

2016

SUSTAINABLE
DEVELOPMENT
REPORT

EMBRACE CHALLENGES IN A GROWING AIRPORT

ABOUT THIS REPORT

This is our tenth Sustainable Development Report. This report covers our overall Sustainable Development progress and performance in Environment, Occupational Health & Safety, Employees, Business Partners and Community throughout the calendar year 2016. 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 2016 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 2016 and reports of previous years can be found on www.has.com.hk

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MESSAGE FROM THE MANAGING DIRECTOR

HAS is committed to providing professional ground handling services in a responsible way at the Hong Kong International Airport (HKIA). Being the largest Ground Handling Agent in HKIA, we pay close attention to the expansion and development projects HKIA has been rolling out in the past years, including the expansion projects in Midfield and the Three-Runway System (3RS). Undoubtedly, the expanding air traffic and airport capacity become a challenge we have to embrace in our future development. In the coming years, we have to focus on improving our operational excellence in a way which is also responsible to our environment, people and community.

HKIA has pledged to be the “Greenest Airport” and we have also shown our support and contribution in achieving a total carbon reduction in the airport community. The major carbon footprint of HAS comes from the fossil fuel & electricity consumption of Ground Support Equipment (GSE). Our technical team has been searching for GSE and vehicles with a greener engine or powered by cleaner fuels. And we are glad to achieve a decrease in carbon emission generated by fossil fuel and electricity consumption this year. At the same time, Swire Group has announced its new Sustainable Development Strategy “THRIVE” with a strong environmental focus this year. Going greener to thrive sustainably in the growing airport is definitely one of the major development directions to HAS.

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 the Hong Kong International Airport while maintaining a 44.2% and 19.6% ket share in ramp and passenger handling services

respectively. Our company serves a total of 21 international airlines in 2016 including Cathay Pacific (CX), Cathay Dragon (KA) and Air Hong Kong (LD). Our workstations are mostly located at the Hong Kong International Airport including Cathay Dragon 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 achieving business growth while not compromising the environment, employees' wellbeing and community.

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.

CORPORATE GOVERNANCE

HAS clearly delineates the responsibility 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.

APPROACH TO STAKEHOLDERS ENGAGEMENT

We understand the thoughts and voices from stakeholders are important for us to formulate the future sustainability strategy. We have started engaging our stakeholders on sustainability since 2009 and we have identified a few key stakeholder groups which are Customers, Employees, Suppliers & Contractors, Government & Regulators and Business Partners. Stakeholder members are engaged regularly in face-to-face meetings, group discussions and questionnaires, etc. In Year 2015, we conducted a stakeholder engagement survey internally and target to engage employees in the questionnaires and interviews in which valuable voices and opinions from employees could be collected.

STAKEHOLDER GROUP	ENGAGEMENT CHANNEL
CUSTOMERS	<ul style="list-style-type: none"> • REGULAR AND AD-HOC MEETINGS • CUSTOMER SATISFACTION SURVEY • JOINT-COMPANY SITE VISITS • AIRLINE PERFORMANCE CAMPAIGNS
EMPLOYEES	<ul style="list-style-type: none"> • REGULAR PERFORMANCE REVIEWS • COMMITTEES AND LIAISON GROUP MEETINGS • TRAINING AND DEVELOPMENT PROGRAMMES • AWARDS AND RECOGNITION SCHEMES • EMPLOYEE RELATION ACTIVITIES
SUPPLIERS & CONTRACTORS	<ul style="list-style-type: none"> • REGULAR AND AD-HOC MEETINGS • ANNUAL AUDITS AND ON-SITE INSPECTIONS • PERFORMANCE REVIEW MEETINGS • DIRECT DIALOGUES
GOVERNMENT & REGULATORS	<ul style="list-style-type: none"> • REGULAR FORUMS, CONFERENCES AND MEETINGS • REPORTING ON REGULAR BASIS • DIRECT AND CONTINUOUS COMMUNICATION • WORKING GROUPS
BUSINESS PARTNERS	<ul style="list-style-type: none"> • REGULAR AND AD-HOC MEETINGS • DIRECT DIALOGUES

ENVIRONMENT



HAS endeavours to improving our performance in sustainability. We strive to formulate effective environmental strategies and implement conservation means to improve energy consumption efficiency, reduce carbon footprint and wastage through applicable operations and techniques.

ACTIONS DONE IN 2016

- Recycled scrapped computer equipment and electronic accessories as well as seasonal items including lai see red packets and mooncake boxes
- Actively participated in the Pilot study of using biodiesel on GSE fleet hosted by Hong Kong Productivity Council (HKPC) to explore the feasibility of using alternative fuel in our GSE fleet
- Continue to implement the second phase of the Ground Support Equipment (GSE) & Vehicle Replacement Programme to continue replacing aged and less fuel-efficient GSE and vehicles (On-going)
- Arranged Plastic Capsule Upcycling Workshop to promote the idea of upcycling

PLANNED ACTIONS IN 2017

- Continue to arrange workshops & events to enhance the environmental awareness and concept of sustainability among the Company
- Continue to review the Sustainable Development Strategy in HAS and align with Swire Group's new Sustainability Strategy

NEW SUSTAINABLE DEVELOPMENT STRATEGY, THRIVE



Swire Group announced the Group's new sustainable development strategy, THRIVE, which will impact on every part of Swire's operations, with a strong environmental focus. The six-point plan targeted at 2030 commits Swire to:

- Pursuing a long-term goal of decarbonisation
- Turning today's waste into tomorrow's resource
- Using and managing water responsibly
- Sourcing materials sustainably
- Protecting and enhancing biodiversity
- Building lasting climate resilience

The new THRIVE strategy is designed to create a resilient environment that provides for the future, and emphasises looking ahead and taking the right decisions for the long-term. The Sustainable Development Office is working with teams from the Group's operating companies to establish specific targets under each of the six points in the plan.

HAS, as an operating company of the Cathay Pacific Group, is committed to reducing the environmental impact from our daily operations and would work closely with the Group to develop relevant and reasonable targets. We operate the largest GSE and vehicle fleet with significant share on fossil fuel consumption (except jet fuel) among the Group. Therefore, carbon emission is with direct and immediate impact and concern to HAS.

We actively participated in the Pilot study of using biodiesel on GSE fleet hosted by Hong Kong Productivity Council (HKPC) to explore the feasibility of using alternative fuel in our GSE fleet. To improve fuel efficiency and reduce carbon emission, HAS has also been implementing GSE Replacement Programme to phase out aged equipment and vehicles with declining engine performance and lower emission standard. Over 300 powered GSE and vehicles had been replaced since 2011. HAS also plans to order 3 more electric lower deck loaders to replace traditional diesel loaders in 2017.

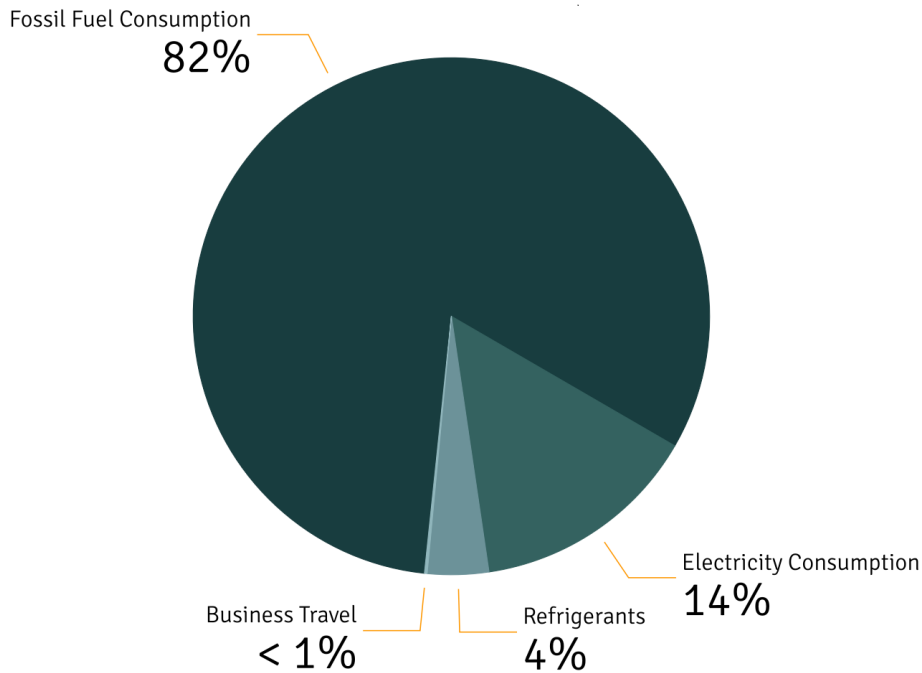
HAS encourages the development of environmentally friendly technologies which we could reduce our carbon emissions while maintaining the best operational efficiency.

CARBON EMISSION MANAGEMENT

In 2016, Greenhouse Gas Emissions generated from HAS operation were 10,513.5 tonnes of carbon dioxide equivalent (CO₂e). Our carbon footprint mainly comprised of fossil fuel consumption (Scope 1), electricity consumption (Scope 2) and business travel (Scope 3). Fuel consumed by our GSE and vehicles accounted for over 80% of the total carbon emission.

Compared with 2015, 35,148.98 Litre of fuel was saved and 53,128 kilowatts hours of electricity was reduced in 2016. Over the years, HAS has been keen on improving energy efficiency in day-to-day operations.

Carbon Emission Attribute to HAS 2016



FLY Greener Programme

HAS has joined the FLY Greener Programme, a voluntary carbon offset programme launched by Cathay Pacific Airways (CX) to offset the CO₂ emissions generated from business trips since 2008. All CO₂ credits from the programme are sourced from independently reviewed and accredited projects that actually reduce CO₂ emissions. In 2016, HAS offset a total of 18.45 tonnes of carbon dioxide from staff duty travel.

FUEL MANAGEMENT

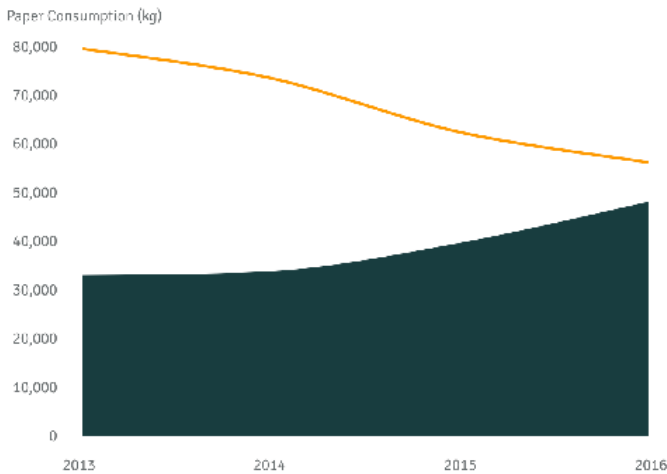
Global Positioning System (GPS) Tracking System for Motorised Airside Vehicles/ GSE

Based on the requirement by Airport Authority, we completed the hardware installation of basic GPS tracking services (including management on traffic flow and driving behaviour) by the end of November 2016. Several add-on functions which could help to improve operational efficiency and reduce fuel consumption of GSE with better refuelling arrangement were also subscribed.

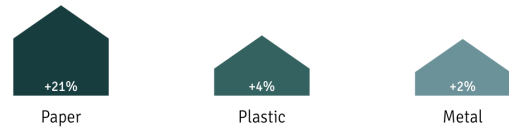
WASTE MANAGEMENT

HAS generates several different types of waste from our daily operations. We keep regular statistics on our waste including the quantity sent for disposal and recycled. In 2016, we recorded increase in recycling rate for all 3 types of materials (Paper, Plastic and Metal). Apart from ordinary recycling practices, we also organized several recycling programmes for other materials such as mooncake boxes, electronic wastes, surplus lai see red packets and wall calendars. We also achieved a continuous decrease in paper consumption for the past 3 years with an overall reduction rate of nearly 30% compared with 2013.

Paper Consumption and Recycling Rate



Percentage Increase in Recycling Rate



Lean Project

Business Improvement Team (BIT) continues to set up project teams with departments to analyze waste reduction, while continuing to streamline operational and business processes.

One of the new projects called Ramp Services Optimization was introduced in 2016 to review and enhance the operation flow and resources planning of Ramp Services Section. Interviews and focus groups were conducted with frontline colleagues of different grades and positions.

Other Recycling Initiatives

- Lai See Red Packet Reuse & Recycling
- Caritas Computer Recycling
- Project Green Moon 2016 - Mooncake boxes recycling programme
- 2017 Wall Calendars Donation

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 among the company.

Earth Hour 2016

HAS continued to participate in “Earth Hour” in 2016. Earth Hour is a worldwide environmental movement to take action for the planet organized by World Wildlife Fund (WWF).

Departments were invited to switch off all the non-essential lighting at 8:30pm for one hour on 19 March 2016 (Sat). Also, the non-essential lights at Cathay Dragon House 4/F Office were switched off from 1pm to 2pm on 17 Mar 2016 (Thu) to support this activity.



CLP “Power Your Love” Energy Saving Roadshow

This year, Environmental Committee continued to work with CLP to organise roadshows on energy saving at Cathay Dragon House and frontline staff offices on 13 June & 14 June 2016.

Sharing on energy saving tips, registration booth for “Power Your Love” Programme and catalogue sale on electrical appliances with Level 1 Energy Label were arranged during the roadshows. Over 250 staff had participated in the CLP “Power Your Love” Programme and positive feedback were received. HAS was awarded with the Top 3 Energy Saving Participation Award (non-EMO).

Plastic capsule upcycling workshop

To enhance environmental awareness of fellow colleagues, Environmental Committee organized 3 sessions of upcycling workshop at Cathay Dragon House and GTC to transform used plastic capsules into decorations on 14 and 15 March 2016. We targeted to bring the concept of upcycling into the daily lives of our staff.

Tai Tam - Stanley Cultural & Ecological Tour

Tai Tam - Stanley Ecological and Cultural Tour was held on 12 November 2016. A total of 48 staff with their families and friends enjoyed the beautiful scenery of reservoirs and waterworks structures including bridges, aqueducts and dams.

Awards & Recognitions

- Top 3 Energy Saving Participation Award (non-EMO) by CLP Hong Kong
- The 13th “Hong Kong Green Organisation Certification – Wastewi\$e Certificate Excellent Level” Award by Environmental Campaign Committee (ECC)

OCCUPATIONAL HEALTH & SAFETY



Safety holds the key to our organization’s future and affects everything we do. HAS is committed to implementing, developing and improving strategies, management systems and processes to ensure that all our ground activities uphold the highest level of safety performance and meet national and international standards.

ACTIONS DONE IN 2016

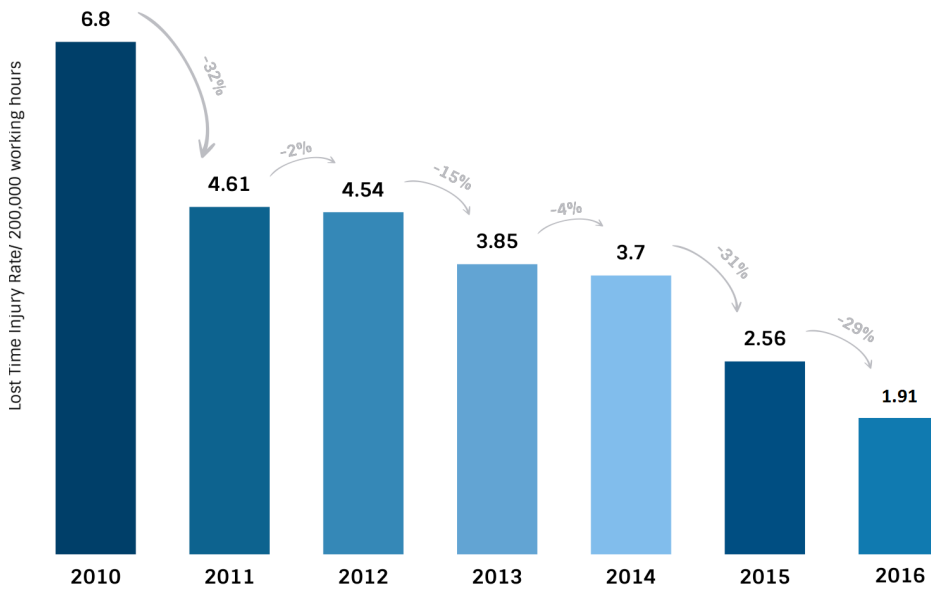
- Conducted HAS Ramp Safety Campaign 2016
- Continued Pristine Condition Manual Handling Training & on-site training (On-going)
- Conducted Joint Inspection every month for different workplaces (On-going)
- Carried out trainings for operational staff with grade of supervisory level or above to enhance enforcement of safety management (On-going)

PLANNED ACTIONS IN 2017

- Ensure all safety procedures are strictly followed through various safety inspections (i.e. observations, patrols, traffic inspection)
- Refresh staff’s safety knowledge by conducting regular safety recurrent trainings
- Carry out safety promotion to raise staff’s safety awareness & establish safety culture
- Introduce Point-based Safety Incentive System and Safety Award for frontline staff at Ramp & Cargo Services Department and Transport Services Section

SAFETY PERFORMANCE

Safety Performance in HAS



1.91

We continue to improve our safety performance over the last 6 years. The Lost Time Injury Rate (LTIR) has reduced from 6.9 in 2010 to 1.91 in 2016.

Comparing with 2015, LTIR reduced nearly 25% in 2016.

SAFETY CULTURE & TRAINING

Quarterly and Yearly Ramp Safety Role Model 2016

44 employees were selected as quarterly role models, from Baggage Services, Cargo Handling, Ramp Services and Transport Services Sections. Each role model has been strictly observed and we ensure they fully complied with all the Company's in-house safety rules and regulations. They are not only aware of their own safety, but also promote safety among their colleagues.

Safe Driving Promotion

In order to enhance safe driving, some safe driving tongue-twister games were held to introduce "7 key points for safe driving" to our staff at the rest room of different sections within November to December 2016.

Participants were given a gift as long as they completed the tongue-twister from designated time.



Pristine Condition Manual Handling Training

HAS continue to promote and enhance manual loading safety knowledge among frontline staff . Through comprehensive training, staff could apply correct manual handling techniques into daily work and even identify staff who adopt incorrect techniques whilst carrying out their daily tasks.

Ramp Safety Campaign

Ramp Safety Campaign was carried out from April to June 2016. Opening ceremony and prize presentation for safety role models 2015 were held on 18 Apr 2016. The objectives of this event were to promote 4 steps for safe transfer of ULD and 10 critical safety rules for enhancing the staff's awareness of work safety. A series of safety promotion activities were conducted at our frontline office targeting staff from Ramp Services Section. We arranged activities including ramp safety slogan competition, safety exhibition, stall games and site safety ambassador promotion. In addition, exquisite prizes are arranged for participants.

One of the activities was promoting safety from safety ambassadors during on-site inspections. After the event, the safety ambassadors shared their experience with Safety Section. Positive feedback was received from the safety ambassadors as they could remind the staff immediately when any unsafe acts were identified. That could raise the staff's safety awareness to reduce accidents.



STAFF AND WORKPLACE SAFETY

GSE & Vehicles Improvement Plan

In order to enhance operation efficiency and work safety, the Technical Services Section (TSS) has carried out several GSE & Vehicle improvement items in 2016 including:

1. New Orange-coloured Safety Seat belt for Diesel Tractor and Conveyor Belt

TSS has installed new eye-catching orange colour seat belt with and without Scotch guard protective coating. The purpose is to facilitate monitoring the implementation of seat belt fastening on ramp.



2. Safety Alert Painting on Stopper

To ensure the stoppers on dollies are locked completely, safety alert painting with 2 colours would be painted on the stoppers. When all the stoppers have been locked, only the stopper side painted with green colour will be seen; if any of the stoppers has not been securely locked, the indicative red colour which reminds staff on the incomplete locking of the stopper will be seen.



STAFF HEALTH & WELLNESS

Our company recognizes 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 corporate cultures.

- Health Seminar - Back & Neck Care
- Health tips via emails and electronic notice boards
- Employee Assistance Programme
- Health Seminar - Strategies for Anti-oxidation
- Health Seminar – Say goodbye to Sub-health

ISAGO RECERTIFICATION



The International Air Transport Association (IATA) awarded HAS the IATA Safety Audit for Ground Operations (ISAGO) Registration, following the successful completion of a comprehensive audit of ground-handling operations at Hong Kong International Airport (HKG) in September 2016.

IATA GROUND OPERATION MANUAL (IGOM) CERTIFICATION

HAS was certified by IATA as a Ground Operations Manual (IGOM) implementation provider in 2011. HAS is the first passenger and ramp ground handling company in Hong Kong to achieve the implementation which demonstrates full-compliance with the IGOM procedures in flight operation.

Awards & Recognitions

- 2015/16 Airport Safety Recognition Award - Corporate Safety Performance Award by the Airport Authority
- Team Championship in Airfield & Baggage Hall Safety Campaign 2016 organised by the Airport Authority

OUR PEOPLE



Our people is the essential asset of our Company. HAS fosters harmonious employee relations and provides resources for employees to develop their professional and technical competence.

ACTIONS DONE IN 2016

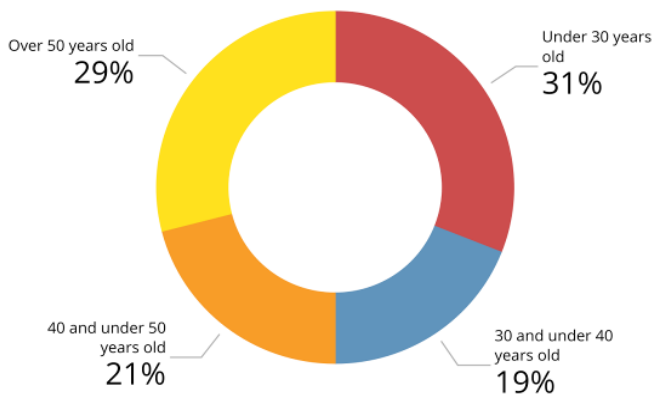
- Awarded 8 children of our employees for the Children Scholarship Scheme
- Continued sponsorship of scholarship to four placement students from IVE Tsing Yi
- Continued the “On-the-Job Coaching” Training Course for new joiners at frontline departments
- Continued the corporate learning and development opportunities to grow our employees, such as Leadership Development Program, Corporate Training & Business Etiquette Workshop for recruitment ambassadors, etc. (On-going)

PLANNED ACTIONS IN 2017

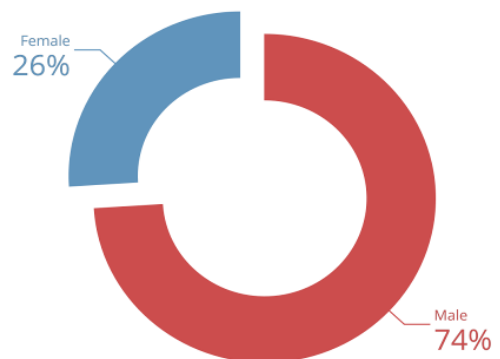
- Continue to partner with local organizations/ institutions for placement and summer job opportunities
- Cooperate with Hong Kong College of Technology (HKCT) to develop a trainee programme in Ramp Handling and Passenger Services to attract the younger generation
- Continuous of staff caring programme especially for new joiners
- Carry out workplace improvement projects at frontline office of Ramp Services Section and staff cafeteria

DEMOGRAPHY OF HAS STAFF

HAS Employee Profile by Age Group



HAS Employee Profile by Gender



TRAINING AND STAFF DEVELOPMENT

Our success is based on hiring the best people, being passionate about people development, and believe in the importance of people to improve business performance to remain competitive in the business environment. We developed the “HAS Training & Development Curriculum” to help staff work effectively and inspire staff to continue to develop, from seeing parts to seeing wholes, from perceiving people to active participants, from reacting to present to creating future.

The HAS Training and Development Curriculum targets to achieve development objectives by segmenting our staff into five levels. The designed programme therefore build on starting from supervisory level to senior management, while always keeping HAS culture and values in mind.

Staff with different grades and positions engaged in varies programme so as to develop on the skillsets required for managing the daily tasks, managing self and the team as well as developing our HAS competence. HAS provides resources for employees to develop their professional and technical competence.

In 2016, we provided 221,636.7 hours of training to all levels of staff; in average, each staff received 65 hours of training.



Operational Leadership Programme

The Cathay Pacific Group launched a new rotational programme lasting for 8 years that provide opportunity for junior operating staff to develop a board range of operational, managerial and business skills. Successful candidates would be supported and mentored all the way via tailored development programmes and take an increasing opportunity as they progress and develop.

HAS Vision Day 2016

HAS Vision Day was successfully held at the Hong Kong Gold Coast Hotel on 26 January 2016. During the event, participants including Department Heads and managers not only discussed the challenges and issues around us, but also aligned the values and vision of HAS as to drive our performance and growth together as a team. This is vital in formulating the direction of future development of HAS in the coming few years.

TEAM ENGAGEMENT

My Favourite Star Awards Presentation



Staff in the Passenger Services Department voted for “My Favourite Star” in their teams. This serves to encourage mutual understanding and appreciation within the working team, and to build a strong and imitate working force. A total of 53 winners stood out from respective teams and sections. A presentation was held in March 2016 to recognise the elected “favourite stars”.

HAS Benediction Session 2016



A Benediction session was held on 7 Sep 2016 at the Ramp Services office inside HKIA restricted area. The tradition served as a blessing for a safe and smooth operation at workplaces.

SCHOLARSHIP FOR EMPLOYEE'S CHILDREN PROGRAMME

HAS's Scholarship for Employee's Children aims to encourage and recognize the outstanding academic achievements of employees' children. In 2015, 8 students were awarded the scholarship, with each receiving \$10,000 as encouragement. The scholarship winners and their families were invited to attend a lunch and award presentation ceremony at Regal Airport Hotel on 7 January 2016. During the event, a special tour around the restricted areas of the airport was arranged.

"ON-THE-JOB COACHING" TRAINING COURSE

Coachers, who are normally experienced staff, would assist the new joiners' adaptation more smoothly in new task, and working environment in their first 3 months of service, while also collecting their feedback or suggestion for company's consideration. Coachers and new joiners communicate by welcome gathering, phone calls, whatsapp, tea gatherings or lunches.

STAFF ACTIVITIES



- Lion dance
- BBQ
- Fruit Day
- The 23rd Green Power Hike
- No smoking day health talk at frontline offices
- Thank You party
- Company Outing
- SWIRE 2016 snooker tournament

- Summer Movie Event
- HKIA Super Bowl Cup
- Airport Visit
- SWIRE Intra-Group running Competition
- Annual Dinner
- Football Club – Inter-Sectional Competition



BUSINESS PARTNERS



HAS is committed to delivering professional full ground handling services to airlines and business partners. We maintain an open communication with our stakeholders to sustain a long-term relationship of mutual benefits.

ACTIONS DONE IN 2016

- Carried out annual contractor audit in early November 2016 to ensure the contractors' compliance of all the applicable legal requirements
- Worked closely with Swire Group to explore the feasibility of expanding the scope of bulk purchasing to other office materials such as paper-related products and plastic and lighting

PLANNED ACTIONS IN 2017

- To assist in developing key materials sourcing and suppliers engagement for "Sourcing materials sustainably" in the new sustainable development strategy, THRIVE, of Swire Group
- Continue to explore more potential purchase items which could be included in the Swire Group bulk purchase for a better price

SUPPLIERS AND CONTRACTORS

Sustainable Procurement

HAS strives to be a good steward of the natural resources and biodiversity under our influence. When procuring products and services, due considerations shall be taken into account to optimize the benefits in terms of the environment, social impact and cost, both from the point of view of the general public and from enlightened self-interest. With the newly announced sustainable development strategy by Swire Group, HAS is working closely with Cathay Pacific Group and Swire Group in developing the associated sourcing policy and future action plans to achieve sustainable supply chain management.

Supplier Code of Conduct

HAS selects and retains suppliers which meet the requirements of the HAS Supply Chain Sustainability Code of Conduct according to the core standards. In order to establish the level of compliance within our supply chains, suppliers are required to complete the Corporate Social Responsibility: Suppliers Self-Assessment which enable us to evaluate the CSR performance of their company. The same requirements are expected to cascade down the whole supply chain to encourage the best practice in various aspects including ethical procurement, environmental protection, health and safety, labour rights.

Annual Contractors Audit

Annual contractor audit was carried out in early November 2016 to ensure the compliance of all the applicable legal requirements and evaluate their performances on environmental protection, occupational health and safety, and quality assurance. The audit scope covers the compliance on Supplier Code of Conduct, Environmental Management, Occupational Safety & Health, Quality Management and Service Level Agreement for GSE & vehicle maintenance.

FOCUS ON AIRLINES

Customer Satisfaction Survey

Our airline customers are invited to participate in the quarterly Customer Satisfaction Survey to provide their comments on our service performances. Their comments become our index and inputs to review the quality of our services and foster a collaborative relationship with our airline customers. Compared with 2015, we achieved a slight increase in average overall rating which represent the improvement of our performance in providing quality services to our customers.

Swiss International Air Lines (LX)' Appreciation Lunch

To appreciate the effort of the staff in Passenger Services in the past year, LX had arranged an appreciation lunch on 27 July 2016. They prepared gifts for our teammates handling LX to show their heartfelt gratitude to our support.

BBQ party between HAS and Japan Airlines (JL)

On 8 March 2016, a BBQ party was held between HAS' Passenger Services team and Japan Airlines (JL) to celebrate the achievement of Value Score survey targets in the first and third quarters of Year 2015.

RECOGNITIONS AND AWARDS

“Ramp Incident Free” by Japan Airlines

HAS received the commendation of “Ramp Incident Free” from Japan Airlines on 30 Mar 2016. This award recognizes our colleagues’ determination to sustain safety awareness for the past 8 consecutive years.

S7 Airlines - Certificate of Gratitude

A sincere gratitude was dedicated to HAS from S7 Airlines to show appreciation of the fruitful cooperation.

2016 Customer Service Excellence Programme Award Presentation



Customer Service Excellence Programme Award Presentation was held on 2 June 2016 by the Airport Authority. 3 categories of excellence awards were presented to airport community staff recognising their excellence customer services in year 2015. This year, 44 organizations participated in this annual campaign, achieving a new record. More than 50 HAS colleagues were being recognized for their outstanding customer services, superior efficiency and excellent team work.

2016 CX Betsy Award



HAS staff targets to provide excellent and professional services and it is often well recognised by our customers. One of our frontline staff from Passenger Services Section was awarded with CX Betsy Award for his outstanding attitude and professionalism in providing assistance to our passenger. His great work has made him stand out from over 2,600 stories and won him the award.

COMMUNITY



HAS is committed to fostering and cultivating relationship with the community and be sensitive to the community needs. We encourage staff and their families to engage in community programmes and staff recreational activities which can make contribution to the nearby community.

ACTIONS DONE IN 2016

- Organized 8 community services and a few donation events in helping people in need within and outside Hong Kong and accumulated over 259.5 service hours in 2016

PLANNED ACTIONS IN 2017

- Focus on seniors who are in need
- Work with Environmental Committee in organizing volunteering and community services and enhance cross-committee cooperation



HAS Dynamic Volunteer Team

Our Company encourages staff participation in all kinds of volunteering services in their leisure time to serve people in need and to foster a relationship with the community. HAS Dynamic Volunteer Team was formed in 2002 to provide opportunities for our staff to engage in the community.

Caring Company 10+ years

HAS was awarded for the 10 Years Plus Caring Company Logo (10+) by The Hong Kong Council of Social Service (HKCSS) in 2016-2017 in recognition of our continuous commitment in corporate social responsibility for 13 consecutive years. We received nomination from six nominators including School of Vocational Training, Hong Kong College of Technology, The Salvation Army, Orbis, Changing Young Lives Foundation, Community Chest and Yang Memorial Methodist Social Service.

VOLUNTEERING IN THE COMMUNITY

2016 Dragon Boat Festival Elderly Visit

Swire Resources had organized the Dragon Boat Festival Elderly Visit for Banyan Service on 4 June 2016. HAS Dynamics volunteers also joined the event and shared great memory by making and giving out nice dumplings with the elderly.

HOSPITAL ON WINGS Orbis 2016

Hong Kong residents were given an eye-opening experience by the Orbis Flying Eye Hospital that touched down at Hong Kong International Airport on 26 Sep 2016.

This former FedEx MD-10 freighter - manufacturer Boeing was given a new lease on life when it was transformed into a full-fledged eye hospital equipped with cutting-edge facilities. The Orbis Flying Eye Hospital is equipped with classroom, AV/IT room, observation room, operating room, instrument sterilization room, patient care & laser room and pre & post operation care room (recovery room).

During its stay at the airport, HAS provided loading/unloading services for aircraft compartment and their equipment as well as the passenger steps served to aircraft for staff and tours on board.



Knitting In Love 2016

Our staff knitted woollen scarves and hats to show our care and blessings to senior citizens for enjoying a warm winter. All the items received were collected and delivered to Ho Kin District Community Centre for Senior Citizens (sponsored by Sik Sik Yuen) for further distribution to the elderly.

Food Collection and Recycling Programme

Environmental Committee and HAS Dynamic co-organized the "Food Collection and Recycling Programme" with HKSKH Lady MacLehose Centre to enhance the awareness of food waste issue in Hong Kong.

Volunteers assisted in collecting leftovers in the wet market and re-distributed to the people in need in community.



The Mid-Autumn Festival Home Visit



On September 10, HAS Dynamic volunteers brought our love and festive atmosphere to the elderly through "The Mid-Autumn Festival Home Visit 2016" organized by Yang Memorial Methodist Social Service – Choi Hung Community Centre for Senior Citizens. Volunteers shared their care and gift packs to the elderly through home visits.

2016 Swire Soap

In May 2016, HAS volunteers took part in a soap-making workshop and packaging session organized by Swire at St. James' Settlement's upcycling centre with an aim to make and pack 800 bars of soap using "recycled" Chinese New Year kumquats collected at Swire Properties' managed buildings around Hong Kong.

Some of the soap were donated to underprivileged families and others were sold in a special charity sale organized by Swire to raise funds for The People's Food Bank.

CONTRIBUTING THROUGH DONATIONS

Dress Casual Day 2016

The Dress Casual Day was held on 6 October, and all the donations raised was allocated to 158 social welfare agencies supported by The Community Chest of Hong Kong.

Green Day

The Community Chest organized "The Community Chest Green Day" on 19 & 20 June 2016 in order to benefit the "Medical and Health Services" which was supported by The Community Chest. As usual, our staff showed their support in the event.

Chinese New Year Food Drive 2016



"Chinese New Year Food Drive 2016" was held during the Chinese Lunar New Year to donate Chinese New Year gifts and provide food for the people in need. Our colleagues showed generous support to the event.

Charity Gift Donation 2016



Airport Authority Hong Kong, Link Asset Management Limited (Link), and the Salvation Army Hong Kong and Macau Command organized the event “Charity Gift Donation 2016” on 25 January 2016. As a member of the airport community, HAS showed our support proactively by donating gifts. We shared a joyful and warm Chinese New Year with children and family in need.

Orbis Charity Sale



Whilst celebrating Mid-Autumn festival with loved ones, HAS colleagues also showed their support to the Orbis Mid-autumn Charity Sale by purchasing the Orbis Cutie Lanterns. Funds were raised by selling a total of 89 pieces of specially designed lanterns in this event which could assist Orbis to bring bright & colourful future for the world’s 285 million visually impaired people.

Mooncakes Donation

Swire Properties co-organised the Mooncake sharing programme with Food Angel to collect the edible surplus mooncake from the public. To support this event, HAS donated 30 boxes of mooncakes to Food Angel. All the collected mooncakes were donated to the underprivileged communities in Hong Kong.

Apart from Food Angel, HAS also donated 32 boxes of mooncakes to The Salvation Army to share our care for the people in need, including members of elderly homes and centres, the disabled, the low-income families and the homeless.

Love Teeth Day 2016/2017

Jointly organised by The Community Chest of Hong Kong, The Hong Kong Dental Association and Oral Health Education Unit of the Department of Health, colleagues were invited to show their love to those in need by supporting the Love Teeth Day 2016/2017. Donations received would enhance “Oral Health Services for the Needy” provided by the Chest’s member social welfare agencies without any deduction.

Other community initiatives in 2016:

- Charity Book Drive
- Skip Lunch Day 2016
- Calendar Donation
- Donation box for “Changing Young Lives Foundation”

SUSTAINABILITY PERFORMANCE INDICATORS

ENVIRONMENT

	UNITS	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Energy Consumption											
Mobile - Diesel	GJ	116,639	109,953	101,202	106,297	140,368	111,710	118,278	123,932	119,652	117,453
Mobile - Unleaded Petroleum	GJ	2,202	2,760	3,281	3,234	3,749	4,179	4,619	5,514	5,888	5,955
Purchased Electricity (1)	GJ	10,473	9,026	10,417	10,145	9,749	9,588	9,767	10,292	10,222	10,031
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	8,990
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	1,505
Other Carbon Dioxide Emissions (Scope 3)	Tonnes	(2)	22.9	25.0	21.0	18.0	17.0	12.0	8.1	22.1	18.5
Ozone-depleting Substance Emissions	Tonnes	0	0	0	0	0	0	0	0	0	0
WATER											
Municipal water consumption	m ³	9,701	10,429*	11,125 *	9,334	11,253 *	11,499	12,631	12,340	18,480	14,983
Total water discharged	m ³	9,701*	10,429 *	11,125 *	9,334 *	11,253 *	11,499 *	12,631 *	12,340 *	18,480*	14,983*

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

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

* : Numbers are estimated.

^ : The information has been updated.

SOCIAL

	UNITS	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
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EMPLOYMENT

Total workforce	Number	1,957	2,017	3,086	3,270	3,317	3,365	3,543	3,469	3,309	3,410
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	3,331
• Fixed Term and Temporary Contract Employees	Number	227	489	479	598	850	727	715	465	173	79
Total Hours Worked	Thousand hours	5,371	5,649	8,235	8,641	9,177	9,463	9,618	9,727	9,158	8,777

OCCUPATIONAL HEALTH & SAFETY

Total Fatalities	Number	0	0	3	0	0	0	0	0	0	0
Lost Time Injuries	Number	128	183	239	294	210	215	185	180	117	84
Lost Days due to Injuries	Days	4,424	6,516	18,292	21,124	17,594	13,307	16,831	15,832	15,300	15,417
Lost Time Injury Rate (3)		4.77	6.48	5.80	6.80	4.61	4.54	3.85	3.70	2.56	1.91
Lost Day rate (4)		165	231	444	489	386	281	350	325	334	351

TRAINING AND EDUCATION

Average Hours of Training per Employee	Hours	(5)	14	27							
• Executive – Top/Senior Management	Hours	(5)	(5)	(5)	2.10	11.70	11.50	3.70	5.71	2.86	12.63
• Executive – Middle/Junior Management & Supervisory	Hours	(5)	(5)	(5)	26.90	39.60	31.70	27.70	23.60	36.02	28.98
• Non-executive – Customer Facing Staff	Hours	(5)	(5)	(5)	49.10	88.50	102.40	73.80	57.50	184.89	176.98
• Non-executive – Non-customer Facing Staff	Hours	(5)	(5)	(5)	20.60	24.40	20.80	26.90	19.30	27.23	31.54
Convicted Case of Corruption	Case	0	0	0	0	0	0	0	0	0	0

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

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

(3): 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.)

(4): 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.)

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

(*): Numbers are estimated.

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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:

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