



***SUSTAINABLE DEVELOPMENT REPORT
2017 – IT'S IN OUR HANDS***

ABOUT THIS REPORT

HAS's eleventh annual Sustainable Development Report covers our overall perspective in Sustainable Development performance for 2017. All correlative material presented in Environment, Occupational Health & Safety, Employees, Business Partners and Community is 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 from Hong Kong Airport Services Limited in the 2017 calendar year. 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 report also provides descriptions of our vision and values which are our foundation to build and support us towards a more sustainable future in Hong Kong.

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 2017 and our previous year's reports can be found on www.has.com.hk

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MESSAGE FROM THE CHIEF OPERATING OFFICER



2017 was a year full of challenges and opportunities. With airport development and growth in flight movements, our frontline operations had been very busy throughout the year. We face some key challenges: increasing traffic on ramp area, labour shortage and stiff competition in ground handling business. To cope with them, new strategies are put in place to ensure business sustainability and pave the way for future success.

To build a fuel-efficient GSE fleet and in support of the Airport Authority's pledge to be the Greenest Airport, we continue our structured GSE and vehicle replacement programme and invest in greener, fuel efficient and electric-powered GSE/vehicles. A GPS GSE tracking and management system is also introduced to allow better management and effective deployment of GSE to support operations.

Customer satisfaction is at the core of our business. It is achieved through delivery of quality services to our valuable customers. I am pleased to see the efforts of our frontline team paid off with good operational performance results that met and exceeded customer expectation. HAS is also recognised as CEIV Pharma Certified (Category Ground Handler) by the International Air Transport Association (IATA) on 15 July 2017.

We continue our investment in people through staff development programme, on-the-job training as well as setting up a line training section in Ramp and Cargo Services Department. To overcome labour shortage challenge at HKIA and to develop a talent pipeline for HAS, our People team have explored various innovative recruitment channels and received the "Best Innovative Recruitment Campaign Award" from one of the most popular recruitment platforms. We also focus on staff caring through engagement, improvement in work environment, promotion of workplace harmony and organization of recreational activities.

As a member of the Swire Group, HAS continues to support the Group's new Sustainable Development Strategy "THRIVE", with a strong environmental focus in reducing carbon emissions. This is our long-term mission.

Last but not least, safety remains our number one concern. A comprehensive safety programme was launched in 2017 to increase safety awareness among staff. We will continue our efforts to enforce good safety practices and ingrain a culture of safety.

This is the 11th Sustainable Development Report of HAS and it summaries the work we have done in the past year and sets out our future plans and goals. I invite you to read this report and share with us on ways to contribute on sustainable development and build a greener future.



Mary Chan
Chief Operating Officer

OUR BUSINESS



Hong Kong Airport Services Ltd. (HAS) was established in 1995 to provide professional ramp and cargo services to airlines at Hong Kong International Airport. It started operations on 6 July 1998 with the opening of Chek Lap Kok International Airport. On 1 November 2008, HAS integrated with Hong Kong International Airport Services Ltd (HIAS) and became one of the largest ground handling service providers in Asia. Our scope of services ranges from loading and unloading of aircraft, baggage handling, cargo and mail delivery, turnaround co-ordination, aircraft load control, aerobridge and passenger steps operation, crew transportation to passenger and flight handling services such as passenger check-in, ticketing and flight dispatch. HAS is a member of the IATA Ground Handling Partnership and was awarded the IATA Safety Audit for Ground Operations (ISAGO) Registration since 2011.

Our company now employs over 3,100 employees and owns a fleet of over 3,000 ground support equipment (GSE) and vehicles. As at December 2017, HAS provides essential ground services to 21 international airlines at Hong Kong International Airport, including major local carriers Cathay Pacific (CX), Dragonair (KA), Air Hong Kong (LD). It enjoys approximately 41 % and 19% market share in

ramp and passenger handling services respectively.

Our workstations are mostly located at the Hong Kong International Airport including Cathay Dragon House, Cathay City, Passenger Terminal Buildings (Terminal 1 and Terminal 2) and Cathay Pacific Cargo Terminal. In-town Check-in (ITCI) services at Hong Kong and Kowloon Airport Express Stations are also supported by professional staff 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

The Vision and Missions Statement of the company sets the framework for us to regulate the Sustainability Strategy, which provides steering mechanisms and defines specific goals by which we measure ourselves. We have set up a Sustainable Development Committee to review the effectiveness of the sustainability management strategy and to strive for continuous improvement. The Committee is chaired by the Chief Operating Officer and comprised 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 device our own policies and Code of Conducts in these 5 areas. We are committed to achieving business growth while not compromising the environment, employees' well-being and community.



RISK MANAGEMENT



HAS possesses a structured work process to identify potential and actual business hazards and risks 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 Chief Operating Officer as a standing member and Board members appointed by Cathay Pacific Airways.

The role of the Chief Operating Officer 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.

STAKEHOLDERS ENGAGEMENT

We understand the thoughts and voices from stakeholders are important for us to formulate future sustainability strategy. We value feedback from stakeholders through outreach and dialogue with them, which helps us know more about their views and concerns towards our future development. 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 through face-to-face meetings, group discussions and surveys etc.

STAKEHOLDER GROUP	ENGAGEMENT CHANNEL
Customers	Regular and Ad-Hoc Meetings
	Customer Satisfaction Survey
	Joint-Company Site Visits Airline Performance Campaigns
Employees	Regular Performance Reviews
	Committees and Liaison Group Meetings
	Training and Development Programmes
	Awards and Recognition Schemes Employee Relation Activities
Suppliers & Contractors	Regular and Ad-Hoc Meetings
	Annual Audits and On-site Inspections
	Performance Review Meetings
	Direct Dialogues
Business Partners	Regular and Ad-Hoc Meetings
	Direct Dialogues
Government & Regulators	Regular Forums, Conferences and Meetings
	Reporting on regular basis
	Direct and Continuous Communication
	Working Groups

ENVIRONMENT

HAS constantly endeavors to refine 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 TAKEN IN 2017

Recycled scrapped computer equipment and electronic accessories

Collected and donated seasonal materials such as mooncakes boxes, surplus CNY red packets and wall calendars

Continued the structured Ground Support Equipment (GSE) & Vehicle Replacement Programme to replace aged and less fuel-efficient GSE and vehicles with green and electric powered GSE and vehicles

PLANNED ACTIONS IN 2018

Reduce the number of surplus festival products including CNY red packets and wall calendars

Organize roadshows and workshops to enhance environmental awareness among company staff

Continue to review the Sustainable Development Strategy in HAS and align with Swire Group's new Sustainability Strategy

A THRIVE-ing Future

THRIVE – a new sustainable development strategy was launched at the Swire Group Sustainable Development Forum in Nov 2017. This new group-wide plan for environmental sustainability is to address the complex and varied environmental challenges.

Six environmental priorities have been identified:

CARBON

Commitment: Pursue a long-term ambition of decarbonisation

WASTE

Commitment: Turn today's waste into tomorrow's resource

WATER

Commitment: Use and manage water responsibly

SUSTAINABLE MATERIALS

Commitment: Source materials responsibly

BIODIVERSITY

Commitment: Protect and enhance biodiversity

CLIMATE RESILIENCE

Commitment: Build lasting climate resilience



"Thrive" thus provides an important reference point to enable our businesses to further embed sustainability into our operations. It also highlights the emergence of significant longer term environmental challenges.

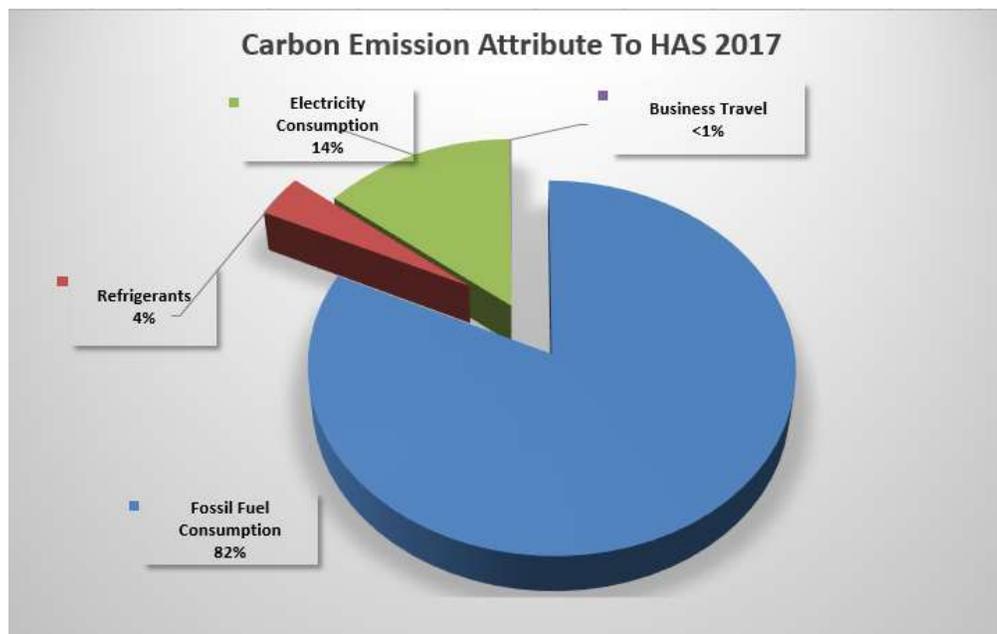
HAS, as an operating company of the Cathay Pacific Group, is committed to reducing the environmental impact from our daily operations and will work closely with the Group to develop relevant and reasonable targets. We operate the largest GSE and vehicle fleet with significant share on fossil fuel consumption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

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

Carbon emission management

In 2017, HAS generated Greenhouse Gas Emissions of 10841.8 tonnes of carbon dioxide equivalent (CO₂e). Our carbon footprint mainly comprised fossil fuel consumption (Scope 1), electricity consumption (Scope 2) and business travel (Scope 3). Fuel consumed by our GSE and vehicles accounted for over 80 % of the total carbon emissions.

Total GSE fuel consumption in 2017 was 3,354,478 litres representing an increase of 3.62% carbon intensity and increased 42324 kilowatt hours of electricity usage compared with 2016 figures, attributable to more cargo freight handling and ramp operations of the new Midfield Concourse at remote location.



Fly Greener Programme

As a responsible business partner in the community and to support renewable energy projects, HAS since Apr 2008 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. All CO₂ credits from the Fly Greener programme are sourced from independently reviewed and accredited projects that reduce CO₂ emissions. In 2017, HAS offset a total of 11.10 tonnes of carbon dioxide from staff duty travel.

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

After installation of GPS Tracking System in 2016, we have further worked on the extended functions including driver management system and indication of GSE availability for deployment. The new features help increase operational efficiency and enable more effective deployment of GSE in daily operation.

Waste Management

Waste problem has been one of the most concerned environmental issues in today's society. It is our responsibility to ensure that all wastes generated during operations are managed in accordance with good waste management practice. HAS launched a waste management system across all operations in 2010. The system mainly focuses on managing the chemical and office waste generated in our daily operations, as well as recycling of materials. We keep regular statistics on our waste including the quantity sent for disposal and recycled. In 2017, a remarkable increase in the amount of recycled materials was seen. The plastic and aluminum recycled had risen by 21.05% and 15.97% respectively when compared with 2016 figures.

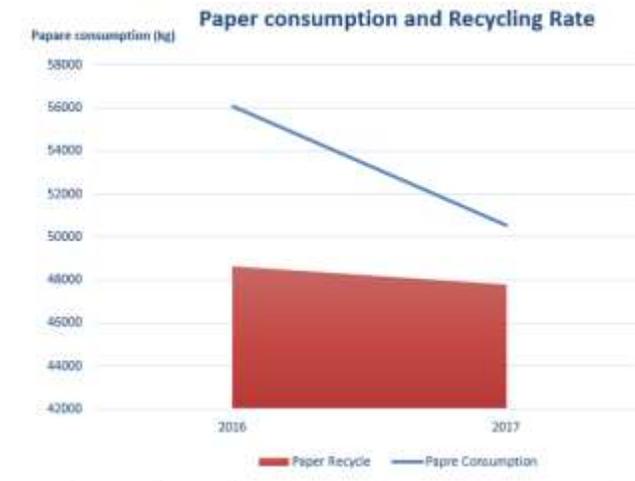
Apart from ordinary recycling items, we also organized several recycling programmes for other materials such as mooncake boxes, electronic wastes, surplus CNY red packets and wall calendars.

Being the 14th consecutive year in a row, HAS was awarded the "WastewiSe Label" under the "Class of Excellence" from the Hong Kong Awards for Environmental Excellence, organized by the Environmental Campaign Committee in 2016/2017. This award recognises our continued efforts in effective waste reduction measures.

Waste recycling

% CHANGE (2016 V.S. 2017)

Paper consumed	↓9.84%
Paper recycled	↓1.74%
Aluminum Cans recycled	↑15.97%
Plastic recycled	↑21.05%



Lean Projects

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



The colleagues from Passenger Steps & Airbridge team in the photo were using their mobile devices to check and acknowledge their task assignment through Task Notification (TN) function from the INFORM System (Real Time function).

This is one of the changes on task assignment from a Lean project named “Step & Airbridge Team Revamp” in Ramp and Cargo Services Department launched in February 2017, aiming at improving effectiveness and eliminating wastes by adopting a new operating methodology and concept.

Task Assignment Supervisor positioned at Ramp office uses INFORM system to monitor flight status and ensure colleagues acknowledge their task assignment through their mobile devices once a task is assigned by INFORM. Manual intervention is required only when flight irregularities and discrepancies occur. System solution not only reduces manual transactions but also saves all the paper work and provides digital record.



Another project named “Bridge Team Operation Improvement” was successfully launched in 2017. The project target is to enhance the operation flow and resources planning of our Airbridge Team.

Benefits:

1. Visualize the effectiveness of resources deployment
2. Improve safety
3. Monitor the task status
4. Staff satisfaction

Other Recycling Initiatives

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

Awards & Recognitions



“The Third Hong Kong International Airport Environmental Management Recognition Scheme – Good Class Level Certificate” Award by Hong Kong Airport Authority.



“The 14th “Wastewi\$e Certificate Excellent Level - Hong Kong Green Organization Certification (HKGOC)” Award by Environmental Campaign Committee (ECC).

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 in the Company.



Coastal Cleanup 2017

In order to keep our shorelines and city clean, more than 30 HAS volunteers participated in the “Costal Cleanup 2017” activity on 8 April 2017. About 92.9 kilograms of trash and 1 box of glass pieces were collected from the beach in Sam Mun Tsai, Tai Po.

CLP Power Your Love Roadshow

To spread the spirit of caring amongst the society through energy saving initiative, Environmental Committee continued to work with CLP to arrange “Power Your Love” roadshows at head office at Cathay Dragon House and frontline offices in Passenger Terminal Buildings in June 2017. Over 330 colleagues joined the onsite registration and energy saving tips were shared during the roadshows.

Earth Hour 2017

HAS continued to participate in “Earth Hour” organised by the World Wildlife Fund (WWF) in 2017, with an aim to achieving low carbon emission and enhancing environment awareness among staff. Departments were invited to switch off all the non-essential lighting at 8:30 pm for one hour on 25 March 2017. Furthermore, the non-essential lights at back offices on 4/F Cathay Dragon House were also switched off from 1 pm to 2 pm on 24 March 2017 to support this activity.

Organic Farm - Pineapple Park Ecological Tour

Organic Farm - A Pineapple Park Ecological Tour was held on 25 November 2017. 30 staff together with their families and friends joined this wonderful day. The tour included Pineapple Farm cultivation, BBQ, Pineapple Workshop, and farming demonstration.

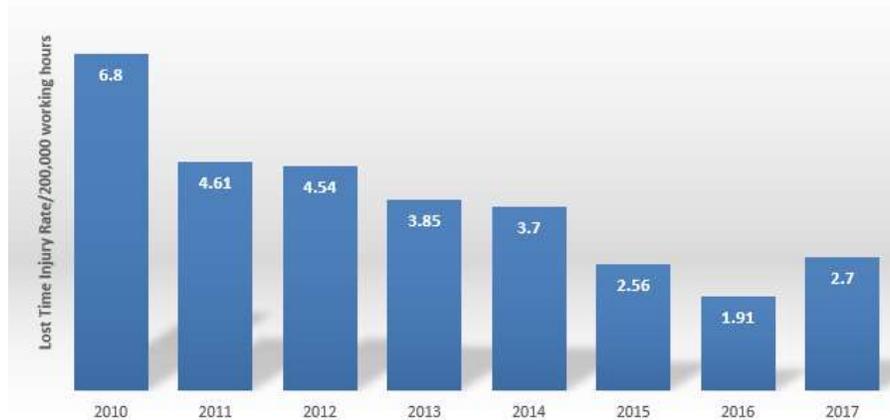


Safety Performance

There were a total of 113 Lost Time Injuries reported in 2017. Lost Time Injury Rate (LTIR) increased from 1.91 injuries per 100 employees in 2016 to 2.70 in 2017.

Our analysis shows the major reasons for work injuries included hit by/hit to, staff carelessness, uncontrollable/undesired conditions and improper body posture at work which are caused by human factors as well as complexity of ground operations. Safety Section and frontline operations management always strive to improve on safety performance.

Safety Performance in HAS



Safety Culture & Training

To enhance safety culture and to ensure staff are competent to carry out their duties in a safe manner, HAS continue to develop safety education and promotion programme to strengthen our safety framework.

Quarterly and Yearly Ramp Safety Role Model 2017



The Annual and Quarterly Safety Role Model Campaign has been held since 2013. 30 frontline employees were selected as safety role models in 2017 in recognition of their outstanding efforts and performance. These role models not only fully complied with all the in-house safety rules and regulations, but also promoted safety among their colleagues. They received certificates and prizes from management to show the Company's appreciation of their efforts in cultivating safety culture.

Safety Promotions

A series of safety promotional activities were conducted from March to December 2017. The objectives of these activities were to promote traffic safety, 10 critical in-house safety rules, and 4 steps for safe transfer of ULD. Promotions such as Good Safety Suggestion Competition, Safety Exhibition, Safety Poster & Slogan, Games Booths and Site Safety Ambassador Promotion were arranged. In addition, exquisite prizes were arranged for participants.



Pristine Condition Manual Handling Training

HAS continues to promote and enhance safe practice in manual handling. Through Pristine Condition Manual Handling Training which includes theoretical and practical training, staff can apply correct manual handling techniques in their daily operations which helps minimize work injury.

Accident Case Review Workshop

In order to enhance safety awareness, accident case review workshops and management on-site education were conducted. We encourage staff engagement through case discussion and experience sharing.



Staff and Workplace Safety

GSE & Vehicle Improvement Plan

Good and efficient equipment contributes to a safe operation. Our Technical Services Section (TSS) carried out a series of GSE & Vehicle improvement initiatives to enhance GSE operation safety in 2017 including:



Replace rear tow hitch onto container dollies & pallet dollies



Install dual control switch for movement of operator's panel or bridge platform of main and lower deck loaders



Aircraft Damage Prevention



White line paint on conveyor belts

Staff Health & Wellness

Our company recognises the importance of mental and physical wellness of our staff. Good health is vital to individual performance and development. To ensure our employees are educated on the best practices, we organized different activities to develop healthy lifestyles and promote healthy corporate cultures.

Health Seminar - Back & Neck Care

Health tips via email and electronic notice boards

Employee Assistance Programme (EAP)

Health Seminar - Strategies for Anti-oxidation

Health Seminar – Say goodbye to Sub-health

IATA- CEIV Pharma



International Air Transport Association (IATA) Center of Excellence for Independent Validators (CEIV) Pharma validation was completed on 14 June 2017 and HAS is certified as one of the ground handling companies with this global accreditation.

The validation includes a detailed review of management system within the company, pharmaceutical products handling process, quality management system, outsourcing business management, documentation, staff training, equipment application as well as the regulatory framework in compliance with World Health Organization (WHO) and European Union (EU) Good Distribution Practices (GDP), which aims to improve handling procedure and to assure product integrity.

Awards & Recognitions

2016/2017 Airport Safety Recognition Award - Corporate Safety Performance Award by Hong Kong Airport Authority.



Prize Presentation Ceremony of Airfield & Baggage Hall Safety Campaign 2017 organized by the Airport Authority



2017 Full Compliance in Ground Handling Safety Audit Conducted for CPA415 Certificate of Recognition by the Airport Authority

OUR PEOPLE



Our Company's greatest asset is our people. HAS encourages amicable staff engagement and recognises the importance of providing a safe, healthy and fulfilling work environment.

ACTIONS DONE IN 2017

Awarded 8 children of our employees for the Employees' Children Scholarship Scheme

Provided summer job and placement experience for more than 40 students in 2017

Organized different staff activities including staff outing, summer movies day, fruits & drinks distribution, BBQ night, and sports and recreational activities for our employees in 2017

Continued the "On-the-Job Coaching" Training Programme for new joiners at frontline departments

Continued to provide corporate learning and development opportunities to groom our employees, such as Leadership Development Programme, Recruitment Ambassadors. (On-going)

PLANNED ACTIONS IN 2018

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 to attract younger generation

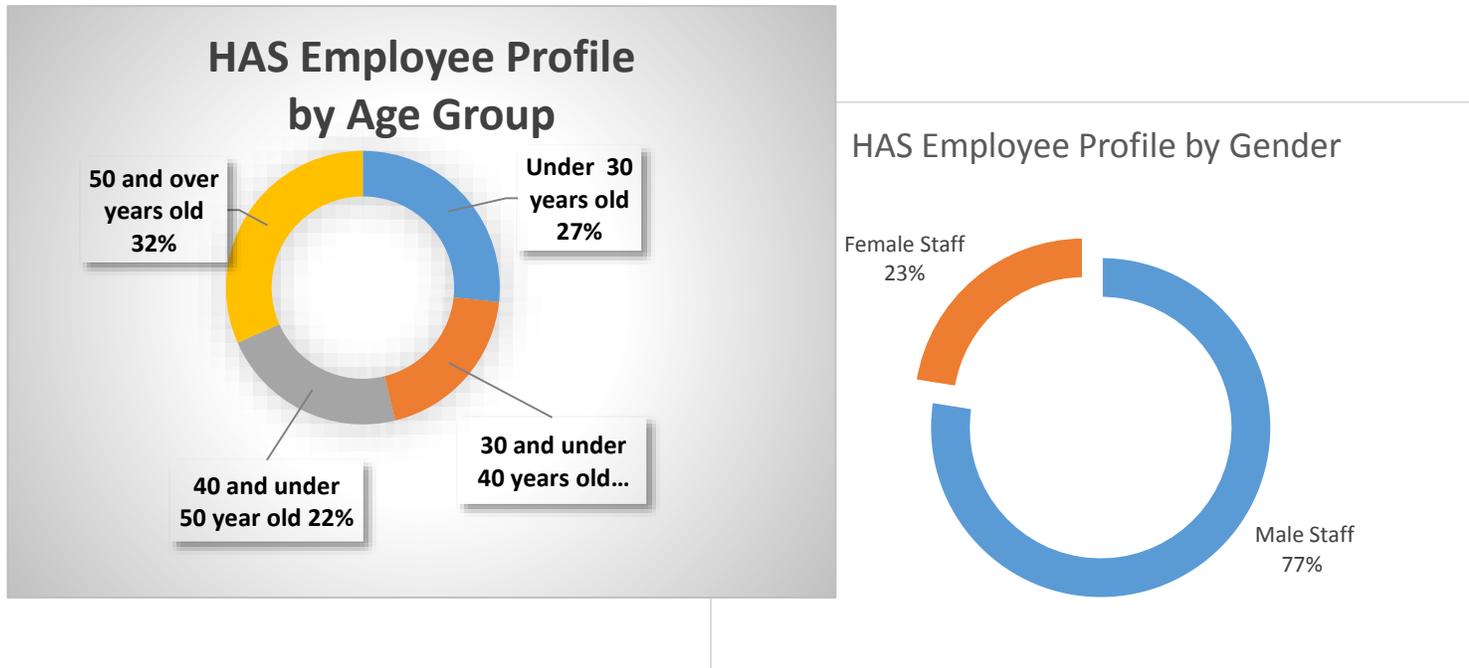
Continue staff caring programme especially for new joiners

Introduction of e-Learning Management System

Sustainable Development Report 2017

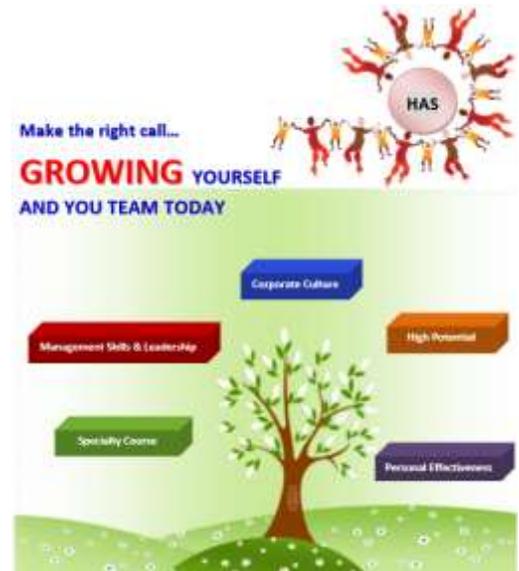
Demography of HAS staff

In 2017 HAS employed 3,171 staff, comprising 3095 (98%) permanent employees and 76 (2%) contract employees, making us one of the major drivers of employment opportunities in the airport community.



Training and staff development

HAS places high importance in our human resources and its related management. We believe employee competencies in both technical skills and services interface remain the primary corporate-wide people challenge. We provide staff with career development programme and continuous training to attract and retain talents for our long-term sustainable business growth. Our training programs equip employees with right attitude and soft skills to excel their jobs. We also provide opportunities for staff and management development at each stage of our employee's careers. In this regard, we implemented the workshop "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 builds on starting from supervisory level to senior management, while always keeping HAS culture and values in mind.



In 2017, we provided 213,766.45 hours of training to all levels of staff; in average, each staff received an average 67.41 hours of training.

Recruitment

Our success in today's competitive business world is based on hiring the best people. HAS received the "Best Innovative Recruitment Campaign Award" in the Best HR Awards 2017 by CTgoodjobs. The Best HR Awards aims to recognise outstanding talent acquisition and development, thereby encouraging innovation and excellence among enterprises.

The "Best Innovative Recruitment Campaign Award" recognises a campaign that genuinely stands out and interacts in a unique way with candidates. It is a creative, "out of the box" hiring campaign that has improved retention through unique and innovative ideas. Besides, we make use of social media, online networking platforms and WhatsApp to reach potential applicants, and conduct recruitment activities at housing estates and shopping malls. We also pioneer a mobile recruitment vehicle to conduct interview.



Team engagement

Passenger Services Staff Recognition Awards Presentation

A presentation was held in March 2017 to recognise Passenger Services staff's efforts in providing excellent services in passenger handling. A total of 51 staff receiving the highest scores were awarded to appreciate their excellent performance.



HAS Benediction Session 2017

A Benediction session was held on 21 August 2017 at the Ramp Services office. The tradition served as a blessing for a safe and smooth operation.



Employees' Children Scholarship Programme

HAS offered scholarships to employees' children with outstanding academic achievements. In 2017, 8 students were awarded a scholarship \$10,000 each. The scholarship winners and their families were invited to attend a lunch and award presentation ceremony at the Regal Airport Hotel on 12 January 2017. During the event, an airport tour was arranged to let them understand more about airport operations.

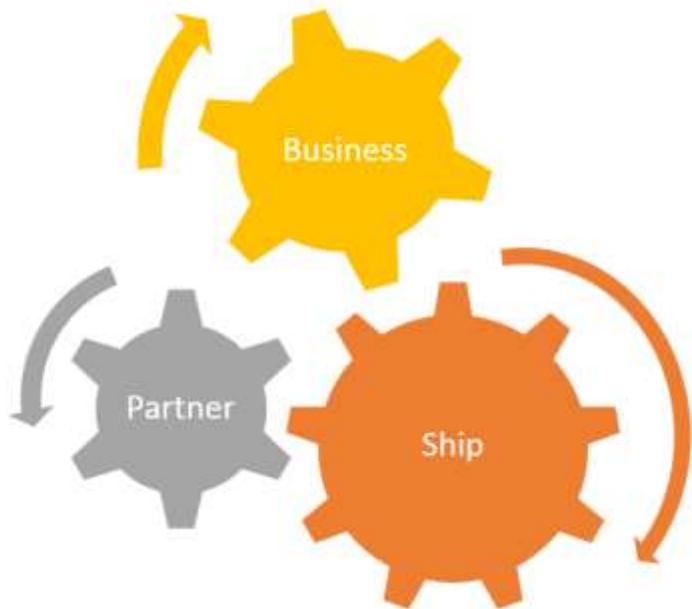
Staff Activities/Employees Activities

- CNY Lion Dance & God of Fortune
- Company Outings
- Summer Movie Nights
- Fruit Day
- Herbal Tea/Hot Drinks/Ice-Cream/Christmas Muffin Sharing
- Annual Dinner
- BBQ Night
- Health Culture Promotion by Calci-plus/Optimel
- Smoking Cessation Program Talk
- Football Club – Inter-Sectional Competition
- SWIRE Intra-Group Running Competition
- The 23rd Green Power Hike
- Cycle for Millions 2017



BUSINESS PARTNERS

HAS is committed to strengthening effective communication with our business partners. This includes building a sustainable relationship by providing excellent ground handling services, quality and efficiency to our customer airlines and business partners.



ACTIONS DONE IN 2017

Carried out annual contractor audit in November 2017 to ensure contractors' compliance of all applicable legal requirements

Assisted in developing key materials sourcing and suppliers engagement for “sourcing materials sustainably” in the new sustainable development strategy, THRIVE, of Swire Group

Continued to join Swire group procurement on stationery/green products

PLANNED ACTIONS IN 2018

Continue to conduct annual contractor audits

Introduction of e-Procurement system (TOGO) for goods and services procurement

Suppliers and Contractors

Supplier Code of Conduct

Sustainability is a key element of HAS's values and forms an integral part of our business strategy. HAS expects all its suppliers and contractors to share the principles which are expressed in HAS Supply Chain Sustainability Code of Conduct. 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 enables us to evaluate the CSR performance of their company. Moreover, our suppliers are expected to replicate the same standards requirements further down the supply chain. The goal is to strengthen mutual understanding of how sustainability should be practiced in day-to-day business. This includes various aspects such as ethical procurement, environmental protection, health and safety, labour rights.

Sustainable Procurement

HAS endeavors to adopt an enduring approach in goods and services procurement process that takes into account three aspects of sustainability (economic, social and environmental) impact. We continue to operate in accordance with the prevailing sustainable development strategy by Swire Group, and work closely with the Cathay Pacific Group and Swire Group in developing the associated sourcing policy and future action plans to achieve sustainable supply chain management.

Annual Contractor Audit

Annual contractor audit was carried out in November 2017 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 compliance of Supplier Code of Conduct, Environmental Management, Occupational Safety & Health, Quality Management and Service Level Agreement for GSE & vehicle maintenance.

Focus on Customer Airlines

Customer Satisfaction Survey

Our airline customers are invited to participate in the quarterly Customer Satisfaction Survey to provide their comments on our service performance. Customer satisfaction survey allows us to review and enhance our quality service as well as to build better collaborative relationship with our airline customers. Compared with 2016, we achieved an increase in average overall rating which demonstrated our efforts in providing quality services to customers.

Dedicated Freighter Ramp Handling Team

A dedicated freighter ramp handling team is set up in Cargo Handling Section to support cargo growth at HKIA. It not only strengthens day-to-day cargo operation but also helps speed up freighter service recovery after flight disruptions as dedicated resource is reserved and deployed.

Swiss International Air Lines (LX) Appreciation Lunch

Swiss International Airlines (HKG) held an appreciation lunch on 22 June 2017 to recognise the excellent service of the LX handling team.



Awards & Recognitions

2017 HKIA Customer Services Excellence Programme (CSEP) Award Presentation Ceremony

The Annual Customer Services Excellence Programme (CSEP) Award Presentation Ceremony was held by the Airport Authority on 14 June 2017. HAS received the 'Best Check-in Service Awards' & 'Best Check-in Service Awards - Courtesy and Helpfulness (Passenger Handling Agents)'. The awardees were commended for their excellent customer services.



‘Ramp Incident Free’ Commendation Ceremony by Japan Airlines

HAS received ‘Ramp Incident Free’ commendation from Japan Airlines for the 9 consecutive years. This award recognises our colleagues’ determination to achieve an incident free ramp operation during the past year.



COMMUNITY



To share our love and care to the needy in the community, the HAS volunteer team, Dynamic, mobilize staff and their families to serve in various community programmes.

ACTIONS DONE IN 2017

Organized 21 community services and a number of donation events in helping people in need within and outside Hong Kong, accumulating over 283.5 service hours in 2017

PLANNED ACTIONS IN 2018

Continue to perform community services and donation events

Focus on seniors and children who are in need

Work with Environmental Committee in organizing volunteering and community services and enhance cross-committee cooperation

HAS Dynamic Volunteer Team

Our HAS Dynamic Volunteer Team was formed in 2002. Staff volunteers dedicated their leisure time to help the needy in the community.



HAS Dynamic
Volunteer Services

Caring Company 10+ Years

HAS received the 10 Years Plus Caring Company Logo (10+) by the Hong Kong Council of Social Service (HKCSS) in 2017 - 2018, in recognition of our continuous commitment in corporate social responsibility for 14 consecutive years.

Volunteering in the Community

The Mid-Autumn Festival Home Visit



A Mid-Autumn Festival Home Visit 2017 was held with Yang Memorial Methodist Social Service – Choi Hung Community Centre for senior citizens on 23 September 2017. HAS Dynamic volunteers shared their love and paid home visits to the elderly who live in the district.

Kitting In Love

Our staff knitted woolen scarves to convey our care and warm wishes to the senior citizens. All the items were passed to the Salvation Army Senior Citizens Services for distribution to the elderly.



Deliver Our Care through Donations

HKIA Gift Donation Campaign 2017

Airport Authority Hong Kong (AAHK), Link Asset Management Limited (Link) and the Salvation Army Hong Kong and Macau Command jointly held a charity gift donation event from 3 to 22 January 2017. As a member of the airport community, HAS actively participated and supported the campaign to help underprivileged children and families. Our two event ambassadors represented HAS to handover the gifts at the meaningful event. We shared a joyful and warm Chinese New Year with children and their families in need.



Skip Lunch Day 2017

The Community Chest of Hong Kong provides integrated welfare services to support the underprivileged in Hong Kong. In 2017, the Community Chest organized a ‘Skip Lunch Day’ and HAS had contributed HK\$5,360 by donating 136 skip lunch day coupons.



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. In 2017, a total of HK\$3,500 was raised through selling of 69 pieces of specially designed lanterns which could help Orbis bring bright & colourful future for the world’s 285 million visually impaired people.

Green Day 2017 - Act Green, Live Green

The Community Chest organized “The Community Chest Green Day” on 25 and 26 June 2017 in order to benefit the “Medical and Health Services” supported by the Community Chest. Our staff showed their support in the event.

Mooncakes Donation

In 2017, HAS continued to support Project Green Moon and Mooncake Sharing Programme organized by Swire Properties & Maxim's Group. A total of 121 mooncake boxes were collected from staff members. They were sold to licensed recycler by the organizers. The proceeds were donated to the Salvation Army to share our care with the people in need, including members of elderly homes and centres, the disabled, the low-income families and the homeless. Apart from mooncake box donation, HAS Community and Environmental Committees also cooperated to donate 400 pieces of mooncake collected from staff to the underprivileged communities in Hong Kong through Salvation Army and Food Angel.



Dress Casual Day 2017

The Dress Casual Day was held on 12 October 2017. All the donations raised were allocated to 158 social welfare agencies supported by the Community Chest of Hong Kong.

Love Teeth Day 2017/18

Jointly organized by the Community Chest of Hong Kong, the Hong Kong Dental Association and Oral Health Education Unit of the Department of Health, the Love Teeth Day event aimed to increase awareness of tooth health whilst showing care to those in need. All 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 2017

- Donation Box for “Changing Young Lives Foundation”
- CNY Charity Sale – Helping Hands
- Calendar Donation

SUSTAINABILITY PERFORMANCE INDICATORS 2017

ENVIRONMENT

	UNITS	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<u>Energy Consumption</u>												
Mobile - Diesel	GJ	116,639	109,953	101,202	106,297	140,368	111,710	118,278	123,932	119,652	117,453	114,510
Mobile - Unleaded Petroleum	GJ	2,202	2,760	3,281	3,234	3,749	4,179	4,619	5,514	5,888	5,955	5,678
Purchased Electricity (1)	GJ	10,473	9,026	10,417	10,145	9,749	9,588	9,767	10,292	10,222	10,031	10,184
<u>GHG Emissions</u>												
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	9,302
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	1,528
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	11.2
Ozone-depleting Substance Emissions	Tonnes	0	0	0	0	0	0	0	0	0	0	0
<u>Water</u>												
Municipal water consumption	m3	9,701	10,429*...	11,125*...*	9,334	11,253*...*	11,499*...*	12,631*...*	12,340*...*	18,480	14,983	16,048
Total water discharged	m3	9,701*...*	10,429*...*	11,125*...*	9,334*...*	11,253*...*	11,499*...*	12,631*...*	12,340*...*	18,480*	14983*	16,048

(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.

(*): Numbers are estimated.

SOCIAL

	Unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<u>Employment</u>												
Total workforce	number	1,957	2,017	3,086	3,270	3,317	3,365	3,543	3,469	3,309	3,410	3,171
<u>By Type of Employment</u>												
- Total Permanent Employee	number	1,730	3,033	2,607	2,672	2,467	2,638	2,828	3,004	3,136	3,331	3,095
- Fixed Term and Temporary Contract Employees	number	227	489	479	598	850	727	715	465	173	79	76
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	8,351
<u>Occupational Health & Safety</u>												
Total Fatalities	number	-	-	3	-	-	-	-	-	-	-	-
Lost Time Injuries	number	128	183	239	294	210	215	185	180	117	84	113
Lost Days due to Injuries	days	4,424	6,516	18,292	21,124	17,594	13,307	16,831	15,832	15,300	14,496	17,171
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	2.71
Lost Day rate (4)		165	231	444	489	386	281	350	325	334	330	411
<u>Training and Education</u>												
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	10.71
- Executive – Middle/Junior Management & Supervisory	hours	(5)	(5)	(5)	26.90	39.60	31.70	27.70	23.60	36.02	28.98	28.37
- Non-executive – Customer Facing Staff	hours	(5)	(5)	(5)	49.10	88.50	102.40	73.80	57.50	184.89	176.98	172.71
- Non-executive – Non-customer Facing Staff	hours	(5)	(5)	(5)	20.60	24.40	20.80	26.90	19.30	27.23	31.54	55.95
Convicted Case of Corruption	case	0	0	0	0	0	0	0	0	0	0	0

(3): Lost Time Injury Rate = Total injuries / Total Hours Worked x 200,000*. (* This represents rate per 100 employees, based on 40 hours 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.

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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:

Business Support Department

E-mail sd@has.com.hk

Tel +852 2928 0180

Fax +852 2928 0296

Address 4/F, Cathay Dragon House,
11 Tung Fai Road,
Hong Kong International Airport,
Lantau, Hong Kong

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