

2020

SUSTAINABLE DEVELOPMENT HIGHLIGHTS

Sustainable Development (SD) is at the heart of HAECO Group's vision, mission and values. The Group's 2030 SD goals set out a 10-year road map for our businesses as we continue our journey towards a thriving future. To learn more about our approach to SD, we encourage you to browse the Group's website and highlights of 2020 SD performance.



People

We care about our people and believe that when our people thrive, our business thrives.

Safety

2020 Key Progress & Performance

- Enhanced Safety Ambassador Program to lead cultural changes in front line staff
- Strengthened incident investigation using Kelvin TOP-SET methodology



Total Injury Rate
2.82 ↓ 45%



Lost Day Rate
37.77 ↓ 12%

2021 Plan

- Establish People Safety framework to standardise safety processes across the Group to improve consistency and enhance safety management system
- Establish safety communication forum across the Group to improve best practices sharing

Diversity & Inclusion

2020 Key Progress & Performance

- Provided vocational training to ethnic minority youth in HAECO Hong Kong
- Established the first North Carolina chapter of the Association for Women in Aviation Maintenance in HAECO Americas



Male to Female Ratio
(Strategic Leader)
82%:18%

2021 Plan

- Deploy the Group Diversity & Inclusion (D&I) strategy and 5-year plan
- Establish three network groups, Women's Network, Male Allies and Ethnicity Group to support the Group D&I initiatives



Environment

We are committed to minimising the impact of our business operations on the environment.

Climate

2020 Key Progress & Performance

- Developed the Group carbon targets with reference to the well-below 2°C pathway of Science Based Targets initiative
- Achieved 3.4M kWh annual renewable energy generation capacity from Solar PV systems in the Group
- Deployed a pilot Internet-of-things project for energy management platform at HAECO Hong Kong

Carbon Emission
(Scope 1 and 2)

97,416 tonnes CO_{2e}
↓ 11%

2021 Plan

- Accelerate renewable energy adoption with focus on solar photovoltaic (PV) system installation scale-up in the Group
- Review carbon emission (Scope 3) in the Group's value chain
- Conduct stakeholder engagements to develop the replacement of jet fuel with Sustainable Aviation Fuel in engine shops

Water

2020 Key Progress & Performance

- Developed the Group water target aligned with Swire Group Target Setting Framework
- Established new water treatment facilities to reduce water consumption in engine shops

Water Intensity

20.73 L/attended hour
↑ 22%*

2021 Plan

- Explore reusing salt water generated from the plating process in HAECO Landing Gear Services
- Conduct new initiatives on reusing treated water for daily and disinfection operations at HAECO Engine Services in Xiamen

Waste

2020 Key Progress & Performance

- Developed the Group waste target aligned with Swire Group Target Setting Framework
- Supported local waste-to-energy initiatives at HAECO Xiamen

Recycling Ratio
(Non-hazardous solid waste)

15% ↓ 3%^

2021 Plan

- Deploy waste management programme to focus on waste segregation and recyclability in Hong Kong operations
- Conduct waste audit across the Group to identify opportunities in reducing and recycling wastes

Suppliers

2020 Key Progress & Performance

- Participated in Swire Sustainable Material Working Group to develop improvement plans to embed SD in the procurement process
- Reviewed the supplier Code of Conduct compliance process across Group companies

Completed self-assessment of

Top 20
suppliers for the Group companies

2021 Plan

- Review sourcing policy of plastic
- Participate in risk assessment programme in Swire SD taskforce group



Communities

We are committed to positively contributing to the communities in which we are part of.

Communities

2020 Key Progress & Performance

- Prioritized community projects in three priority areas: youth development, community support and environmental protection
- Provided voluntary cleaning services during COVID-19 at schools in Hong Kong



Charity Donation
HKD\$3.6M



Volunteering Hours for Charity
> 200 Hours#

Reduced number of volunteering activities under COVID-19 impacts

2021 Plan

- Develop the Group Volunteer Service Leave Policy
- Enhance support to Swire Group Charitable Trust (Swire Trust) initiatives

SD 2030

We have formulated our 2030 Sustainable Development goals - built on the three priority areas of People, Environment, and Communities – and embraces the theme of 'Sustainable Today. Thriving Tomorrow'

Percentage (%) indicated the performance changes compared to 2019. Economic, environmental, and social performances were externally verified according to Global Reporting Initiative and other applicable reporting guidelines.

