims at collecting feedback from our employees in the area of communication. This year's survey helped us obtain many useful information and data to improve our communication system and channels. This survey also acted as a good platform to collect staff views and feelings towards the company.

To encourage a better flow of staff communication, we launched the following programmes in 2011:

- Staff Briefings were conducted by Managing Director in January and August 2011
- Our staff newsletter, HAS Touch, was issued bi-monthly and distributed in our offices and posted on Intranet.
- Our electronic notice boards, e-Board, now provides wider range of information to employees to enhance information dissemination.

- In addition to lunch box meetings, afternoon tea gatherings were initiated for ramp operations and office staff to share views via face-to-face communication.
- Our company intranet, e-Touch, allowed our employees to access the latest company updates and necessary information for their daily works.
- Conducted Staff Communication Survey to gauge employee satisfaction and also obtained feedback on our existing communication platform, staff committees and activities.

Equal Opportunity

With a workforce of more than 3,000, employees are one of the key stakeholder groups to sustained business success. An inclusive working environment where everyone's contribution is recognised and valued, and where colleagues feel being supported, developed and motivated, is a key to increasing employee performance and creativity. Management of diverse and inclusive workforce is an imperative for company like us. We have Equal Opportunity Policy relating to all human resource matters and benefits, and hence offering a working environment that is free from discrimination, victimisation and harassment. Our Personnel and Administration Department ensures all managers and employees understand and implement the policy through regular trainings and briefings. Chances for advancement are open to everybody interested in our company, such that all the employees have equal opportunity to achieve their goals and develop their careers.



Code of Conduct

The Code of Conduct defines our corporate culture by establishing the standards, expectations and accountabilities for appropriate business behavior. It is based on commitment to integrity and fairness in the relationship with our stakeholders.

Within the Code there are key non-negotiable values:

- Commitment to the operating principles, business ethics and conflict of interest
- Respect for our stakeholders in the workplace
- Respect for the environment
- Commitment to the health and safety of our employees, contractors and the communities in which we work, live and serve.

Compliance to the Code is expected of everyone and employee accountabilities are outlined in the Code. Introduction to the Code training is a requirement for new employees as part of their orientation.



Motivation and Fulfillment

Our benefit and remuneration scheme has been established to help provide motivation and sense of fulfilment to every employee at each stage of their careers, from recruitment to post-retirement. The program offers employees the choice of a scheme best suited to their particular lifestyle covering six different categories: health, finances, insurance, lifestyle support, leisure support and post-retirement.

Talent Management

Providing professional and high quality service to passengers is the greatest mission of HAS. To enable our staff providing the highest quality of service, we emphasize personal development of our staff. All new employees are provided with induction training once they joined our force, which covered the areas of technical knowledge, health and safety, environment and anti-corruption.

Moreover we promote a culture of continuous learning. All frontline and supervisory staff members are provided with recurrent trainings and seminars related to their job duties to ensure that they have the latest information and skills to fulfil their daily tasks.

We have identified clear job requirements and committed to working with all our people, developing their full potential and reaching maximum levels of their contributions to the company. Our professional training team is geared towards the needs of our business. Standardised processes are adopted to plan, implement and evaluate training.

We continue to identify potential staff through different programs and channels, as well as provide appropriate training and coaching to nurture the future supervisory and management staff. Apart from the internal openings through which staff may apply for interested positions for future development, we also launched Management Development Program in Jan 2010 and Career Development Program in April 2010 to groom potential staff by attaching them to various core functional areas in the Company. We are committed to investing resources in attracting and retaining talents in HAS.

We believe employee competencies in both technical skills and service interface remain the primary corporate-wide people challenge. Our training programs equip employees with right attitude and soft skills to excel their jobs. A good ethics management and positive working attitude formulate a comprehensive code of conduct for our company.

We also provided opportunities for self and management development at each stage of our employee' careers. As of 2010, our training courses include:

- The supervisory program which identified and developed potential supervisors by teaching them various management skills including effective communication, team motivation, delegation and coaching skills
- On-job-attachment workshops are launched to support the mentors and supervisors. We groomed the trainees according to company standards with caring attitude; let them understand different learning style and how to give instructions based on different needs and conduct structural on-job-training.
- Induction programs are provided to our new recruits for passenger services and ramp operations. The required skills and knowledge are covered in the programs to ensure that they can perform job up to the standards of company and our customer airlines.
- Supervisory Training on Performance Management System started from July to October 2011. The main purpose of the workshop is to demonstrate how to use the new assessment indicators. We aim at setting up an objective, fair and consistent assessment criteria for evaluating staff performance.



Employees Assistance Programme

To relieve the stress in personal life and at work, a consulting firm had been appointed to provide a one-stop service for work life information and personal consultation and counselling services to our employees. This programme provides free and professional counselling services and information to our employees, from work related difficulties and concerns to personal disturbances and worries. We consider that maintaining a healthy and balanced workforce, especially for the high tension work in airport, is fundamental to our company. We constantly promote this program and other health tips through our newsletter, HAS Touch, and electronic notice board, to ensure our employees are aware of this programme and make good use of it.

- Putonghua Training is designed for Passenger Services staff, Duty Controller/ Executive and Office staff respectively, aim at improving staff's total Putonghua proficiency while they carry out their jobs.
- Effective communication and interpersonal skills training for our employees to enhance the generic skills of them. By teaching a variety of instructional techniques and formats in telephone handling, case study, simulation games and role play, our staff can conduct daily communication in more effective and professional manner, and handle telephone communication with care and accuracy, courtesy languages and tones upon different work related situation.
- Participate in the Outward Bound "Corporate Challenge" to raise funds which help to nurture and develop the underprivileged youth. Through this event, our staff can learn and demonstrate the best teamwork, communication, strategy and physical strength through a series of innovative and fun games.



Corporate Challenge 2011

Work-Life Balance

We continued to support our workforce to have a better work-life balance by organizing various kinds of activity and program to them. Closely cooperate with the Sports and Recreation Committee, this year we also arranged wide range of work-life initiatives to our employees and promoting team spirits throughout the force.

We have currently 8 Sports & Recreation Clubs (S & R), including Football Club, Basketball Club, Table-tennis Club, Bowling Club, Long Distance Running Club, Hiking Club, Volleyball Club and Photography Club. Staff actively participated in different S & R activities and achieved remarkable results.

In 2011, we built on a board range of work-life initiatives, including:

Sports Function

- 11 members of the HAS Distance Running Club attended the Care Action Cup and Hong Kong International Airport Feet of Fire 10km in December.
- HAS Inter-departmental and sectional Football Tournaments 2011 were successfully held.

- Members of the Bowling Club participated in the HAS 2011 Bowling Challenge on March 14.
- Over 10 Bowling Team members and HAS staff participated in the 2011 Hong Kong International Airport Bowling Competition on 3 July. The HAS Team and HAS Bowling Team won the Champion and the 2nd runner-up respectively.
- 11 members of the HAS Basketball Club participated in the Friendly Basketball Tournament in Taipei from November 10 – 12.
- Members of the HAS Hiking Club and Distance Running Club participated in the Ngong Ping Charity Walk on January 16.

Recreational Functions

- Over 120 staff and their dependents joined a full day trip to Hong Kong Geopark located in Ma Shi Chau and Chi Lin Nunnery on Nov 6.
- A total of 19 awardees of the Employees Children Scholarship Scheme and their families joined the Airport Visit and the award presentation on December 28.
- 250 staff and their dependants joined the Summer Film Show in August. More than 200 staff and their dependants joined the BBQ event held on 2 December.
- Christmas Carolling Team shared their joy and happiness of seasonal greetings with staff on 22 December.



Progress on 2011 targets

- Stimulate employees' motivation and fulfilment through different campaigns ✓
- Implement the new Performance Management System ✓
- Arrange more S&R activities and campaigns for our employees ✓

Agenda for 2012

- Promote continuous learning culture across the team
- Assess the effectiveness of the new performance management system
- Improve communication platforms and channels to collect employees' opinion

Business Partners

We strive to be a partner of choice, and this includes to build up a sustainable relationship with our customers by providing excellent service, quality and efficiency.



Snapshot in passenger apron

HAS provides ramp and cargo services to 29 international airlines, and have established close relationship with our customers and suppliers.

- Environment
- Health and Safety
- Our People
- Business Partners**
- Community

Furthering our commitment to sustainability, we commits to engaging our suppliers and customers to meet the highest professional and ethical standards. Our Business Partners Committee, led by Financial Controller, works with our suppliers to ensure that business activities are conducted in a responsible manner.

HAS also encourages our employees and business partners to contribute to the sustainable development by implementing necessary alternatives. Our Business Partners Policy and the Purchasing Policy are established based on our corporate vision, business nature and workflow.

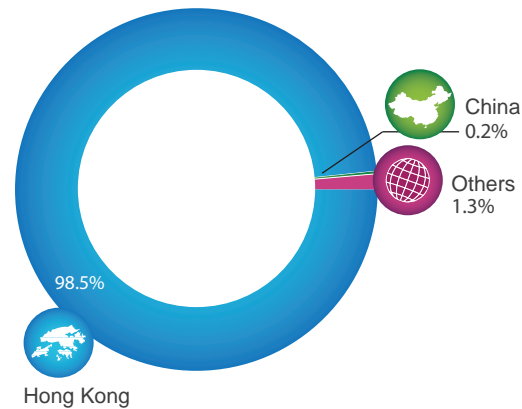
For key suppliers, we have started incorporating our Code of Conduct into the purchase agreements on contract renewal or new agreements in 2011. Further work will be undertaken during 2012 in ensuring that our policies and our Code of Conducts are generally and consistently adopted across our supply chain.

Developing Local Suppliers

We always strive to be a privilege choice in our business partners' mind, no matter they are large or small scale enterprises, to help stabilize the local economy by creating career opportunities. HAS tends to cooperate with local suppliers, and expand the capacity of local labour force.

In 2011, we maintained our Hong Kong based supplier composition at over 98%. We continue to contribute to the local economy, and as such we hire locally-based suppliers when this is feasible.

Proportion of Locally-based Suppliers



Engaging Business Partners

We aim to foster a collaborative relationship with our suppliers, including safety, economic and environmental issues. We believe our business partners would make a significant contribution to our success on building integrity and fairness in relationship with our staff as well as airline customers. Interaction with contractors and suppliers takes place formally on a regular basis, to encourage our suppliers to work on and promise improvement in their social and environmental practices.



Qantas' eXcel Award 2011

This engagement not only helps to provide a two-way dialogue with our stakeholders, but also provides opportunities with our contractors and suppliers to raise awareness of the benefits we can jointly bring to our local communities. We carried out annual audit which was designed to provide a framework for our vehicles and GSE contractors to continuously improve their environmental performance, especially in the responsible disposal of end-of-life equipment, parts, chemical waste, and battery. Refurbishments of aged equipment, redeployment, or keeping as reserve are also encouraged.

Besides attending formal regular meetings, airline customers can also interchange their ideas with us through social events and airline campaigns.

Airline Customers Annual Dinner

On 25 March 2011, we held the Airline Customers Annual Dinner during which we shared our service performance over the past year with our customers, and our new service targets in the coming year. This event provided an open atmosphere for our customers to freely express their views on aviation industry, development and services management.



Quality Service Campaigns

The airline customers had more understanding and interaction with our staff through the Quality Service Campaigns held between April and June 2011, sponsored by EVA Air and Japan Airlines. The nominated outstanding staff in the Campaigns became the Quality Service Ambassadors to introduce the work culture of the customer airlines they were serving, in addition to enriching their proficiency on airline services and relevant product knowledge. These campaigns provided the platform for our airline customers to promote themselves to our staff and the travel public.

Golf Day

Our airline customers participated in our Golf Day held on 13 & 14 October. This competition enhanced our linkage with customers and built up friendship.



Customer Satisfaction Survey

Airline customer satisfaction is our most important source of motivation to manage sustainability issue and promote our core company value. It drives continuous improvement in our business in order to provide more excellent ground handling and passenger services to our airline customers. Our online airline customer satisfaction surveys allow us to gain the feedback from our customers, and their comments could help us to understand more about their requirement and enhance our quality of services in order to suit their needs.

These surveys are conducted quarterly and focused on different aspects of service delivery and staff professionalism.

The data collected in the survey are more straightforward and objective from the viewpoint of airline customers than that of metrics analysis. This measure clarifies the direction of our business development and assists us to review our achievement of strategic organizational goals.



Progress on 2011 targets

Continue to incorporate Supplier Code of Conduct into significant contracts with our suppliers.

ongoing

Keep tracking the achievement on customer satisfaction rate to our target



Agenda for 2012

Review the criteria of Supplier Code of Conduct to suit our suppliers' situations.

Keep tracking our services performances and reviewing the services standards with our airline customers.



Community

Building a Harmonious Community is one of the key focuses of HAS community services. Apart from putting effort in financial sponsorship, we also gather enthusiasts to share love and care in our community.

Love Teeth Day Package

We have joined this charity event over the years, and all the fund raised from it was donated to Community Chest of Hong Kong.



Environment

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HAS Dynamics

Volunteers from various departments comprise the HAS Dynamics Volunteer Team, who dedicated their spare time to serve our community unconditionally. Lots of needy people in Hong Kong, especially children and elderly, need our care to make a better living, and our volunteers are always ready to participate in various voluntary work, in order to express our care and solicitude to the needy.

We continuously support community long term development and the relevant charity programs, to enlarge our volunteer services coverage and hence serve various groups of needy people. Caring elderly and helping the deprived families and individuals were our priority engagement in the past year.

In 2011, we had joined a number of charity events and volunteer services. They include the followings:



Skip Lunch Day

Skip Lunch Day is a fund raising campaign organized by the Community Chest Hong Kong to help and bring hope to the less fortunate. A skip lunch day was held on 22 March 2011 with \$9,930 raised. All donation received was allocated to support street sleepers and cage residents.

The Community Chest Green Day

The Community Chest Green Day was held on 19 and 20 June 2011. This year, we continuously supported this event by raising fund and taking the chance to increase staff awareness in reducing air pollutants released by private cars. All the donations will be used to support "Medical and Health Services" provided by the Chest's member agencies.

Love Teeth Day

HAS supported the "Love Teeth Day" on 9 December 2011, which was jointly organized by the Community Chest, the Hong Kong Dental Association and Oral Health Education Unit of Department of Health, aimed to increase awareness of dental care and raise fund for subsidizing the "Oral Health Services for the Needy" provided by the Chest's member social welfare agencies.



Japan Earthquake and Tsunami Relief Effort

9.0 devastating earthquake and tsunami in North East Japan region occurred on 11 March 2011, causing enormous grief and pain to many survivors. HAS showed immediate care to the victims of this destructive disaster beyond races, religions, and languages boundaries. HAS raised a total of HKD\$22,561.8 in relief funds from all charity boxes placed at each department and delivered the entire donation with the 1:1 matching from Cathay Pacific, to Hong Kong Red Cross for their humanitarian works in the disaster areas. This successful fund raising lied on the generous giving of our staff, as well as the combined efforts from Cathay Pacific.



Donation to Changing Young Lives Foundation

Changing Young Lives Foundation is a charity organization aiming at raising fund for helping underprivileged children and youngsters in Hong Kong and Mainland, especially for those who suffer family difficulties, domestic violence or singled parent. In 2011, we organized three fund raising events by putting donation boxes at our staff canteen.

Food Drive

The People Food Bank, established by St. James Settlement in 2003, collects food donated by benefactors and provide free food assistance to deprived people in Hong Kong. In 2011, HAS joined their food donation exercise "Food Drive". Staff generously donated food, including canned food, noodles, beverages, snacks and rice, etc, to the People Food Bank.



Mooncake Donation and Home Visit

On 8 September 2011, we donated 61 boxes of mooncakes to Salvation Army to support their Mid-Autumn Festival events. To deliver our greeting to the single elderly during Mid-Autumn Festival, HAS Dynamics team volunteers with the support from Yang Memorial Methodist Social Service carried out home visits to the single elderly in Choi Hung District on 10 September 2011.

Scarves Knitting to Elderly

HAS Dynamics team cooperated with Hong Kong Sheng Kung Hui Tung Chung Integrated Services, delivered the woollen scarves knitted by our staff for the elderly on 2 December 2011.



Mooncake Donation and Home Visit

On 8 September 2011, we donated 61 boxes of mooncakes to Salvation Army to support their Mid-Autumn Festival events. To further deliver our greeting to the single elderly during Mid-Autumn Festival, HAS Dynamics team volunteers carried out home visits on 10 September 2011, with the support from Yang Memorial Methodist Social Service to celebrate this Chinese traditional gathering festival with the single elderly in Choi Hung district.



Glutinous Rice Tamale Distribution

HAS Dynamics team together with Yang Memorial Methodist Social Service organized home visits for the elderly at Choi Hung Estate on Dragon Boat Festival Day. The volunteers distributed Glutinous Rice Tamale and Gift Pack to the elderly to share the joy of the festival.



Progress on 2011 targets

- Continue to support and raise fund for local communities and charities
- Strengthen our activities in serving elderly and children in community



Agenda for 2012

- Continue to support and raise fund for the needy in both local and international communities and charities.
- Strengthen the interaction with the community organisations and charities.



Environmental and Social Performance Table

GRI Reference	Performance Indicators	2011	2010	2009	2008	2007	Units
Environmental Performance							
EN3	Diesel consumed	104,368	106,297	101,202	109,953	116,639	GJ
	Gasoline consumed	3,749	3,234	3,281	2,760	2,202	GJ
EN4	Electricity consumed (1)	9,749	10,145	10,417	9,026	10,473	GJ
EN8	Total water used	11,253 [†]	9,334	11,125 [†]	10,429 [†]	9,701	m ³
EN10	Total water recycled	0	0	0	0	0	m ³
EN16	Carbon dioxide emissions (CO2) (direct)	7,860	8,044	7,534	9,109	8,692	T
	Carbon dioxide emissions (CO2) (indirect)	1,462	1,522	1,563	1,354	1,571	T
EN17	Carbon dioxide emissions (CO2) (other)	18.0	21.0	25.0	22.9	Note (5)	T
EN19	Ozone-depleting substances used	0	0	0	0	0	T
EN21	Total water discharged	11,253 [†]	9,334	11,125 [†]	10,429 [†]	9,701	m ³
Social Performance							
LA1	Total workforce	3,317	3,270	3,086	2,017	1,957	number
	Employees who are permanent terms	74.37	81.71	84.48	90.83	82.40	%
	Permanent employees who work full-time	98.22	100.00	100.00	100.00	100.00	%
LA7	Total hours worked	9,117	8,641	8,235	5,649	5,371	thousand hours
	Total injuries (2)	210	294	239	183	128	number
	Total fatalities	0	0	3	0	0	number
	Lost days due to injuries (3)	17,594	21,124	18,292	6,516	4,424	day
	Lost time injury rate (4)	4.61	6.80	5.80	6.48	4.77	
	Lost day rate (5)	385.9	488.9	444.3	230.7	164.7	
LA10	Average hours of training per employee			27.1	14.4	Note (4)	hours
	Executive - Top / Senior Management	11.7	2.1	Note (4)	Note (4)	Note (4)	hours
	Executive - Middle / Junior management & supervisory	39.6	26.9	Note (4)	Note (4)	Note (4)	hours
	Non-executive - Customer facing staff	88.5	49.1	Note (4)	Note (4)	Note (4)	hours
	Non-executive - Non-customer facing staff	24.4	20.6	Note (4)	Note (4)	Note (4)	hours
SO2	Convicted case of corruption	0	0	0	0	0	case

(1) The electricity consumption in Cathay City, Dragonair House and SuperTerminal 1 are excluded.

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

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

(4) This information excluded due to changes in the data collection system.

(†) Numbers are estimated.

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Thank you for reading this report

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

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