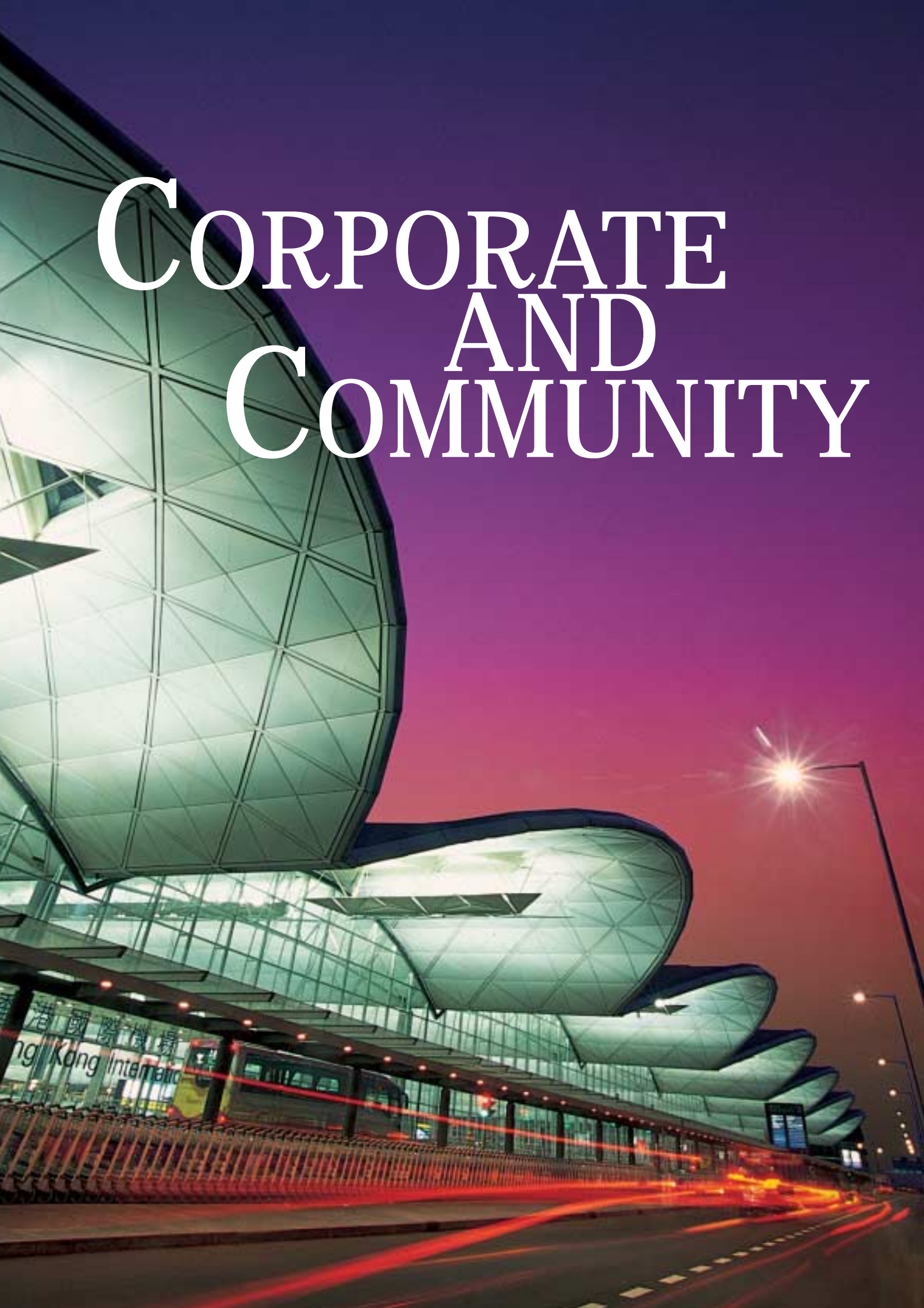


# CORPORATE AND COMMUNITY



# Transforming the Organisation and enriching the Community



## Organisational transition

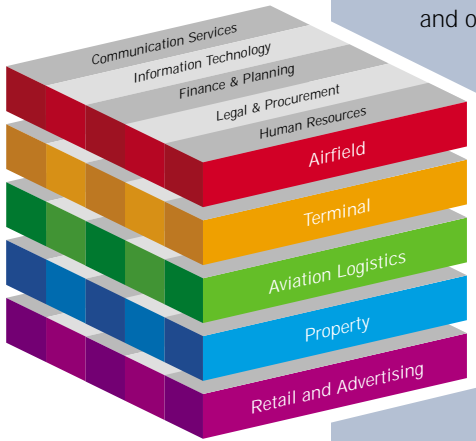
Organisational change has been a steady theme through the year. A business and service unit structure has been introduced to reinforce staff accountability and sense of ownership and to encourage innovation. The new business units are Terminal, Airfield, Aviation Logistics, Property and Retail & Advertising.

Each business and service unit now has its own financial and non-financial goals. All units have objectives for customer satisfaction, for cost and productivity, for quality, safety and people development.

The new structure helps to promote the health, growth, and competency of the organisation as a whole. With accountability and responsibility devolved to each business and

service unit, the organisation is striving to become more efficient and effective. The process is also central to the long-term redirection of the Authority: from the project focus, characteristic of its early years, to the customer focus that will be the key to its future success.

The organisational structure has been flattened to allow for flexibility in staff movements.



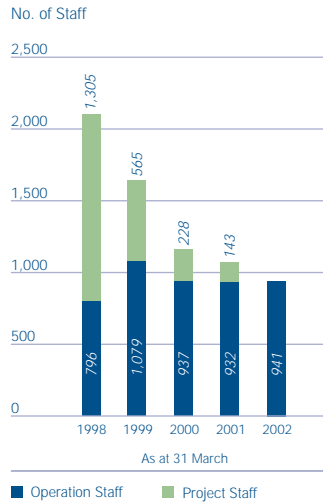
### To harness energy out of diversity

Our organisation contains people with a huge diversity of skills, goals and experience and our challenge is to harness energy and innovation out of this diversity. The strategy we have adopted has been for an integration of diversity which means bringing people together to work interdependently in multi-disciplinary teams. Such teamwork is producing many good ideas for business change which we are implementing to benefit our customers. It is also a framework for developing our business leaders of the future who will come from many different backgrounds. And the opportunities it offers to individuals will help to attract the brightest and best talent from many fields.

### BU / SU Structure

Goals, responsibilities and accountability for all staff have been clarified and streamlined with our new structure of business units and service units.

### Staff Number in the Last 5 Years\*



With the introduction of a new Performance Management System, clearer objectives have been established for each individual. The performance management tool focuses on the joint accountability of management and staff in developing key competencies

and, in particular, on encouraging innovation as our guarantee of progress and success as an organisation. A training plan and core training programmes have been created to help develop the key competencies within this system. Development needs are being identified through individual career plans and key talents are being nurtured through a talent assessment programme.

These initiatives are supported by a series of measures on pay for performance: the Authority has embraced this philosophy and implementation will take place during the coming year. An extensive consultation and communication exercise is planned to move staff along with the corporate vision.

### Corporate governance

The Authority is committed to high standards of corporate governance and of disclosure and transparency in its dealings with external stakeholders. Our 2000/01 annual report was awarded a Diamond Award by the Hong Kong Society of Accountants in its Best Corporate Governance Disclosure Awards-Public Sector/Not-for-profit category. It also received an Honourable Mention in the 2001 Best Annual Report Awards of the Hong Kong Management Association.

Similar standards are applied in our dealings with external service providers which are closely monitored through structured programmes for procurement. The programmes – which have been improved

during the year following a review of procurement activities across the Authority – identify quality suppliers and provide the means to manage them to deliver outstanding performance. Procurement governance and processes are regularly reviewed to achieve compliance with best practice in terms of efficiency, compliance and ethics.

### Communications services

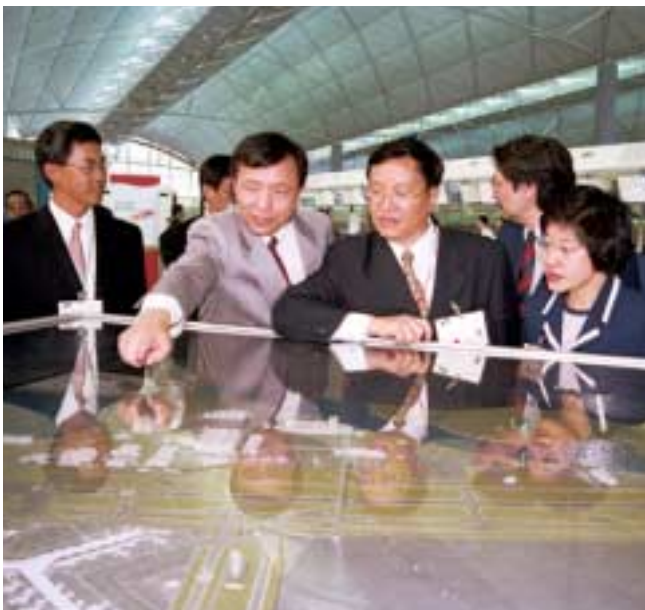
The story of HKIA – as one of the world’s leading new international airports – has attracted much interest at home and abroad since the new airport project was first announced in 1989. That

interest continues today and the Authority still receives a steady stream of visitors, including local and overseas journalists, dignitaries and officials. Duties of the Communications Services unit cover the gamut of corporate and public relations, including organising press conferences and interviews for our Chairman, Chief Executive Officer and other senior members of staff, conducting airport tours for VIPs, liaison with Government and the community, answering general inquiries, and handling public feedback. Travellers, the press, business partners and airport

enthusiasts make much use of our HKIA website, which includes real time flight information, a guide to facilities, corporate information, and an archive of press releases and traffic statistics.

### Environmental care

For the sustainable growth of HKIA, it is right and proper that the environmental management of airport activities is as careful as management of all other elements in the operation of the airport. This is clearly a duty that we owe to the community as a whole. The Authority now recycles more than 50 tonnes of waste per





month: this is achieved in part by using recycling bins in the Authority's two compactor stations and 12 refuse rooms and by providing recycling bins in the terminal. Such practices derive from a comprehensive strategy for minimisation of waste which also covers vehicle and runway maintenance waste, office waste and chemical wastes. Environmental monitoring continued during the year and periodic environmental audits were carried out in various parts of the airport.

Our attention to the environment naturally includes proper planning for essential facilities such as our supply of aviation fuel. The current aviation fuel receiving facility next to Sha Chau Island, 6 km north west of the

airport, has capacity to supply forecast demand at the airport only up to the year 2005. The Authority is therefore planning to develop a permanent aviation fuel facility at Tuen Mun. Consultation and studies on this plan, including an environmental impact assessment, are now underway.

### **Festive and cultural**

The airport has continued to weave itself into the fabric of Hong Kong. Advantage has been taken of local and international festivals to reach out into the community. A festive mood was created for all airport users through programmes for Chinese New Year, Christmas, Easter and Mid-Autumn Festival. These festivities included flower

displays, carolling, lantern displays and other entertainments. The indoor spaces at the airport have also been used for displays and exhibitions to showcase historical artifacts and local Chinese culture. Passengers have thus been able to get more of a taste of Hong Kong as an interesting travel destination whilst enjoying a richer experience within the airport.

### **Charitable and community**

The links that the Authority has been building with the wider community of Hong Kong extend across many organisations. For example, travel and tourism bodies are of course key stakeholders in the airport. The younger generation is another

important constituency for us and, in July 2001, we welcomed a visit by an outstanding group of Hong Kong's most talented young designers – the 41 winners of the HKIA design contest, "HKIA – how I see its future development", for local primary and secondary school children.

The Authority has always recognised a responsibility to the less privileged in our society: one practical recognition of this responsibility has been to give charities access to the airport for fund raising. In addition to collection boxes, we have also allocated space in the terminal for a Social Welfare Department kiosk where goods are sold to raise funds for charity. Over the year, a

total of nine charities were given permission to hold flag-day fund raising exercises within the terminal.

Reflecting our work in the greening of our own surroundings, we supported Green Fun Hong Kong by participation in a Green Photo exhibition held at Government House. This support is made possible through a special fund deriving from the Director's fee payable to our Chairman who has decided to waive his fees to support programmes of worthy causes undertaken by the Authority. For the third year in a row, the 10 km King of the Road race was held at the airport in March 2002 allowing sports people the opportunity to get a close look all around the airport island.



Mr Alex Derby, *Legal Director*

As the airport continues to build its community activities, so it increases its channels of communication with all our stakeholders. Feedback from the community helps us to become a better corporate citizen. At the same time, we are also able to increase understanding of the contribution that the airport makes to business, employment, tourism and many other aspects of Hong Kong's economy, infrastructure and society.

“As we build a sustainable business at HKIA, so we continue to develop our practices in areas such as the environment, ethics and corporate governance. We are also enriching the life of the community with cultural, festive and charitable activities. In other words, we create social as well as economic value. Our success in this respect demands intensive communication with our many stakeholders, building together towards a set of shared values which we can implement throughout our operations.”

