



Airport Authority Hong Kong

# Sustainability Report 2018/19

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# Airport Authority Hong Kong

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## Chairman's Message

### Dear Stakeholders,

In 2018/19, Hong Kong International Airport (HKIA) celebrated the 20<sup>th</sup> anniversary of its relocation from Kai Tak to Chek Lap Kok in 1998. In the last 20 years, our passenger numbers have soared nearly four-fold from some 20 million to over 75 million, while the total cargo throughput tripled to 5.1 million tonnes.

Recognising our role as a key component of Hong Kong's transport infrastructure, we are laying the foundation for our Airport City vision to ensure HKIA continues to serve the development of Hong Kong as a global financial, tourism and transportation hub. The Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area promulgated by the Central Government reaffirms HKIA's overall development direction and its strategic function as the region's international gateway.

In the coming years, various components of the Airport City will come online. The Three-runway System, which we plan to commission in 2024, is key to enabling HKIA to meet the region's long-term traffic demand. SKYCITY will be a signature destination as the largest commercial development in Hong Kong, with the Phase 1 Developments to be completed by 2027. Another important component, the premium logistics centre which is equipped to handle large volumes of e-commerce and temperature-sensitive airfreight, will further strengthen Hong Kong's capability as a high-value cargo hub when it commences operation in 2023.

To capture the opportunities presented by the Greater Bay Area (GBA), we are strengthening HKIA's linkages to the towns and cities across the region by making it easier for GBA residents and visitors to fly via HKIA. The Intermodal Transfer Terminal simplifies immigration clearance formalities for air passengers travelling to HKIA via the Hong Kong-Zhuhai-Macao Bridge. Additional ferry ports and road transport options will further broaden our cross-boundary connectivity to the GBA.

To build a workforce with the necessary competencies and skills to support the Airport City transformation, the Hong Kong International Aviation Academy delivered over 1,200 courses for more than 40,000 participants in 2018/19. It has also received the Full Membership Certificate for the TRAINAIR PLUS Programme from the International Civil Aviation Organisation (ICAO), recognising its capability to develop ICAO-compliant training packages.

We have an unwavering commitment to make our Airport City vision a success. We will work with our business partners and the 78,000 members of the airport community to support the continued expansion of our air and cross-boundary networks, the development of passenger and cargo services, and the growth of commercial and other facilities around HKIA.

Together, we will forge ahead into another 20 years of success at HKIA.



**Jack So Chak-kwong**

*Chairman*

Hong Kong, November 2019





## CEO's Message

### Dear Stakeholders,

Last year has been momentous for Hong Kong International Airport (HKIA). As we commemorated our 20<sup>th</sup> anniversary, HKIA remained one of the world's busiest airports, setting new air traffic records again.

With steady growth in passenger and cargo traffic anticipated in the coming years, HKIA is expecting over 120 million passengers and ten million tonnes of cargo by 2035. In order to prepare for this exciting future, we are embedding innovative technologies across the airport to deliver an unparalleled passenger experience through a digital transformation of our airport operations, and strengthening our cargo handling capabilities and partnerships.

Following the successful installation of e-Security Gates equipped with facial recognition, we will apply this technology to transfer checkpoints and boarding gates, creating an end-to-end biometric network that offers passengers a more seamless travel experience. Technology is also helping us to do things more efficiently and create new opportunities across other aspects of airport operations. For instance, the automated airfield pavement detection system combines digital imagery and data analysis with our regular maintenance programme. Not only does this smart maintenance initiative deliver a step change in efficiency and productivity, we are the first airport in the world to develop in-house expertise in the automatic detection of airfield pavement distresses.

Air cargo has been integral to HKIA's development. As the world's busiest air cargo airport for the past nine years, we are preparing the groundwork to sustain our position. Initiatives such as achieving international accreditations for handling pharmaceutical products and perishables, and the construction of a premium logistics centre will place us in a better position to capture the fast-growing high-end and high-value cargo segments, spurring Hong Kong and the Greater Bay Area's economic growth.

Our ongoing airport-wide environmental initiatives are making steady progress in reducing HKIA's environmental footprint. The municipal solid waste charging pilot scheme was completed and involved over 200 tenants, contractors and business partners. In 2018, we achieved an 8.7% reduction in our airport-wide carbon intensity relative to 2015 levels. In recognition of growing public concern regarding aviation's impact over global warming, we will develop a long-term carbon reduction target by 2021/22. Our ISO 14001-certified environmental management system is mainstreaming environmental thinking and strengthening the culture of compliance and continuous improvement across the airport.

With the Three-runway System project and various enhancement programmes continuing, the AAHK team exceeded 2,500 for the first time this year. In order to support this growing workforce, we continued enhancing our family-friendly initiatives by extending maternity leave and will open the second Airport Preschool, which will provide services for about 100 children by Q4 2020/21. I am encouraged that our efforts to build our employer brand have been recognised by international and local organisations.

Sustainability is about continuity and how we progressively improve our operation and strengthen our resilience in response to the challenges around us. I am confident that HKIA is well placed to continue to thrive for many years to come.

**Fred Lam***Chief Executive Officer*

Hong Kong, November 2019

# Our Approach to Sustainability

## Sustainability vision

“Our sustainability vision is to strengthen HKIA’s ability to operate and grow profitably in a changing and challenging economic, ecological, technological and social environment, while developing a robust culture of sustainability throughout the organisation.”

## Sustainability management structure

Within AAHK, sustainability is managed through different entities within the organisation. The current management structure is illustrated in the diagram below.

### Board level

#### Business Development Committee

The Business Development Committee has the mandate to oversee AAHK’s sustainability, as stated in its [Terms of Reference](#).

### Senior management level

#### Executive Director, Engineering & Technology

The Executive Director, Engineering & Technology (EDET), has the overall responsibility for AAHK’s sustainability management and performance.

### Department level

#### Sustainability Department

Under the EDET, the Sustainability Department is responsible for developing and rolling out AAHK’s sustainability strategy, management and reporting systems.

### Cross-functional level

#### Sustainability Working Group

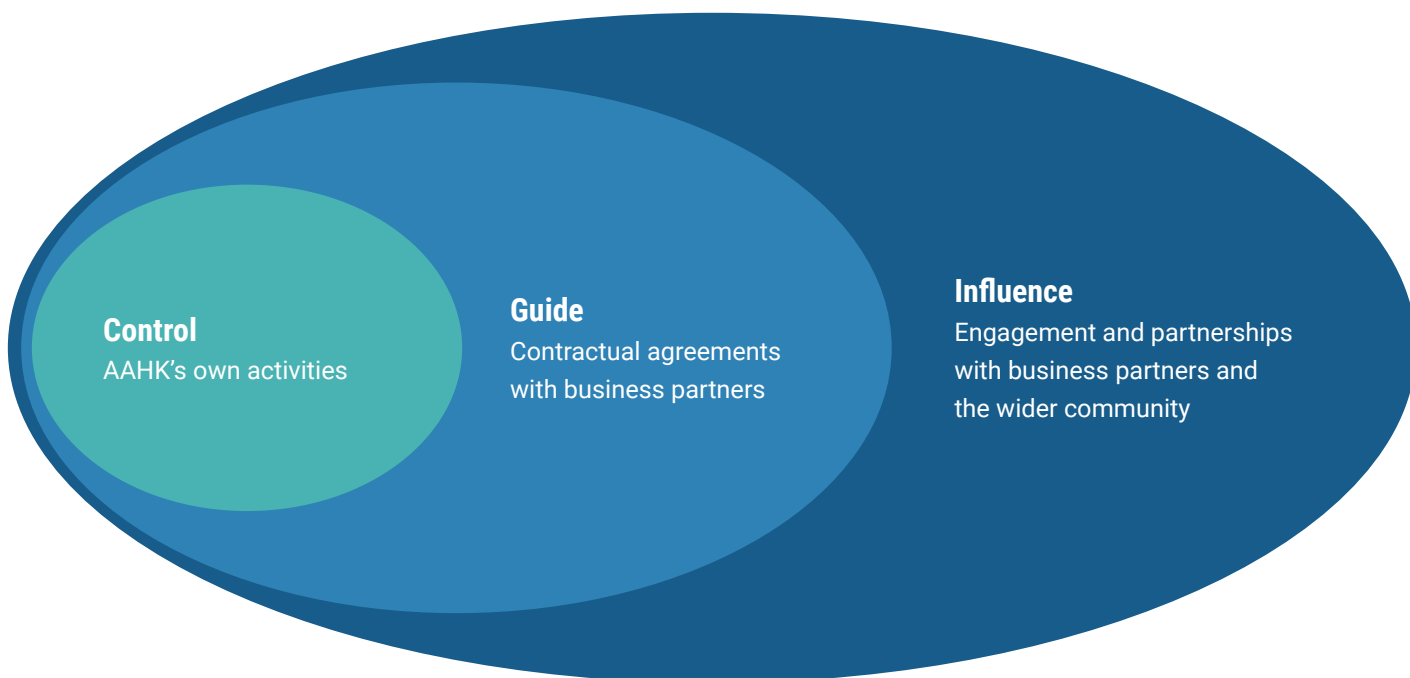
The Sustainability Working Group comprises representatives from departments across AAHK who support the development of AAHK’s sustainability reporting and framework.

AAHK’s corporate governance framework and practices are outlined in the [Corporate Governance section](#) of our 2018/19 Annual Report.



## Management approach

AAHK is responsible for the operation and development of HKIA. The delivery of many services related to airport's operational functions are outsourced to franchisees, tenants and Government departments. We have therefore adopted a three-pronged approach to the overall sustainability management of HKIA. The principles of 'Control, Guide and Influence' reflect the different levels of control we exercise over the various aspects of airport operation.



# Materiality Assessment

In preparing our past sustainability reports, we conducted extensive stakeholder engagement as part of the materiality assessment process. Building on previous materiality assessments, and taking into account AAHK's on-going engagement with stakeholders, we have adopted the following approach to identify and prioritise the sustainability issues to be covered in this report.

## Materiality assessment process

### Identify potential issues

- Compiled a master list of sustainability issues from various sources, including material issues identified in previous sustainability reports, business plans, internal policies and management reports, feedback from external review committee last year, media opinions, industry trends, and the GRI reporting framework.
- 44 issues, including five emerging issues, were identified and grouped into four categories: Economic & Society, Environment, Operating Practices, and People.
- The five emerging issues are:
  - Climate-related risks and impacts
  - Cybersecurity
  - Data privacy/personal data management
  - Green or sustainable finance
  - Human trafficking

### Review & evaluate issues

- Conducted a short survey of AAHK's management to assess the importance of each material issue from a business perspective by taking into account:
  - Potential impact(s) and risk(s) associated with each issue;
  - Likelihood of risk/impact; and
  - Severity of impact.
- Interviews with subject experts on the emerging issues to better understand their development and relevance to AAHK and HKIA.

### Senior management validation

- AAHK's management was presented with the results of the survey and insights collected from experts' interviews, and invited to decide the list of most important sustainability issues.
- As a result, 25 issues were prioritised as the most important sustainability issues for AAHK to address in this report.

# The most important sustainability issues for HKIA

## Economic & Society

- Air cargo strategy
- Branding & reputation
- Connectivity
- Economic contribution
- Infrastructure development

## Environment

- Carbon & energy
- Green design & construction
- Waste

## Operating Practices

- Airport safety & security
- Capacity constraints
- Compliance with laws & regulations
- Contingency planning
- Customer experience
- Facilities management
- Information security
- Innovation & technology

## People

- Attracting talent
- Employee engagement
- Employee rights
- Employee well-being
- Ethics & integrity
- Occupational health & safety
- Retention & turnover
- Succession planning
- Training & career development



This report is structured around five key thematic areas that reflect our priorities. Each area details how we are managing various sustainability issues identified as most important to AAHK and our stakeholders, the progress made and specific actions taken during the reporting year, and any future plans and commitments.

The five key thematic areas are:

- Our People
- World-class Gateway
- Greenest Airport
- Airport City
- Community

## External review committee

This year, we again convened an external review committee, comprising local sustainability practitioners, to advise on the reporting process, including the materiality assessment process and the material issues identified, and the report itself.

The committee consists of four members:

- Ms. Shirlee Algire, Executive Manager, Sustainability, The Hong Kong Jockey Club
- Mr. Robert Gibson, Adjunct Professor, Division of Environment and Sustainability, The Hong Kong University of Science and Technology
- Dr. Calvin Lee Kwan, General Manager, Corporate Development and Strategy, Link REIT
- Dr. Jeanne Ng, Director – CLP Research Institute, CLP Holdings Limited

Feedback collected from the committee will be taken into consideration in the future development of our reporting and sustainability initiatives.

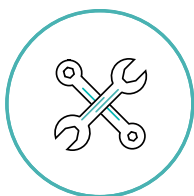
# Stakeholder Engagement

AAHK engages with a wide range of stakeholders to better understand and respond to their needs, make better-informed business decisions, and better manage the resulting impact of these decisions. We define stakeholders as groups that interact with us and are influenced by, have an influence over, or have a vested interest in AAHK or HKIA.

The table below sets out our key stakeholder groups, their key interests, and the regular engagement methods adopted.



**Airport business partners**



**Contractors and suppliers**



**Employees**



**Passengers**



**Government departments and regulatory authorities**



**Legislative and district councillors, and political groups**



**Industry associations and professional bodies**



**Non-governmental organisations**



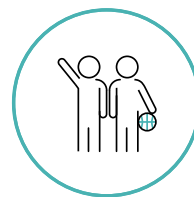
**Local community**



**Media**



**Financial institutions**



**Young people**



## Airport business partners

### Engagement methods

- Regular and ad hoc meetings
- Committees and liaison groups
- Audits and inspections
- Drills, exercises and training workshops
- Emails and circulars
- Environmental and community activities
- Sharing of survey results and intelligence
- Award and recognition schemes

### Key interests

- Airport planning and development
- Application of new technologies
- Airport safety and security
- Business continuity and contingency planning
- Operational issues
- Staff transport
- Labour issues
- Environmental management
- Planning for major events
- Service quality and customer feedback
- Social and community issues
- Training and development



## Contractors and suppliers

### Engagement methods

- Regular and ad hoc meetings
- Audits and inspections
- Briefings and workshops
- Emails and circulars
- Tendering process
- Performance review meetings
- Award and recognition schemes
- Company website

### Key interests

- Operational issues
- Service performance standard
- Airport safety and security
- Business continuity and contingency planning
- Supply chain management
- Ethics and integrity
- Occupational health and safety
- Environmental management
- Airport planning and development





## Employees

### Engagement methods

- Regular and ad hoc meetings
- Committees and liaison groups
- Conferences, briefings and town hall meetings
- Drills, exercises and training workshops
- Emails, circulars and manuals
- Environmental and community activities
- Surveys
- Awards and recognition schemes
- Employee relations activities

### Key interests

- Staff remuneration, benefits and well-being
- Staff transport
- Occupational health and safety
- Operational issues
- Environmental management
- Airport planning and development
- Business continuity and contingency planning
- Corporate governance and internal controls
- Legal compliance



## Passengers

### Engagement methods

- Customer service counters
- Telephone response centre
- Airport Ambassadors
- Leaflets and exhibitions
- Environmental and community activities
- Public announcements and posters
- Website and mobile apps
- Surveys

### Key interests

- New facilities and services
- Connectivity
- Passenger experience and feedback
- Service quality
- Retail offers and incentives
- Passenger safety
- Business continuity and contingency planning
- Environmental management



## Government departments and regulatory authorities

### Engagement methods

- Training workshops
- Audits and inspections
- Forums, committees and liaison groups
- Annual and interim reports and results announcements
- Working groups
- Briefings and airport visits
- Regular and ad hoc meetings
- Tax filings

### Key interests

- Airport planning and development
- Financial performance and funding for the Three-runway System (3RS)
- Airport safety and security
- Emergency response and business continuity
- Operational efficiency
- Contribution to Hong Kong's economy
- Corporate governance and internal controls
- Environmental impact of the airport
- Public health and safety
- Transportation and road management
- Training and development



## Legislative and district councillors, and political groups

### Engagement methods

- Committees and liaison groups
- Briefings and airport visits
- Regular and ad hoc meetings

### Key interests

- New facilities and services
- Financial performance and funding for the 3RS
- Smart technology
- Airport planning and development
- Transportation and road management
- Environmental impact of the airport
- Corporate governance



## Industry associations and professional bodies

### Engagement methods

- Emails
- Conference, forums and exhibitions
- Briefings and airport visits
- Participation in committees and sub-committees
- Regular and ad hoc meetings
- Response to surveys
- Participation in awards and recognition schemes

### Key interests

- New facilities and services
- Smart technology
- Funding for the 3RS
- Airport planning and development
- Environmental impact of the airport
- Market information
- Occupational health and safety
- Operational efficiency
- Transportation and road management
- Contribution to Hong Kong's economy
- Procurement practices
- Corporate governance

## NGO

## Non-governmental organisations

### Engagement methods

- Regular and ad hoc meetings
- Liaison groups
- Briefings and airport visits
- HKIA Environmental Fund

### Key interests

- New facilities and services
- Environmental impact of the airport
- Social and community issues
- Operational efficiency
- Airport planning and development
- Airport safety
- Occupational health and safety
- Airport accessibility





## Local community

### Engagement methods

- Briefings and airport visits
- AA Staff Club's Social Service Group
- Community investment project
- Community liaison groups
- Meetings with village representatives

### Key interests

- Environmental impact of the airport
- New facilities and services
- Smart technology
- Airport planning and development
- Social and community issues
- Transportation and road management



## Media

### Engagement methods

- Workshops, briefings and airport visits
- Meetings with media heads, editors and opinion leaders
- Press releases and publications
- Media hotline and email

### Key interests

- New facilities and services
- Financial performance and funding for the 3RS
- Smart technology
- Airport planning and development
- Airport operations
- Corporate governance
- Environmental impact of the airport



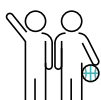
## Financial institutions

### Engagement methods

- Regular and ad hoc meetings
- Investor meetings

### Key interests

- Airport planning and development
- Funding for the 3RS
- Cash management
- Financial risk management
- Business and operations overview



## Young people

### Engagement methods

- Workshops, briefings and airport visits
- Forums and exhibitions
- Management Trainee programme
- Graduate Engineer programme
- Summer internship programme
- Partnership with community organisations that engage youths
- Surveys
- Social media
- Mentoring programmes
- Community investment project

### Key interests

- Job opportunities and career development
- Airport planning and development
- Economic contribution
- Environmental management
- Social and community issues



## Our People

We are committed to creating a unique and fulfilling working experience, providing our staff with a fair, open and supportive workplace, and fostering a culture of continuous improvement.

A dedicated and professional workforce is key to successfully operating a world-class airport. We offer rewarding and meaningful careers to employees that contribute to the operation and development of HKIA.

### 2018/19 key achievements

**515 new recruits** to support airport expansion

**57,417 training hours** were delivered

First-ever **"Wellness Weeks"** to promote and enhance the well-being of AAHK employees

### Targets

Enhance staff development programmes to support leadership development and build leadership pipeline for longer term succession planning **in 2019/20**

Implement on-boarding programme to enhance new hire experience **in 2019/20**

Commence the second organisation-wide team building programme to reinforce collaboration across AAHK **by 2019/20**

Continue to promote the Work Improvement Team programme to the airport community to encourage new ideas for value creation in the workplace **in 2019/20**

Organise the next round of Wellness Weeks **by 2019/20**

# Building and Developing our Workforce

As HKIA evolves into an Airport City, we will need a significantly larger workforce with a wide range of knowledge, skills and expertise.

## Timely recruitment to support airport expansion

Timely recruitment is critical to support our transformation into an Airport City. 515 new staff joined AAHK's workforce in 2018/19 to support the operation of HKIA and smooth execution of airport expansion.

## Attracting young talent

Growing our talent pipeline in airport management is essential to sustaining our operation and future development. We offer three programmes to attract, develop and retain young people.

### Management Trainee Programme

- Aims to develop management trainees into future leaders.
- A three-year programme with rotations in core departments, participation in cross-functional projects and assignments, and functional and leadership training.

### Graduate Engineer Programme

- Aims to develop home-grown professional engineers with specific airport-related skills and experience.
- A Scheme "A" programme accredited by the Hong Kong Institution of Engineers.

### Summer Internship Programme

- An eight-week programme for students to experience AAHK's unique working environment.
- High potential interns will be given direct entry to the Assessment Centre of the AAHK Management Trainee Programme selection.

## Strengthening staff and leadership development

Our annual talent review and succession planning process systematically reviews AAHK's leadership bench strength and the development plans of key individuals and high potential staff. This is complemented by a Development Centre, which identifies the learning and development needs of our high potential staff.

We continued to enhance the learning curriculum to strengthen staff skills and industry knowledge. In 2018/19, our staff collectively received 57,417 hours of training. The average number of training hours per staff<sup>1</sup> is 23.3 hours.

<sup>1</sup> Average number of training hours per employee is calculated using the average number of employees for the fiscal year (2018/19: 2,462).

# Strengthening Corporate Culture

Our corporate culture encompasses the vision, mission and values of AAHK. We continue to promote our five core values – the “5Cs” – to further embed them across the organisation.

## AAHK's “5Cs” Core Values

### Caring

- Care for people
- Care for environment

### Commitment

- Can-do attitude
- Willing to walk the extra mile

### Creativity

- Embrace change
- Think out of the box

### Continuous improvement

- Strive for excellence
- Continuous learning

### Collaboration

- Teamwork
- Partnership

In 2018/19, we launched a two-week wellness programme to promote AAHK's care for its employees. Geared towards enhancing the well-being of staff, a series of activities emphasising the importance of striking a healthy work-life balance and adopting an active lifestyle were successfully organised.

## Case Study: Wellness Programme

Q&A with Queena Pun, General Manager, HR Relationship Management and Melody Yeung, Manager, Organization Development

### What sparked the idea to organise a series of wellness-related activities?

In line with AAHK's core values, in particular "Care for People", the Culture Promotion Committee has initiated programmes with fun and exciting activities around staff caring to promote general awareness on health and well-being.

### Please tell us about AAHK's first Wellness Programme.

We kicked off the 2018/19 Wellness Programme in September 2018 with the roll out of AAHK's first 'Wellness Weeks', which was followed by the 'AAHK Steps Challenge Campaign' between February and March 2019.

The Wellness Weeks covered different dimensions of wellness including physical, mental, social and financial health. We spent a lot of time curating a wide variety of activities that would help our staff to learn more about wellness with fun. During the two-week period, over 40 booths, classes, talks and workshops were held across our premises. Some of the topics covered include nutrition, office ergonomics, stress management, healthy family relationships, and financial planning. Additionally, various wellness activities were organised such as yoga, tai chi and circuit training, as well as rejuvenating with invigorating head-to-shoulder massages. Free consultations around healthy diet, traditional Chinese medicine and posture analysis were provided.

The Steps Challenge took place six months later as the second wave to promote wellness riding on technology to deliver a company-wide competition to see who can lead with the most number of steps. A step tracker was given to each staff as a corporate gift. Over 80 million steps by more than 1,000 participating staff were recorded in the two-week period, which is equivalent to walking 1.2 times around the globe.



## What do you inspire AAHK staff to do in the future to improve their well-being?

From the useful and practical tips provided from our Wellness Weeks Programme, we hope our staff will continue to actively pursue a healthy and positive lifestyle that leads to a state of holistic well-being. In the meantime, stay tuned for the next round of Wellness Weeks as we aim to share even more ways to get healthy and lead a positive lifestyle.

## Could you share a fun or memorable moment during the Wellness Programme?

We felt so excited when the results of the Steps Challenge revealed that each participating AAHK staff on average walked 8,454 steps each day, exceeding the Hong Kong average of 6,880 steps by 22%. As Hong Kong's first employer to deliver a corporate steps challenge campaign utilising technology in an innovative way, we successfully motivated over 1,000 AAHK staff to 'walk-for-health' and lead a more active lifestyle.



Melody Yeung, Manager, Organization Development (left) and Queena Pun, General Manager, HR Relationship Management (right)



A ceremony to mark the opening of Wellness Week attended by AAHK CEO Fred Lam and the senior management team



### Fun Facts 小資料



Fun facts about AAHK's Steps Challenge

## Fostering a culture of continuous improvement

The Work Improvement Team (WIT) programme encourages frontline staff to embrace creativity and develop innovative ideas to generate value and improve operational performance. In its third edition, more than 240 staff from eight departments took part in the programme and implemented 43 new improvement projects. To foster a culture of teamwork and continuous improvement across the airport community, the WIT programme was extended to the airport community.



The 2018 AAHK WIT Convention



## Recognising outstanding performance

The Staff Recognition Programme awards outstanding employees and teams for demonstrating exemplary achievements and performance along AAHK's core values.

In 2018, the Corporate Recognition Programme recognised eight outstanding teams and two outstanding employees. Our Chief Executive Officer presented the awards at our annual dinner held in January 2019.



Outstanding Employee Award recipients



Outstanding Employee Award recipients



Outstanding Team Award recipient – Ramp Process Transformation



Outstanding Team Award recipient – SKYCITY RDE Cross-Divisional Team





Outstanding Team Award recipient – 3RS Advanced Works – Aviation Fuel Pipeline Diversion Project Team



Outstanding Team Award recipient – Kwo Lo Wan Project Team



Outstanding Team Award recipient – HKG MyFlight and MyTAG Taskforce



Outstanding Team Award recipient – Acquisition of the AsiaWorld-Expo Team



Outstanding Team Award recipient – Terminal Team



Outstanding Team Award recipient – The Village Trail

# Enhancing Staff Engagement

An engaged workforce sharing the same vision and values to make HKIA the pride of Hong Kong is essential to our success.

## Competitive remuneration

AAHK offers a comprehensive and competitive remuneration package, including medical and dental coverage, insurance plans, retirement schemes and the Airport Preschool Subsidy, to our staff. In 2018/19, we continued to enhance staff benefits by introducing birthday leave, extending maternity leave to 14 weeks and enhancing medical benefits.

## Employee communication

The Employee Communication Framework was developed to facilitate an open communication culture that encourages collaboration and teamwork. Through various communication platforms, we cascade corporate messages, listen to employees' voice, and promote cross-departmental communication.

## Employee Communication Framework

### Cascade Corporate Message

#### Dialogue with Chairman

The Chairman shares his thoughts on the future outlook of HKIA with senior staff members and provides encouragement to the team in meeting future challenges.

#### Town Hall Meeting

The Chief Executive Officer shares the latest plans and updates of AAHK with all staff annually.

### Listen to Employees' Voice

#### HR Outreach Programme

HR colleagues reach out to frontline staff at their workplace to better understand the challenges they face to facilitate appropriate support.

#### Mingling with Management

Regular mingling sessions are organised to enhance direct communications between senior management and staff in a relaxed atmosphere.

### Promote Cross Departmental / Team Communication

#### Cross-departmental Team Building Programme

A two-year programme to promote teamwork and collaboration across all levels and departments concluded in 2018/19 with 22 sessions conducted for over 2,000 participants.

#### Business Talk Series

Division and department heads share the latest developments and corporate initiatives in their areas of responsibility.



## AA Staff Club

The AA Staff Club, sponsored by AAHK, organises regular recreational, social, sports and interest group activities on a regular basis.



Various activities organised by the AA Staff Club





## World-class Gateway

We are committed to strengthening HKIA's position as a world-class airport and a gateway from Hong Kong and the Greater Bay Area to the world.

As Hong Kong and the Greater Bay Area (GBA)'s ever-growing aviation demand reaches the limits of the airport's existing capacity, we remain committed to operating a world-class airport that provides a safe, secure and welcoming airport experience.

### 2018/19 key achievements

**31.4 complaints** received per million passengers, a 7.6% decrease compared with 2017/18

**14.5% reduction** in number of injuries per million passengers

**44 e-Security Gates** installed as part of our ongoing plan to implement a single-token travel experience

### Targets

Maintain an overall satisfaction score of at least 4.87 (out of 5) **in 2019**

Finish renovations of the East Hall food court **in 2019/20**

Achieve an Airport Composite Safety Index not exceeding 3.70 injuries per million passengers **in 2019/20**

Complete a climate resilience study **in 2020/21**

Transform 49 boarding gates in Terminal 1 **by 2021**

# Passenger Experience

Despite ever-increasing passenger numbers, we are progressively upgrading the airport to redefine people's expectations for a smoother and more personalised journey. Our smart airport initiatives are utilising biometric technology to offer a more convenient choice to passengers, while increasing our security and handling capacity. Together with the enhancement works to Terminal 1 and a reinvigorated dining and shopping experience, we are making substantial investments in new technologies and services to reinforce our status as one of the world's premier aviation hubs.

## A welcoming environment

HKIA is creating a seamless travel experience by utilising facial recognition technology to enable passengers through various checkpoints from check-in to boarding using their face. A 'single-token' digital identity will be created at check-in by matching a passenger's biometrics and passport. This improves the airport experience by reducing the need for repetitive travel document checks and queuing time.

## Single Token Travel Experience

Our plan for using biometrics such as facial or fingerprint recognition to reduce document checks and minimise queuing in the future

**1**

### Smart Check-in Kiosk

Create a digital token by matching a passenger's biometric data with passport and flight details

**2**

### Self Bag Drop

Self-service baggage check-in



3



### e-Security Gate

Facial recognition replaces document checks



4



### e-Channel Smart Departure

Self-service immigration clearance



5



### e-Boarding Gate

Facial recognition replaces boarding pass

We are also investing in a series of enhancement projects for Terminal 1 (T1) that will provide a vibrant fresh look and feel. One of the key initiatives is the revamp of our boarding gates, while others include upgrading existing amenities and services and introducing new ones.

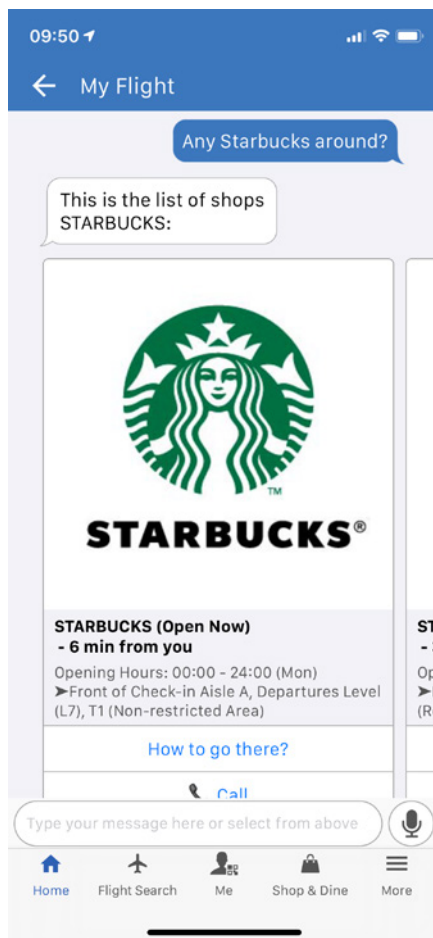
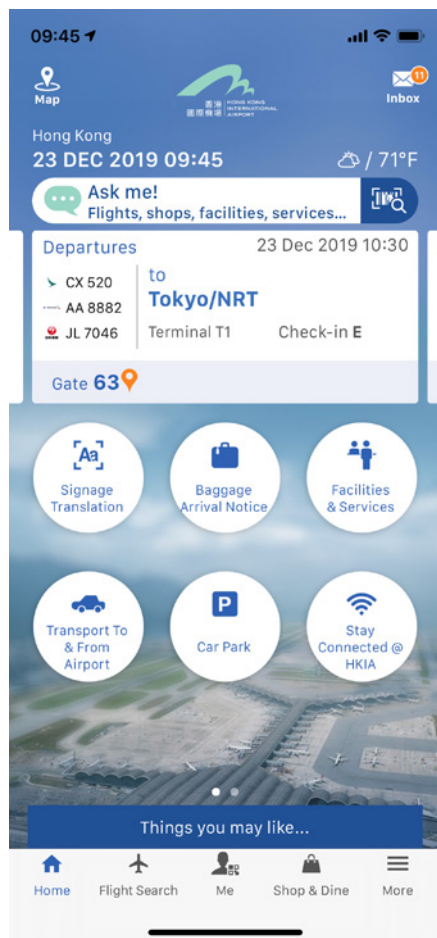
## Key initiatives

- 44 e-Security Gates were installed at the departure security checkpoints in T1 in 2018/19 as part of a plan to implement a single-token travel experience. Equipped with facial recognition technology, the security processing time takes about 20 seconds. More e-Security Gates will be installed in 2019/20.
- HKG MyFlight mobile app added new features such as traffic updates, online payment for airport parking and a chatbot to respond to enquiries.
- Designs for revamping 49 boarding gates in Terminal 1 were finalised.
- The Airport Shopping Ambassadors programme was launched to provide passengers with advice on the shopping and dining offerings at HKIA.
- A wider range of dining choices has been introduced along with the renovation of East Hall food court was completed with increased seating capacity and more premium food offerings.
- New shop categories, such as athleisure wear, kids concepts, wellness services and lifestyle bookshops, were added to offer more diversified retail choices.
- HKairport Shop makes shopping easy by enabling passengers to order purchases online and collect them before or after flight at HKIA.



Airport Shopping Ambassadors to provide passengers with advice on the shopping and dining offerings at HKIA

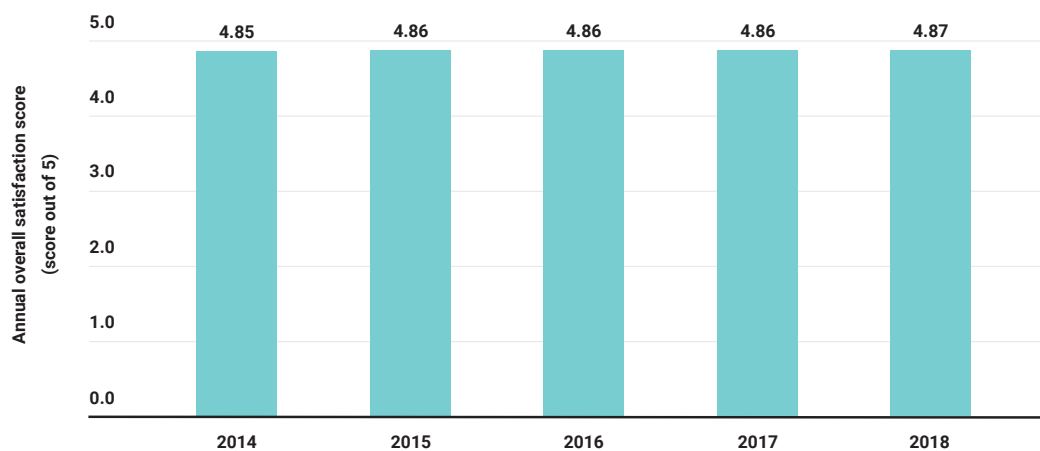




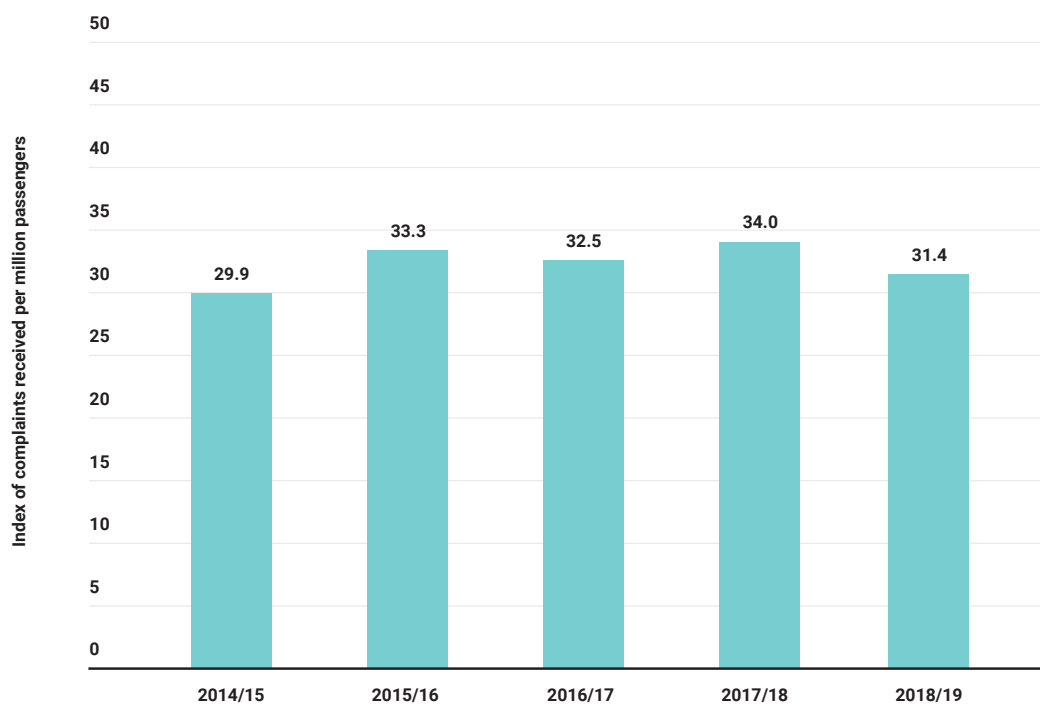
New features added to HKG MyFlight mobile app, including a chatbot to respond to enquiries

We achieved an overall satisfaction score of 4.87 in the 2018 Airport Service Quality Survey managed by Airports Council International, meeting our target for 2018/19. We also maintained a low level of passenger complaints, despite the record-breaking number of passengers and the pressure of approaching full capacity of HKIA.

## Annual overall satisfaction score



## Index of complaints received



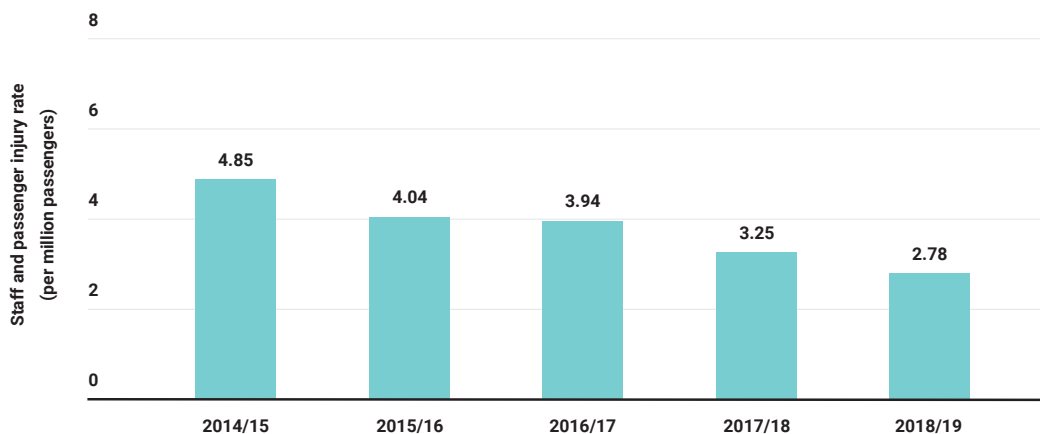


# Safety and Security

Ensuring the safety of our passengers, staff and airport operations is always our first priority in the aviation sector. AAHK operates an airport-wide safety management system which provides a robust framework of safety processes. We work closely with our employees and airport business partners to cultivate a 'safety-first' culture. We are also applying new preventive technologies to further strengthen the safety of HKIA.

HKIA achieved a record low injury rate of 2.78 injuries per million passengers in 2018/19 through the continuous collaboration of the airport community and our ongoing initiatives.

## Airport Composite Safety Index



## Key Initiatives

### AAHK employees

- A corporate-wide safety campaign was organised, covering topics such as office safety, work stress sources and use of protective equipment.

### Airport community

- The 2018/19 Airport Safety Recognition Scheme introduced the HKIA Safety Excellence Award to recognise organisations for outstanding achievement in safety. The inaugural Gold Award was presented to one of our ramp handling operators, Hong Kong Airport Services Limited, which has reduced work injuries related to manual handling and lifting by over 40%.
- The year-round Airfield and Baggage Hall Safety Campaign 2018 aims to enhance the safety awareness of staff working on the ramp and in the baggage hall. A monthly safety roadshow and briefings were conducted to brief frontline staff on a variety of safety related topics.

### Passengers

- A passenger safety campaign featuring safety mascots, games and talks to promote passenger safety ran between October and December 2018.
- Following the deployment of equipment specifically designed to detect liquid explosives, all transfer passengers may carry more than the industry standard of 100 millilitres of liquids, aerosols and gels (LAGs) in tamper-evident bags in their hand baggage.
- New safety promotional materials, including six new videos, banners and posters, were introduced to communicate the safe use of airport facilities to passengers.

# Contingency Planning

Given the range of potential disruptions and crises that may affect the operations of HKIA, we have put in place systems and processes to predict, identify, manage and minimise the associated risks. With a view to strengthening the operational resilience of HKIA, we regularly test our contingency plans with AAHK employees and business partners to ensure the appropriate actions are taken in the event of a disruption or crisis. HKIA conducts more than 100 drills, exercises and training seminars each year covering a variety of operational disruption and emergency response scenarios, including severe weather, system failure, equipment malfunctions, public health incidents and security issues in order to improve our response capabilities.

## Key initiatives

- **Business continuity** – A two-year programme to add ramp handling to HKIA's business continuity plans was completed in collaboration with the three ramp handling operators at HKIA.
- **Climate resilience** – Preparations for a climate resilience study at HKIA commenced in 2018/19. A cross-departmental steering committee was established with our Executive Director, Engineering & Technology as the Chair. The study will review and update HKIA's operational resilience and adaptive capacity to a changing climate. We aim to complete the study in 2020/21.
- **Crash and rescue exercise** – The annual drill was conducted in November 2018 with over 1,000 representatives from AAHK, the airport community and Government departments to simulate an accident at the Three-runway System work site and test our emergency preparedness.
- **Rescue preparedness** – A series of rescue drills were conducted to fine tune our current strategy in response to situations at the Midfield Concourse. One of the new approaches tested resulted in a 20-minute reduction in casualty delivery turnaround time.



HKIA conducts various drills and exercises to improve its response capabilities



HKIA conducts various drills and exercises to improve its response capabilities

## Case Study: Contingency measures for responding to the measles outbreak

Q&A with David Jea, Senior Manager, Business Continuity Planning

### **What are HKIA's contingency measures for infectious disease outbreaks, such as measles?**

As the operator of HKIA, AAHK has established a comprehensive preparedness and response plan related to public health and infectious diseases. Working in partnership with the Department of Health (DH) and the Port Health Division, AAHK developed a three-step response plan that is modelled after the Hong Kong government's three-level response system for preventing the transmission of infectious diseases at HKIA. In the event of an infectious disease outbreak, we execute the plan and implement health measures corresponding to the alert level issued by the DH.

### **What measures were implemented as a result of the measles cases at HKIA in March 2019?**

While HKIA operations remained unaffected, we stepped up measures to ensure public hygiene as soon as the DH announced the first case on 22 March 2019. These included increasing the frequency of cleaning and disinfection at heavy traffic locations in the terminal buildings, providing over 120 hand disinfectant facilities and surgical masks for staff, and enhancing the ventilation system in the terminal buildings.

### **How did you coordinate and collaborate across AAHK departments, the DH and airport business partners to ensure public hygiene?**

As more cases of measles were reported, we held daily coordination meetings with the relevant internal departments, representatives from the airport community, the airport medical centre and the DH. We supported the DH in conducting the first health-related talk at HKIA on the day when the first case was reported. The next day the first vaccination station was set up, followed by the measles serology test service starting on 29 March 2019 to determine whether people had immunity. We also assisted the DH in disseminating information on preventive measures to the airport community and passengers through electronic posters and leaflets throughout the terminal buildings. On 17 May 2019, the DH announced the conclusion of the outbreak, as no new associated cases were recorded in two successive incubation periods. Over the two-month period from March to May, over 8,500 airport staff received vaccination and 777 took a serology test.



## What are the lessons learned to improve our response in the future?

We have over 20 years of experience in operating the airport, during which we had responded to the Severe Acute Respiratory Syndrome outbreak in 2003. We also have a comprehensive and well-grounded system and process to predict, identify, manage and minimise the potential disruptions and the associated risks. As a highly contagious disease, measles presented a unique scenario to test our contingency plan. During review meetings after the outbreak, we identified several areas where we could improve our response to infectious disease outbreaks in the future in coordination with other parties. For example, strengthening communication and providing more comprehensive and updated information to our business partners could enable their staff to assess the level of risk, which would in turn help manage the limited resources, such as vaccines.

This continuous review and improvement process is key to optimising our business continuity plans and enhancing our ability to handle and respond to potential disruptions, with a view to maintaining the smooth operation of HKIA.



David Jea, Senior Manager, Business Continuity Planning





## Greenest Airport

AAHK adopts an airport-wide approach to environmental management, working closely with our airport business partners to manage, reduce, and mitigate HKIA's environmental impacts.

As a significant proportion of HKIA's environmental footprint is beyond AAHK's direct control, we place particular emphasis on encouraging our business partners to participate in our environmental programmes. We frame our programmes by demonstrating the footprint reduction benefits that could be accomplished through collaboration and making these programmes easy, useful, and, wherever possible, free.

### 2018/19 key achievements

**8.7% reduction**  
in airport-wide  
carbon intensity

**215 airlines, offices,  
restaurants and retail  
shops** participated in  
the Municipal Solid  
Waste (MSW) charging  
pilot scheme

**9 marine ecology and  
fisheries enhancement  
projects** granted over  
\$10 million from  
AAHK's Marine Ecology  
Enhancement and Fisheries  
Enhancement Funds

## Targets

Launch the HKIA Sustainable Management Recognition Scheme [in 2019/20](#)

Implement the third HKIA airport-wide Carbon Reduction Programme [by 2021/22](#)

Develop a long-term HKIA carbon reduction target [by 2021/22](#)

# Approach to Environmental Management

Our pledge to become the world's greenest airport serves as a goal and a driver to continuously improve HKIA's environmental performance. Recognising that a significant proportion of HKIA's footprint is derived from our airport business partners, we work closely with them, evolving our best practice airport-wide approach to develop solutions to environmental issues that are both easy to implement and deliver real value. AAHK administers a range of programmes to reduce HKIA's environmental footprint in carbon and energy management, waste and biodiversity.

At the wider aviation industry level, AAHK participates in the global dialogue supporting the sustainable development of aviation and airports. We work closely with airports and trade associations, including as Chair of the Airports Council International (ACI) World Environment Standing Committee and representation on the ACI Asia-Pacific Regional Environment Committee. We actively promote our unique airport-wide approach, as we believe this is practical and effective tool to facilitate the accelerated reduction of footprint at airports, especially where many key operational functions are outsourced. These strategic partnerships enable us to collaborate on and build capacity to meet our global challenges.

## Approach to environmental management

AAHK adopts an airport-wide approach to work closely with its business partners, suppliers and contractors, passengers, the local community, regulators and other stakeholders to accelerate the rate of environmental footprint reduction across HKIA.

### Objective: World's Greenest Airport Pledge

Pledged to make HKIA the world's greenest airport in 2012. This serves as a goal and a driver to continuously improve HKIA's environmental performance.

### Management Commitment: Corporate Environmental Policy

Demonstrates AAHK's commitment to environmental management and define the key focus areas.

### Implementation Tools: ISO 14001 Environmental Management System

An environmental management system involving all AAHK departments to manage, measure and continuously improve our performance.

### Implementation Tools: Five-Year Environmental Plan

The Five-Year Environmental Plan sets out the actions and timeline in pursuit of the world's greenest airport pledge.

# Carbon and Energy Management

While global and regional demand for air travel continues to grow, we work closely with the airport community to decouple our business growth from an increase in greenhouse gas emissions and strive to play a leadership role in contributing to a low-carbon aviation sector.

The 2015 Paris Agreement aims to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels, and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius.

The industry is committed to developing long-term goals and to taking ambitious actions consistent with the Paris Agreement.

## HKIA Carbon Reduction Programme

Since 2008, the HKIA Carbon Reduction Programme has provided a platform for the airport community to measure, reduce and report carbon emissions and share best practices. In the past nine years, together with our airport business partners, we have made two pledges to reduce HKIA's airport-wide carbon emissions. Further details of the HKIA Carbon Reduction Programme, including the carbon reduction initiatives implemented by our airport business partners, are available at the [HKIA Carbon Reduction Programme website](#).

### First carbon reduction pledge (2010-2015)

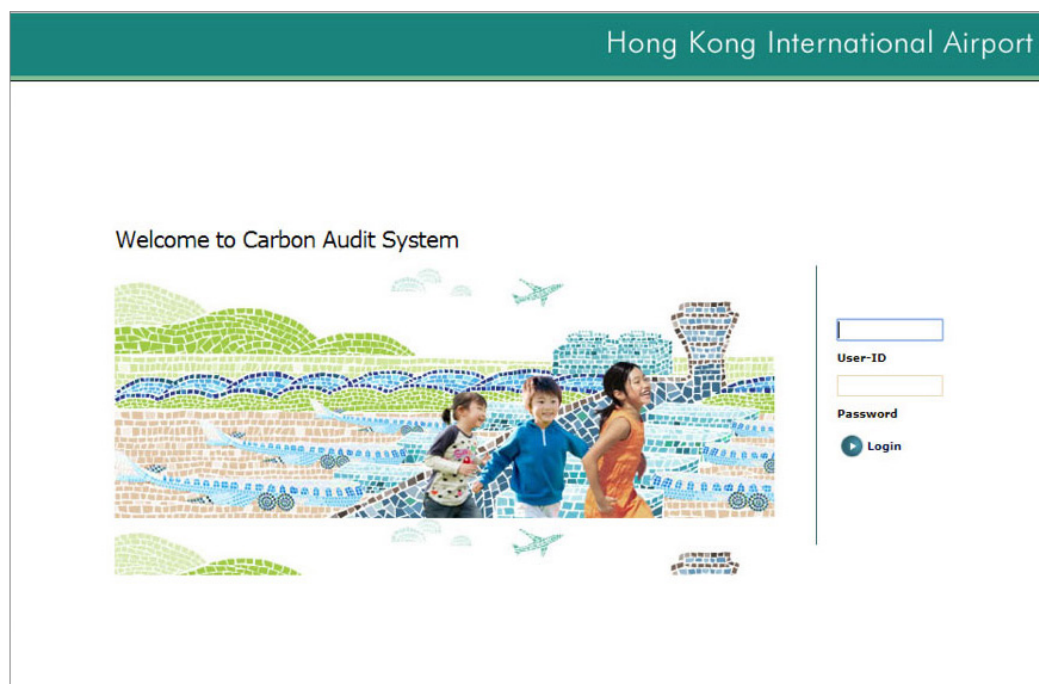
- AAHK and over 40 business partners
- Carbon intensity<sup>1</sup> reduced by 25.6% over 2008 levels, exceeding the target of 25%

### Second carbon reduction pledge (2016-2020)

- AAHK and 53 business partners
- Committed to a further 10% reduction in carbon intensity<sup>1</sup> over 2015 levels
- Carbon intensity<sup>1</sup> reduced by 8.7% in 2018 over 2015 levels.

<sup>1</sup> Carbon intensity refers to carbon emissions per workload unit, where it is defined as 1 passenger or 100 kg of cargo.

To encourage participation amongst our business partners, AAHK provides a proprietary web-based carbon data collection system. Airport business partners are expected to provide data from easily sourced information such as monthly electricity and fuel bills. The system is useful in providing them with a tool to calculate, analyse and report their annual carbon emissions. The cost of system development, training and auditing is funded by AAHK, making the programme free for business partners to join.



We also support our business partners in meeting our carbon reduction target through four support strategies:

### 1. Senior Executive Roundtable

Brings together senior executives of business partners for a high-level discussion on the business case for carbon reduction.

### 2. Carbon Reduction Award

Recognises business partners' efforts in reducing carbon emissions and promotes best practices.

### 3. Technical Working Group

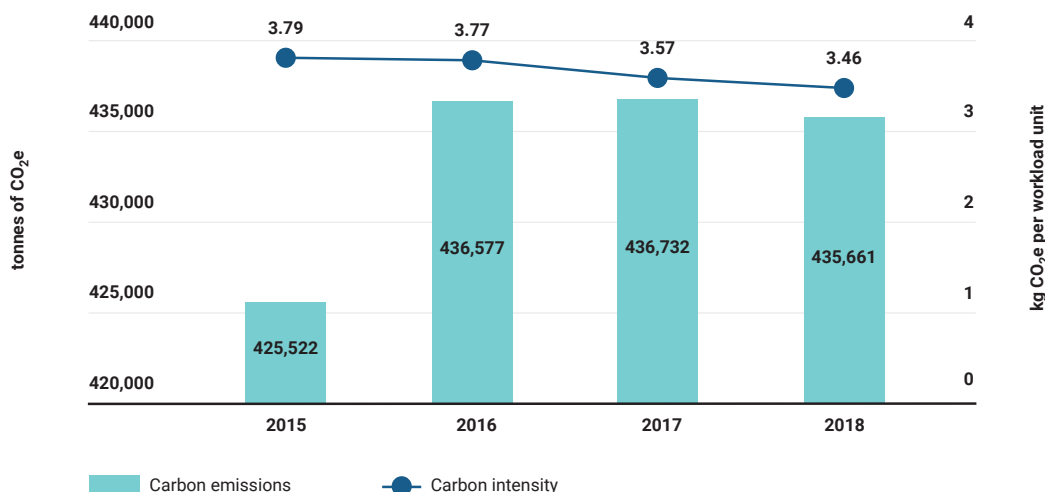
Bi-annual technical training to business partners on carbon and energy saving solutions, such as solar panel implementation.

### 4. Benchmarking Scheme

Encourages friendly competition between business partners in the same sector through comparison of their performance against sector average.

In 2018, an 8.7% reduction in our airport-wide carbon intensity was achieved relative to 2015 levels – our baseline for the second carbon reduction pledge.

## HKIA's airport-wide carbon emissions and intensity\*

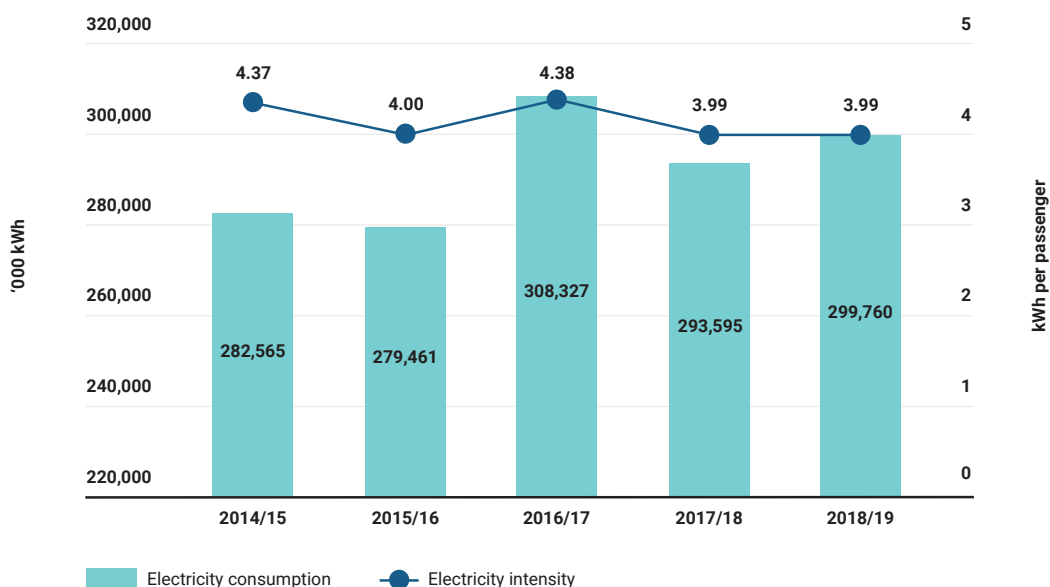


\* Covers only the emissions from AAHK and the airport business partners participating in the HKIA Carbon Reduction Programme.

## Electricity consumption

AAHK accounts for approximately 40% of HKIA's airport-wide carbon emissions. Electricity consumption is the major contributor, accounting for over 90% of AAHK's carbon emissions. In 2018/19, we recorded a year-on-year increase of 2.1% in absolute electricity consumption while the electricity intensity was maintained at a similar level compared with last year.

## AAHK's electricity consumption and intensity



## Key initiatives

### Energy efficiency

- Our ISO 50001 Energy Management System (EnMS) certification covers T1 and the Midfield Concourse, and will expand to cover all terminal buildings by January 2020.
- We continue to drive further improvements in energy performance. Example projects include:

#### 2017/18

- Installation of a cloud-based building analytics system for the North Satellite Concourse was completed.

#### 2018/19

- Replacement of end-of-service-life LED lights in terminals with higher efficient model is in progress.
- Modification of gantry lighting control from 3 stages to 9 stages in T1 was completed.

#### 2019/20

- Replacement of apron high mast lighting with LEDs to be completed.
- Installation of cloud-based building analytics system for the Midfield Concourse and T1 to be completed.
- Replacement of three low voltage chillers in Ground Transportation Centre with high energy efficient model to be completed.

#### 2020/21

- Replacement of two high voltage chillers in T1 with high energy efficient model to be completed.
- Replacement of energy efficient pump sets and motors at Seawater Pump House No.5 to be completed.
- Replacement of LED Street Lights for Landside Area to be completed.



## Electric vehicles

- Following the replacement of all airside saloon cars with electric models in July 2017, the second phase of airside vehicles electrification programme will begin implementation in 2019/20. This will require the replacement of all airside private vehicles with a gross weight of less than 3 tonnes with electric models by the end of 2022.
- Following a trial on airside electric passenger buses, deliveries of our 40 electric airside buses will begin in 2019/20.
- Over 230 units of electric ground services equipment (e-GSE) were introduced as part of the wider roll-out of HKIA's GSE Pooling Scheme.
- To support the second phase of airside vehicles electrification programme and GSE Pooling Scheme, over 370 chargers for EV, E-bus and e-GSE will be installed in 2021/22. In addition, a Smart-to-Charge System will be installed on the airside to improve the charging efficiency.

## Engagements & recognitions

- The 3<sup>rd</sup> HKIA Carbon Management Senior Executive Roundtable Luncheon was held on 27 November 2018, with the attendance of senior management from 50 business partners. AAHK's CEO Fred Lam and Professor Christine Loh presented 24 awards to 13 business partners for their outstanding performance and innovative ideas in carbon reduction.
- The 3<sup>rd</sup> Technical Working Group meeting was held on 28 August 2018. This facilitated an exchange of views and insights on solar power and promoted the wider adoption of this technology at HKIA.
- AAHK plays an active role in advocating a response to the Paris Agreement to develop a global, long-term climate goal for the world's airports through ACI and Airport Carbon Accreditation programme.



Over 230 units of e-GSE are deployed as part of the HKIA's GSE Pooling Scheme

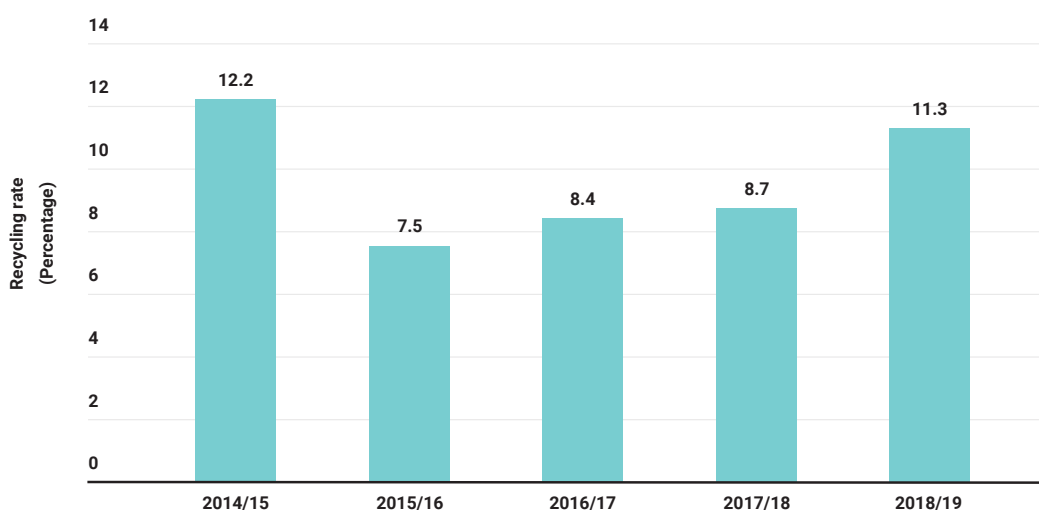


The 3<sup>rd</sup> HKIA Carbon Management Senior Executive Roundtable Luncheon

# Waste Management

Waste is one of Hong Kong's most pressing environmental issues. Our approach to waste management is to reduce the absolute amount of waste generated, facilitate waste separation at source to promote recycling, and explore other disposal options. While we do not expect to achieve our target to reduce, recycle and recover 50% of our waste by 2021, we remain committed to looking for innovative ways to accelerate the reduction of waste at HKIA.

## Recycling performance



## Our three-pronged strategy to waste management

### 1. Waste reduction at source

Minimise consumption to avoid disposal.

### 2. Facilitation of recycling

Encourage recycling through engagement, improved facilities, and behavioural change.

### 3. Alternative disposal options

Explore other disposal options as an alternative to landfilling.

## Key initiatives

### Waste reduction at source

- Reducing the use of paper towels in washrooms – As a result of the trial carried out last year, the installation of hand dryers in HKIA Tower will begin in 2019/20. An increasing number of our renovated washrooms in Terminal 1 feature hand dryers at each basin.
- Improving the framework of surplus food collection – Initially supported by the HKIA Environmental Fund, the HKIA Food Rescue Programme, which is operated in partnership with local NGO, Food Angel, collects surplus food at HKIA and nearby communities. The programme was converted to a commercially-based service contract in 2018/19 in recognition of the value of the programme and to provide greater certainty to Food Angel's business planning.

### Facilitation of recycling

- Waste charging – A 20-month MSW charging pilot scheme that involved 215 restaurants, retail shops, offices and airlines operating at HKIA was completed.

### Alternative disposal options

- Supporting research into circular economy – Through the HKIA Environmental Fund, we approved funding for a second study on transforming food waste at HKIA into value-added chemicals. Having completed the proof-of-concept study in 2018, The Hong Kong Polytechnic University will lead the research for developing valorisation technology to convert starch-rich food waste into useful chemicals.

## Case Study: MSW charging pilot scheme

Q&A with Tammy Fung, Assistant Manager, Environment

### What is the purpose of the MSW charging pilot scheme?

The government's proposal to introduce MSW charging aims to create financial incentives to drive behavioural changes in waste generation. In line with the "quantity-based" and "polluter-pays" principle, charges are based on the quantity of waste generated, so that people become more aware that waste disposal comes at a cost. The proposed legislation is anticipated to have financial and operational impacts to AAHK and our tenants at HKIA. We wanted to involve our stakeholders in a pilot scheme ahead of the formal introduction of MSW charging to gain a better understanding of the legislation, give them an early start in experiencing the waste charging process, and collectively determine the most cost-effective and efficient approach to implement MSW charging at HKIA.

## How did the pilot scheme help HKIA to continuously improve on its waste reduction?

The one-year onsite pilot was rolled out over six phases and covered over 200 participants representing approximately 50% of the businesses operating within our terminal buildings, including food and beverage outlets, retail shops, offices, cleaning and waste contractors as well as airlines and their line maintenance operators. Each phase spanned over four months to allow for a period of comparison between waste generation at the beginning and at the end, which could demonstrate reductions as a result of the scheme. Additionally, this time period allowed for a sufficient learning period to ensure all participants complied with the scheme to the best of their ability.

To increase the amount of waste recycled, we encouraged our tenants to expand the types of recyclables being separated and airlines to separate waste on-board. Our waste refuse rooms were enhanced with additional bins for recyclables.

## What were the major challenges encountered during the pilot scheme?

One of the challenges we observed early on related to concerns from participants. Some participants were understandably concerned about increased workload of their staff and changes to their current waste disposal practices. It was therefore important to engage early and let them know how they would be involved and could benefit from the pilot. The briefing for each phase was conducted two months ahead of the commencement of that phase to allow sufficient time for preparations.

Cleaning contractors are third parties hired directly by our tenants to collect and dispose of their waste. Their understanding and support of the pilot scheme were critical to its success. As such, we conducted separate briefings to engage cleaning contractors and secure their buy-in for the scheme.

As each phase concluded, we analysed the data to determine whether the pilot scheme made any real behavioural changes in waste disposed. As this was a pilot scheme with no actual charges imposed, the impact of a financial incentive for participants to reduce waste could not be assessed. Nevertheless, the experience and the estimated MSW charges provided through mock invoices provided a good reference point for AAHK and waste producers once MSW charging is legislated by the government.

## How did you collaborate across AAHK departments and business partners to develop a cost-effective and efficient charging approach?

AAHK adopted a multi-stakeholder approach in collecting views. Internally, a cross-departmental steering committee and working group were established to formally engage with key departments throughout the project. For external stakeholders, briefing sessions were held with prospective participants and their cleaning contractors. Additional awareness raising sessions, such as onsite coaching and inspections, were provided to those who signed up to the pilot scheme. This collaborative and consultative process was instrumental in developing the final methodology of the HKIA MSW charging scheme and ensuring any scheme adopted was supported by the airport community.

## What are your key learnings from the pilot scheme?

People may be resistant to change for a variety of reasons. Listening to and acknowledging their concerns is important in encouraging them to embrace change. Early proactive engagement with stakeholders helps them to understand how they may be impacted, alleviate their concerns and build trust. A series of face-to-face meetings and coaching sessions were organised to help us increase participation in the pilot scheme and drive the behavioural change needed to achieve our ultimate goals of waste reduction and enhanced recycling.



Tammy Fung, Assistant Manager, Environment

# Biodiversity

Preserving biodiversity and functional ecosystems plays an important role in sustaining a high quality of life for the people of Hong Kong and supporting the health, economies and cultures of countries worldwide. As HKIA and its surrounding waters host iconic and threatened species such as the Chinese White Dolphin (CWD) and the Romer's Tree Frog, we have a duty of care to avoid and minimise adverse impacts on biodiversity during the operation and development of HKIA. We are also mindful of the role aviation plays in the trafficking of wildlife. As such, we have developed the HKIA Biodiversity Strategy to ensure a structured approach to biodiversity management and support the introduction of Hong Kong's first Biodiversity Strategy and Action Plan in 2016.

## HKIA Biodiversity Strategy and key actions

Our Strategy serves as a framework for conserving biodiversity at and around HKIA and identifies the key priorities for action, mainly in the following three key focus areas.

Key focus area	Key actions
<b>Marine species in the waters around HKIA</b>	<p>Mitigation and enhancement measures adopted for the Three-runway System (3RS) project. These include:</p> <ul style="list-style-type: none"> <li>Using non-dredge land reclamation methods to minimise disturbance to the marine environment.</li> <li>Adopting deep cement mixing for ground improvement works in contaminated mud pit areas north of HKIA prior to commencing reclamation for 3RS.</li> <li>Implementing horizontal directional drilling in the construction of two underwater aviation fuel pipelines to avoid dredging of the seabed.</li> <li>Establishing dolphin exclusion zones around potentially noisy marine construction activities.</li> <li>Managing SkyPier high-speed ferries (HSFs) by:               <ul style="list-style-type: none"> <li>Limiting the total volume of HSF traffic at an annual daily average of 99 trips prior to designation of the proposed marine park;</li> <li>Diverting HSFs travelling to/from Zhuhai and Macao away from the busy and narrow channel immediately north of HKIA; and</li> <li>Restricting the speed of those diverted high-speed ferries to 15 knots or below in high CWD abundance areas along the diverted route.</li> </ul> </li> <li>Designating a marine park of about 2,400 hectares to tie in with the full operation of the 3RS.</li> <li>Setting up a Marine Ecology Enhancement Fund (MEEF) and a Fisheries Enhancement Fund (FEF), managed by independent committees, with a total budget of HK\$400 million. In 2018/19, the funds approved over HK\$10 million in support for nine projects, details of which can be found at: <a href="http://env.threerunwaysystem.com/en/meef/index.html">http://env.threerunwaysystem.com/en/meef/index.html</a> and <a href="http://env.threerunwaysystem.com/en/fef/index.html">http://env.threerunwaysystem.com/en/fef/index.html</a>, respectively.</li> </ul>



Key focus area	Key actions
<b>Wildlife trafficking</b>	<p>In collaboration with ACI, the Reducing Opportunities for Unlawful Transport of Endangered Species (ROUTES) Partnership, and global wildlife trade monitoring NGO, TRAFFIC, AAHK organised a workshop and stakeholder forum on 28 March 2019 to share information and develop solutions on how airport operators, airport staff, and enforcement agencies around the world can collaborate to combat wildlife trafficking.</p>
<b>Community engagement</b>	<p>The In-To Tung Chung River Project entered its second year. Initiated by local NGO, Green Power, this three-year public engagement programme aims to strengthen measures to conserve the Tung Chung River catchment area and engage the community to raise awareness on protecting the ecological value of the Tung Chung River.</p> <div data-bbox="571 972 967 1335"> </div> <div data-bbox="512 1357 558 1384"> <p>主辦</p> </div> <div data-bbox="536 1397 724 1460"> </div> <div data-bbox="777 1357 868 1384"> <p>全力支持</p> </div> <div data-bbox="842 1379 1024 1478"> </div> <p>(Chinese version only)</p>



## Airport City

Transforming from a city airport to an Airport City supporting the economic development of Hong Kong and the Greater Bay Area.

Since its opening in 1998, HKIA has evolved from an international aviation hub into a growing nexus of multi-modal connectivity, aviation logistics services, and commercial developments, which radiate from the airport to form a much bigger entity to serve the region's growing demand for air transport. Echoing the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area, our Airport City vision reinforces HKIA's role as the region's international aviation hub.

## 2018/19 key achievements

**90% of the deep cement mixing works** for the Three-runway System completed

**17 destinations** added to HKIA's growing global network

**First airport community** received the IATA CEIV Fresh Certification

## Targets

Complete the Midfield Apron Development  
by 2020

Deliver Terminal 1 Enhancement Projects  
by 2020

Complete the Intermodal Transfer Terminal  
by 2022

Commission the premium logistics centre  
by 2023

Commission the Three-runway System  
by 2024

Complete the SKYCITY Phase 1 Developments  
by 2027

# Expanding Capacity and Functionality

HKIA continued to grow for the fiscal year ended 31 March 2019. We achieved record passenger numbers and flight movements handling 75.1 million passengers and 428,870 movements. HKIA remained the world's busiest cargo airport for the ninth consecutive year, processing 5.06 million tonnes of cargo and airmail.

To meet future demand and leverage the opportunities presented by the Greater Bay Area (GBA), our Airport City vision aims to integrate HKIA's core passenger and cargo services with commercial developments and multi-modal connectivity by road, rail and ferry, and to increase the airport's capacity to capture new opportunities in tourism and business through a series of development projects.

Some of these projects increase airport capacity through new facilities and infrastructure such as the Three-runway System (3RS), while others increase the handling capacity of existing facilities through adopting enhanced technology and process engineering. In addition, SKYCITY, AsiaWorld-Expo and topside development of the Hong Kong Boundary Crossing Facility (HKBCF), are other core components of the Airport City that will add to the airport's overall capacity and broaden its functionality.

## 2RS enhancements

### 1. Facility expansion

**Midfield Apron Development** – The remaining phase of the Midfield Apron Development will increase the number of aircraft parking stands from 182 to 215 by 2020.

**Terminal 1 (T1) Enhancement** – AAHK is investing HK\$7 billion into a series of major enhancement projects, which are expected to be completed in phases starting in late 2019, to increase handling capacity, reduce travelling time within the terminal and provide a vibrant fresh look and feel. These include the construction of the T1 Annex Building and Sky Bridge, and expansion of Car Park 4 building and T1 East Hall.



## 2. Initiatives to enhance operational efficiency

Augmented Airfield Services System (AS2) – AS2 has been augmented with 'Internet of Things' (IoT) technology to provide real-time operations visibility with AI-enabled analytics to the airport community. This cloud-based dashboard provides at-a-glance views of aircraft turnaround performance by comparing flight arrival estimates and empirical IoT data from equipment on the apron. Compatibility with map applications allows users to visualise aircraft and equipment on the apron in real-time. The system enables HKIA to better manage aircraft turnaround, baggage handling and catering on a single platform, which is especially important when a rapid response is required.

Automatic Air Bridge Docking and Retracting – We began testing a system that automates most of the air bridge docking and retracting process. The automated system is expected to eliminate possible operator error and speed up the arrivals process. Airport-wide roll-out will be subject to additional feasibility tests to be conducted in 2019/20.

Automated Storeroom – A robotic system retrieves spare parts for airport systems and facilities from AAHK's maintenance storeroom. This increases the efficiency of our maintenance operations. Utilising a mobile app, our staff can request spare parts and a facial recognition system validates their identity before the parts are released.

Ground Services Equipment (GSE) Pooling Scheme – The GSE Pooling Scheme was first launched at the Midfield Apron in July 2018, and expanded to the North Satellite Concourse and the remote bays at the West Apron in January 2019. AAHK has purchased a fleet of over 250 units of GSE, of which 95% are electric-powered.

### Case Study: Automated airfield pavement detection system

Q&A with Daniel Jiao, Manager, Civil

#### How was the idea of 'automated airfield pavement detection system' conceived and developed?

My team spends considerable time and effort to conduct visual inspection of HKIA's airfield pavements, which includes runways and taxiways, in order to meet the regulatory requirements and ensure safe airfield operations. This was a manual and time-consuming process that could only be carried out during the short window between sunrise and the end of the night-time maintenance period.

In 2017, we began trialling various innovative solutions to enhance the efficiency of our maintenance programmes, for example, mounting high-resolution cameras on a vehicle and a drone, to reduce the amount of time needed to inspect the runways.

## What is the detection system made up of?

The automated airfield pavement detection system consists of a specially-designed pod housing a laser crack measurement system (LCMS), which is mounted at the tail of a light commercial van. The core components of the LCMS are two laser line projectors and two high-speed cameras capable of taking high resolution 3D and 2D images. Other components installed on the vehicle include a distance measuring instrument and a global positioning system device for providing geolocation data.

## How does the detection system improve the runway maintenance process?

Since the introduction of LCMS, we have been able to significantly enhance our productivity by inspecting the full length of each 3,800-metre runway within six hours. The new system is able to operate both during the day and at night in all lighting conditions. By utilising digital image analysis technology, high-resolution digital images taken during the inspection are automatically analysed for signs of potential problems such as cracks, potholes and ruts. Once a problem has been identified, we are able to plan repair works accordingly. The repair crews can easily locate the distressed area as the images have geo-location data embedded.

## What were the major challenges encountered during the development of the detection system? How did you and your team overcome them?

When we started the project, the first challenge was identifying the right partner in the development of the system. As this is the first system developed for routine airfield inspection, there was not a particular company or airport with experience in this particular area. We engaged with several potential suppliers to assess their capabilities and subsequently selected a supplier with solid airfield experience.

Now that the system is up and running, we are fine-tuning the digital image analysis programme by incorporating our maintenance experience to enhance the system's automatic detection capabilities.

## What were you most proud of for this project?

HKIA is the first airport to successfully develop in-house technology enabling automatic detection of airfield pavement distresses. This system is part of our growing number of smart maintenance initiatives which include [the automated foreign object debris detection system](#) and [the automated airfield ground lighting scanning and inspection system](#). I am proud to be leading a professional team in developing the automated airfield pavement detection system at HKIA.





Daniel Jiao, Manager, Civil



Daniel and his team are responsible for the maintenance of HKIA's airfield pavements



## Developing the 3RS

The 3RS project has made significant progress over the past three years. Details are available at our dedicated [3RS website](#). Major achievements in 2018/19 include:

### 1. Project implementation

- More than 90% of the [deep cement mixing](#) works including all in the critical reclamation areas and under the sea wall areas were completed and handed over to the main reclamation contractor.
- Two new 5.2km [aviation fuel pipelines](#) connecting the Aviation Fuel Receiving Facility at Sha Chau with HKIA entered service in June 2018. This is the world's longest pipeline installation using the environmentally friendly horizontal directional drilling method.
- The structure of the APM depot was completed ahead of schedule followed by the commencement of fitting-out works.
- Construction for the high-speed Baggage Handling System for the 3RS is ongoing.
- Continued implementation of a comprehensive environmental monitoring and audit programme in accordance with the requirements set out in the 3RS Environmental Impact Assessment Report and Environmental Permit (EP). A [dedicated website](#) has been set up for reporting the environmental monitoring and audit data and other relevant information about the 3RS project.

### 2. Stakeholder engagement

- More than 200 events, including briefings, seminars and airport tours were conducted in 2018/19 to engage the wider community.

#### Community Liaison Groups

- Islands, Kwai Tsing, Shatin, Tsuen Wan and Tuen Mun districts.
- 130 members including district councillors and community leaders (as of July 2019).
- Two rounds of meetings were held in 2018/19 covering the latest progress of the 3RS project and related environmental issues.

#### Professional Liaison Group

- 20 experts in different environmental fields (as of October 2018).
- Facilitate communications and enquiries on all environmental issues related to the 3RS.
- Two meetings were conducted in 2018/19 covering the latest progress of the 3RS project and the Marine Ecology and Fisheries Enhancement Strategy.

## SKYCITY

SKYCITY is an integral part of our Airport City and one of the largest commercial developments in Hong Kong. Strategically located at the junction of the Hong Kong-Zhuhai-Macao Bridge and Tuen Mun-Chek Lap Kok Link adjacent to HKIA, it aims to capture broad opportunities in tourism and business as the first point of arrival in Hong Kong for visitors from the western GBA. The 25-hectare integrated retail, dining, entertainment and commercial development will provide a full array of retail, food and beverage and entertainment facilities along with hotels and offices. With the Phase 1 Developments scheduled to be completed by 2027, SKYCITY is expected to become a signature destination for local residents and visitors from the GBA and overseas.

The SKYCITY Phase 1 Developments will be a new 1,200 room hotel, which is currently being developed by the Regal Hotels Group, together with a 350,000 m<sup>2</sup> commercial complex comprising retail, dining and entertainment (RDE) facilities. Roxy Limited, a wholly-owned subsidiary of New World Development Limited, was awarded the right to develop and manage the RDE complex. Future phases of SKYCITY will be developed progressively. Upon completion, SKYCITY will complement nearby developments and tourist attractions, such as AsiaWorld-Expo, Hong Kong Disneyland, Ngong Ping 360 and the Big Buddha.

## SKYCITY at a glance



	Phase 1 Hotel Development	Phase 1 RDE Development
<b>Site information</b>	Total Permissible Gross Floor Area: 33,700 m <sup>2</sup>	Maximum Gross Floor Area: 350,000 m <sup>2</sup>
<b>Contract award date</b>	February 2017	May 2018
<b>Target completion date</b>	2020-2021	2022-2027

## AsiaWorld-Expo (AWE)

Opened in 2005, AWE is a 70,000 m<sup>2</sup> exhibition and convention centre on the airport island adjacent to SKYCITY. AAHK acquired AsiaWorld-Expo Management Limited, the operator of AWE, to better coordinate land use planning for the future phases of SKYCITY and AWE's upcoming phase 2 and maximise the business potential of both developments. More importantly, the acquisition enables AAHK to swiftly take forward the plan in transforming HKIA from a city airport into an Airport City. The transformation, which involves increasing capacity and functionality, is aimed to strengthen HKIA's status as an international aviation hub, thereby driving economic growth on the airport island and contributing to the wider economy of Hong Kong.

## Topside development at the Hong Kong Boundary Crossing Facilities (HKBCF)

The HKBCF Island is a 150-hectare artificial island to the east of the airport island. It was created to provide clearance facilities for passengers and vehicles using the HZMB, but also has additional development potential which could be purposed to further enhance HKIA's competitiveness. The Hong Kong SAR Government has invited AAHK to conduct a land use study on airport-related developments on the Island, taking into consideration the needs of HKIA, the government and other developments in the vicinity.

# Economic Contribution

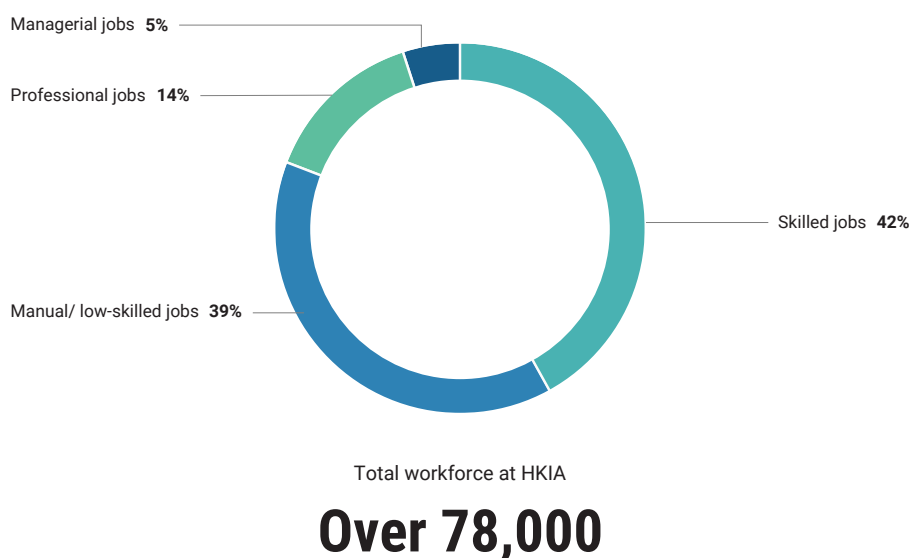
HKIA is an international and regional aviation hub that plays a key role in positioning the city as a global financial, tourism and logistics hub. To further increase our contribution to the development of Hong Kong and the GBA, HKIA is transforming from a city airport into an Airport City to further consolidate its status as an international aviation hub.

## Economic contribution of HKIA

HKIA generates substantial economic value for Hong Kong through aviation services and non-aviation businesses, which operate at the airport and generate employment and income. HKIA also has a catalytic impact on Hong Kong's four pillar industries – financial services, trading and logistics, tourism, and producer and professional services – all of which rely heavily upon the efficient movement of people and goods made through the airport's regional and international networks.

We make reference to several indicators to benchmark HKIA's economic contribution. These include employment opportunities created at HKIA, payments made to local suppliers, and the number of multinational corporations with regional headquarters or offices in Hong Kong.

## Employment at HKIA<sup>1</sup>

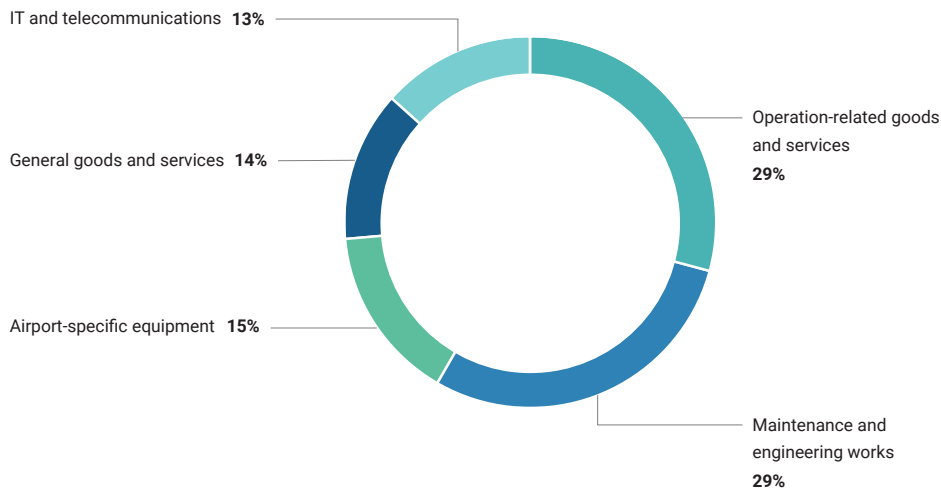


<sup>1</sup> Source: HKIA Workforce Survey 2019. The analysis of the HKIA workforce by job category represents 83.5% (355 out of 425) of the companies responding to the 2019 Survey.



## Procurement for daily operation in 2018/19

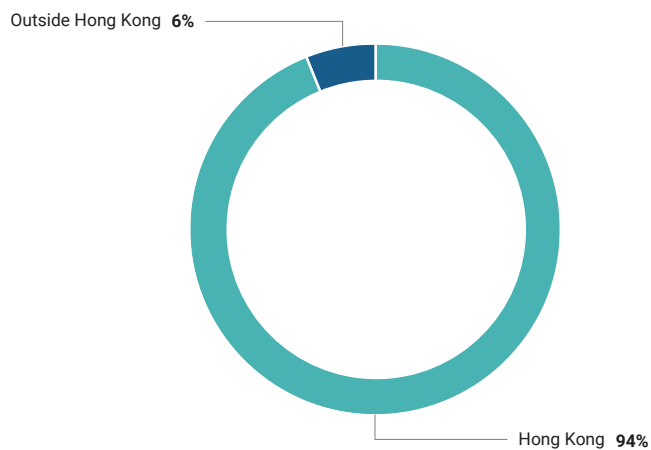
### Spend profile by type



Total value of procurement

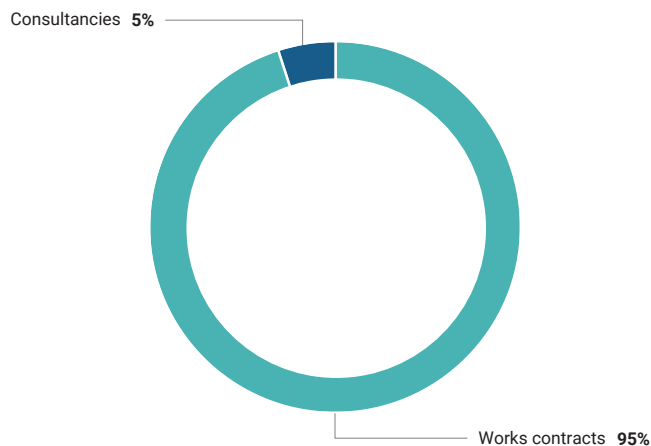
**HK\$3.6 billion**

### Spend profile by geographical location of suppliers



## Procurement for development projects in 2018/19

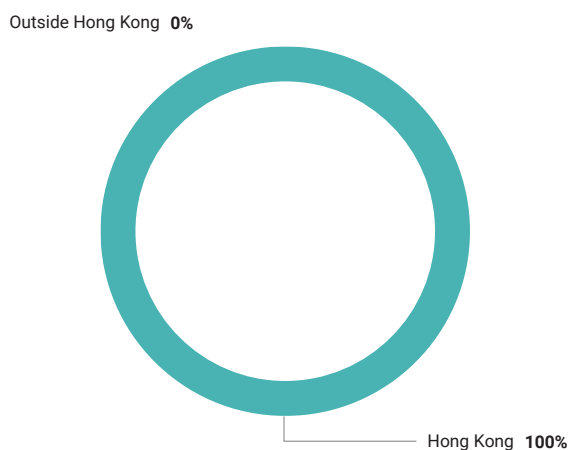
### Spend profile by type



Total value of contracts awarded

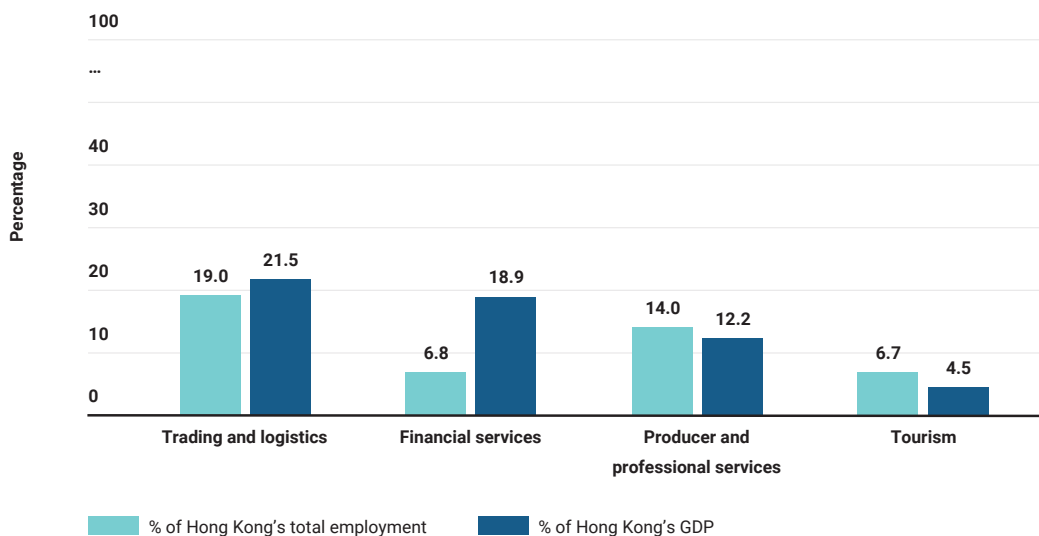
**HK\$14.5 billion**

### Spend profile by geographical location of suppliers<sup>2</sup>



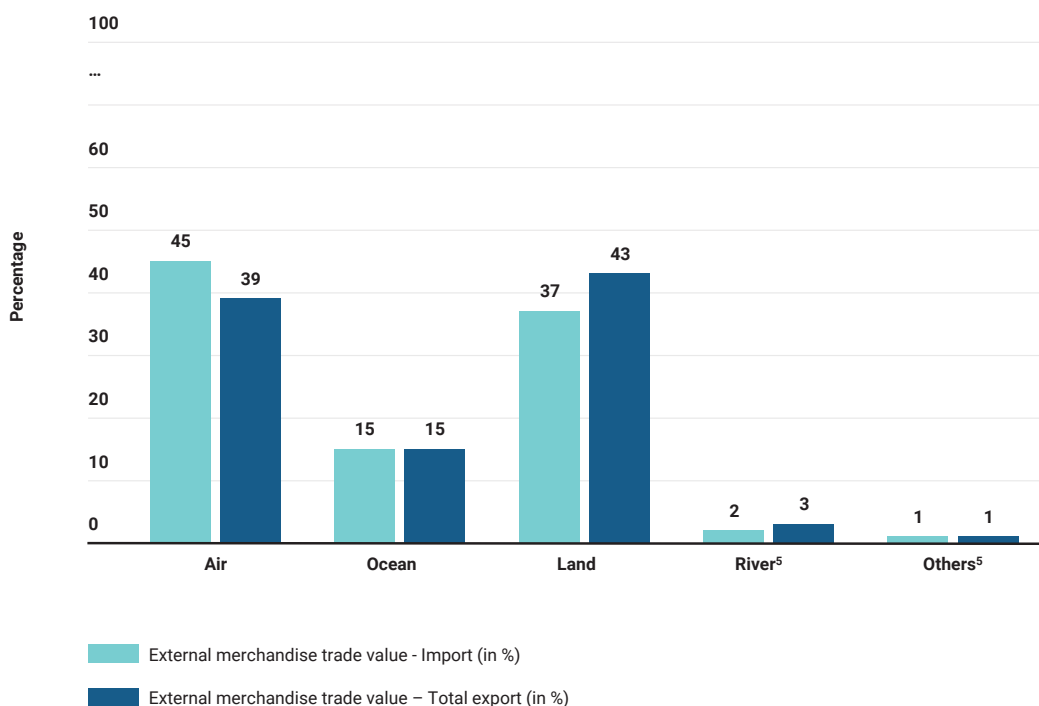
<sup>2</sup> Percentages are rounded to the nearest integer.

## Supporting Hong Kong's economic pillars (2017 data)<sup>3</sup>



<sup>3</sup> Source: 2017 data, Census and Statistics Department, HKSAR Government

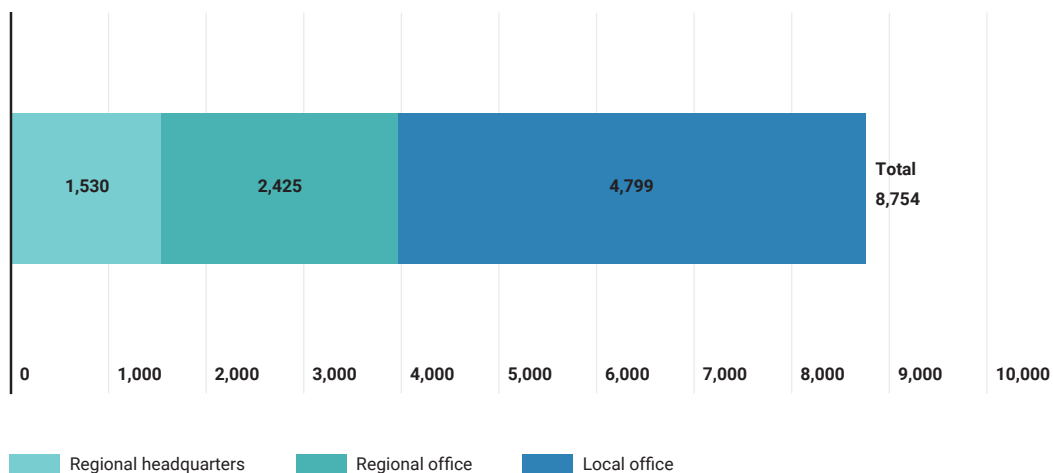
## Supporting external trade (2018 data)<sup>4</sup>



<sup>4</sup> Source: 2018 data, Hong Kong's External Merchandise Trade Statistics, Census and Statistics Department, HKSAR Government

<sup>5</sup> "River" refers to transport by vessels in waters in the vicinity of Hong Kong, the Pearl River and other inland waterways in Guangdong Province and Guangxi Autonomous Region, which are accessible from waters in the vicinity of Hong Kong. "Others" include trade by hand-carried and parcel post.

## Attracting foreign businesses (2018 data)<sup>6</sup>



<sup>6</sup> Source: 'Report on 2018 Annual Survey of Companies in Hong Kong Representing Parent Companies Located outside Hong Kong', Census and Statistics Department, HKSAR Government

## Connectivity

Designated as an international aviation hub in the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area, HKIA is strengthening its global air network and connectivity in the GBA to reinforce its hub status and associated functions.

### 1. Air connectivity

Hong Kong is connected to over 220 destinations worldwide by over 120 airlines. In 2018/19, five new airlines began serving HKIA. The full list of destinations and airlines can be found in our [Annual Report 2018/19](#).



>220 destinations  
>120 airlines



## 2. Cross-boundary connectivity

HKIA offers a variety of land and sea connections to cities throughout the GBA. We continue to enhance our cross-boundary connectivity with the GBA to provide passengers with greater choice and more options. The Hong Kong-Zhuhai-Macao Bridge (HZMB) has reduced travel time to the western Pearl River Delta from 4 hours to about 45 minutes.

In 2018/19, 4.4 million passengers utilised our cross-boundary transport services. We expanded our network of city terminals throughout the GBA, including Zhuhai, Jiangmen, Zhongshan, Kaiping and Guangzhou. Our upstream check-in (UCI) service is available in 19 locations. UCI allows passengers to check-in at ferry ports and city terminals in the GBA prior to boarding a coach or ferry directly to HKIA for their flight. Passengers could also enjoy the simplified booking of travel between HKIA and other destinations in the GBA with cross-boundary ferry and flight bundled in one single ticket available through airlines and travel agents.

To capitalise on the reduced journey time made possible by the HZMB, we are building an Intermodal Transfer Terminal (ITT) adjacent to SkyPier to connect HKIA to the HKBCF through a bonded vehicular bridge. Scheduled for completion in 2022, the ITT will eliminate the need for air passengers transiting through the HZMB to clear immigration in Hong Kong. The statutory Environmental Impact Assessment for the vehicular bridge has been completed and the Environmental Permit was issued in August 2018. Construction of the ITT building started in December 2018 and the bonded vehicular bridge will commence in 2020.



Check-in services at the HZMB's boundary crossing facilities



An artist's impression of the ITT

## Cargo leadership

HKIA remained the world's busiest cargo airport for the ninth consecutive year, handling 5.06 million tonnes of cargo and airmail in 2018/19. We provide efficient and reliable cargo services supporting the development of Hong Kong and the GBA's logistics industry. To maintain our leadership position, we are focusing on the opportunities in the fast-growing high-value cargo and e-commerce sectors. As such, we have been increasing our capabilities in handling these types of cargo, such as express packages, temperature-sensitive pharmaceuticals and perishables.



### 1. High-value cargo

High-value cargo represents one of the industry's fastest growing categories. Building upon our accreditation as a Partner Airport in the International Air Transport Association (IATA)'s Center of Excellence for Independent Validators in Pharmaceutical Logistics (CEIV Pharma) programme last year, HKIA worked closely with two cargo terminals and a home-based airline to become the first airport community to be recognised as a Partner Airport of IATA's Centre of Excellence for Perishable Logistics (CEIV Fresh). The certification recognises HKIA's capability in the transportation and handling of perishable cargo, such as live seafood, fruits and vegetables, and frozen meat, in a stringent temperature-controlled process.

To mitigate the risk of temperature excursion on the apron, we are building apron shelters to protect temperature-controlled shipments from direct exposure to weather elements.

Furthermore, HKIA also launched its first airport-to-airport 'cold chain' pharma corridor with Brussels Airport in January 2019. In partnership with Pharma.Aero, the pharma corridor connects the two airports and industry stakeholders, such as airlines, cargo terminals and ramp handling operators, in ensuring pharmaceutical shipments transported along the corridor are handled in strict compliance with IATA's CEIV Pharma standard. In the coming years, we aim to expand the 'cold-chain corridor' model to other airports to provide an end-to-end solution for temperature-controlled transportation of pharmaceuticals for our customers.

## 2. E-commerce market

In June 2018, the development and management rights for a premium logistics centre was awarded to a joint venture led by Cainiao Network, the logistics arm of Alibaba Group. Situated on a 5.3-hectare plot, the 380,000 m<sup>2</sup> facility at Kwo Lo Wan in the South Cargo Precinct of HKIA will be Hong Kong's third largest warehouse when it commences operation in 2023.



## 3. Transshipment

To support intermodal transshipments in the GBA, we are examining the feasibility of building an intermodal air cargo handling facility at the new airside Eastern Support Area of the Three-runway System. The facility will support sea-to-air transshipment to and from the GBA.

# Smart Airport

Technological developments are providing ample opportunities for effectively increasing capacity and enhancing safety, security and passenger experience. With the aim of developing HKIA into a smart airport, AAHK has been working closely with its business partners and technology companies to develop and employ innovative solutions to redefine the future travel experience.

## Case Study: Smart Airport Vision

Q&A with Alex Kwan – the then Executive Director, Engineering & Technology

### **Please tell us about AAHK's vision, drivers and roadmap towards a Smart Airport.**

HKIA aims to deliver a unique passenger experience and to further enhance operational efficiency by making effective and innovative use of technology. Our commitment to be a leading airport in the development and roll out of technology and innovation is underpinned by our Smart Airport vision. In 2015, the HKIA Technovation Board was established to drive innovation and technology development at HKIA. The announcement of the HKIA Technology Roadmap two years later outlined the five key enabling technologies to help us realise our smart airport city vision.

### **What are the key enabling technologies to help enhance various aspects of airport operations?**

1. Advanced biometrics powered by facial recognition will be used to create a single-use digital token enabling passengers to pass through various checkpoints throughout the airport without queuing for document checks.
2. Mobile technology, such as HKG My Flight app, is central to connecting passengers with personalised functions and information, including real-time flight update, boarding alert, airport directional signage translation, and baggage arrival notice.
3. Automation and robotics at critical functions, such as baggage and cargo delivery plus airfield and terminal operations, will enhance efficiency, helping us to meet rising traffic demand and alleviate capacity constraints.
4. Digital Twin – a digital 3D replica of the physical structure and facilities of HKIA – will facilitate holistic airport management, predictive decision making and maintenance. Its application will cover design, construction, operation and maintenance for the full life cycle of our buildings.
5. Big data intelligence is the overarching technology powering the above technologies allowing AAHK to gain insight to further optimise airport operations.

The integrated applications of these technologies will deliver solutions to accelerate our digital transformation.



## What were the major progress and milestones in 2018/19?

Progress was made across key areas, including the installation of 44 e-Security Gates at T1 equipped with facial recognition. New features, such as traffic congestion alerts, online payment for airport parking and a chatbot, were added to our HKG My Flight mobile app. Multifunctional robots were piloted to monitor temperature and Wi-Fi signals in the terminal buildings. Autonomous electric tractor trials were carried out in the apron.

## Which aspect of a Smart Airport are you most excited about?

I am most excited about autonomous electric tractors (AET), as HKIA is pioneering the application of autonomous driving technology in airfield operations. Having completed a driverless trial in March 2019, we are adapting autonomous driving technology onto electric tractors to transport baggage and cargo on the apron. The AET promotes the sustainable development of HKIA by improving the safety and work conditions of tractor drivers while enhancing efficiency in baggage and cargo delivery.

## How will this transformation support HKIA's continued growth?

We expect to handle over 120 million passengers and around 10 million tonnes of cargo by 2035. The expanded usage of innovative technologies will improve operational efficiency and enhance capacity while streamlining airport operations to meet future demand. Other e-facilities, including facial-recognition-powered self-boarding gates and e-transfer gates, are planned for installation in phases. Together, we aim to transform the airport experience by enabling passengers to seamlessly navigate around HKIA.



Alex Kwan, the then Executive Director, Engineering & Technology



Alex (right) demonstrated the reality model of Sky Bridge with 4D Immersive CAVE (Cave Automatic Virtual Environment)





## Community

HKIA is an international aviation hub serving the people of Hong Kong and contributing to the social development of the city.

HKIA has a working population of over 78,000. With the demand for labour in Hong Kong exceeding the available labour force, we continue to invest in the airport community to enhance working conditions as well as attract and nurture talent that will make HKIA an attractive place of employment. We also contribute to the social development of Hong Kong by strategically investing in people and skills development for the aviation industry.

### 2018/19 key achievements

**210 daily bus trips** were added to improve public transport access for airport staff

**Over 40,000 students** were enrolled at the Hong Kong International Aviation Academy (HKIAA)

**Around 170 participants** took part in AAHK's EXTRA MILE community investment project

### Targets

Attain accreditation from the Civil Aviation Department for the HKIAA as an Approved Training Organisation for conducting basic air traffic control training **by 2019/20**

Attain international accreditation for the HKIAA as an ICAO Regional Training Centre of Excellence **by 2022**

Set up the second Airport Preschool to provide childcare services for about 100 children **by 2020/21**

# Careers at HKIA

Over 78,000 people work at HKIA. By 2030, with the opening of the Three-runway System, the number of direct jobs associated with HKIA is expected to increase to 123,000<sup>1</sup>.

Attracting and retaining a team of quality staff with diverse backgrounds and expertise is key to maintaining the smooth operation of HKIA. With the demand for labour, especially skilled workers, in Hong Kong exceeding the available labour force, we are continuing our efforts to secure sufficient workforce for HKIA's current operations and planned expansion through enhancing working conditions as well as attracting and nurturing talent.

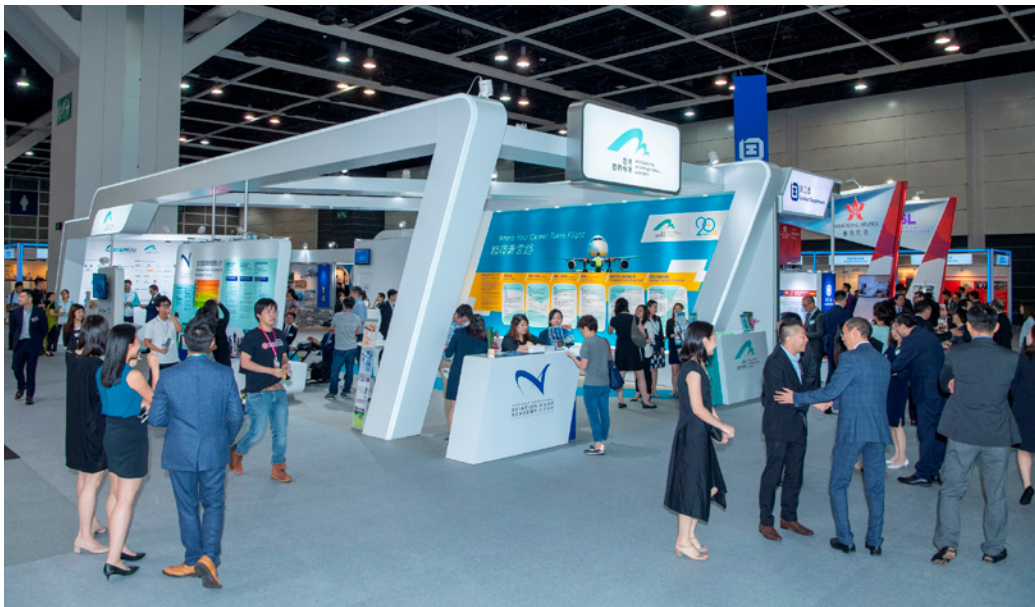
## Enhancing working conditions

- 210 daily bus trips between HKIA and other parts of Hong Kong were added or enhanced with midnight express services and adjusted schedules.
- Enhanced fare concession scheme was introduced for airport community staff.
- Additional staff amenities, including a second pre-school, a community centre, a multi-purpose sports hall and fitness centre, and staff canteen will be included in the new complex under the extension of Car Park 4.

## Attracting and nurturing talent

- The seventh annual HKIA Career Expo was held in June 2018, with over 4,500 positions offered by more than 50 companies across the airport community.
- We regularly organise talks and visits to the airport for students from secondary schools and higher education institutes. In 2018/19, we hosted more than 100 airport visits and briefings for over 3,100 students.
- An eight-week summer internship programme was offered to over 110 students from universities and vocational education institutions.
- In 2018/19, the Hong Kong International Aviation Academy (HKIAA) delivered over 1,200 courses to over 40,000 participants.

<sup>1</sup> Source: 'An Update of Airport Master Plan 2030 Economic Impact Study for HKIA', Enright, Scott & Associates Limited, March 2015



HKIA Career Expo 2018

## Case Study: HKIAA graduate

Q&A with Ray Li, Airport Duty Manager

### **Please introduce yourself – including your current role and years of service at HKIA.**

Since joining AAHK in 2005, I have been rotated to various operational departments to learn about terminal, landside and airside operations at HKIA. Currently, I am the Airport Duty Manager of the Integrated Airport Centre (IAC). As the 'nerve centre' of HKIA, the IAC has different teams to monitor and manage all aspects of real-time airport operations around the clock. Whenever there is an airport incident, my duty is to fix it before it turns into an airport disaster. I work closely with all duty teams and Aviation Security Company Limited, as well as external parties such as Government departments, airlines, ground service handlers, cargo operators, airport catering outlets and public transportation operators.

### **Please tell us about the academic course you were enrolled in and your interest in this area.**

Advancing my education with a master's degree has long been a personal goal. I was thrilled to be sponsored by AAHK to take the Advanced Master in Air Transport Management jointly developed by the Hong Kong International Aviation Academy and École Nationale de l'Aviation Civile (National School of Civil Aviation of France). The programme presented an opportunity to broaden my horizons across other aspects of aviation, including airport management, airline operation, aircraft leasing, ground handling and security. Apart from the knowledge I learned from this course, I have also built up my personal network with classmates from different aviation fields in Hong Kong and other Asian countries.

### **What are your career aspirations in the aviation industry?**

As the future of airports is intrinsically tied to technology, I am fascinated by the vast potential of smart airport development, especially how technology can assist in airport disruption management. My thesis for the programme focused on the application of artificial intelligence and big data technologies to current airport disruption management practices. IoT devices, such as high definition cameras, smart meters and sensors, could supplement the human eye and ear, giving us better visibility of the real-time situation across the airport. Actionable preventative measures generated from data analytics would identify potential defects or disruptions that could not normally be seen by the human eye. I am looking for a way to transfer my operational experience and airport management expertise to a managerial position leading the integration of technology and crisis handling to optimise airport operation management.



## How has the HKIAA helped you move closer to this goal?

HKIAA provided a global perspective with students from eight different regions in aviation-related industries represented in the programme. I benefited tremendously from immersing myself in class discussions and presentations, such as aviation rights and policy topics, with this highly diverse class. This helped me to break down silos and adopt a holistic approach to airport management. Giving me the ability to see the bigger picture is key to success in addressing current challenges and advancing toward my goals for future success.



Ray Li, Airport Duty Manager



# Community Investment

HKIA contributes to the social development of the city by strategically investing in the development of people and skills for the aviation industry. Our flagship EXTRA MILE project was developed after identifying factors that would assist key groups in resolving issues that limit their ability to join the workforce.

## AAHK's community investment vision:

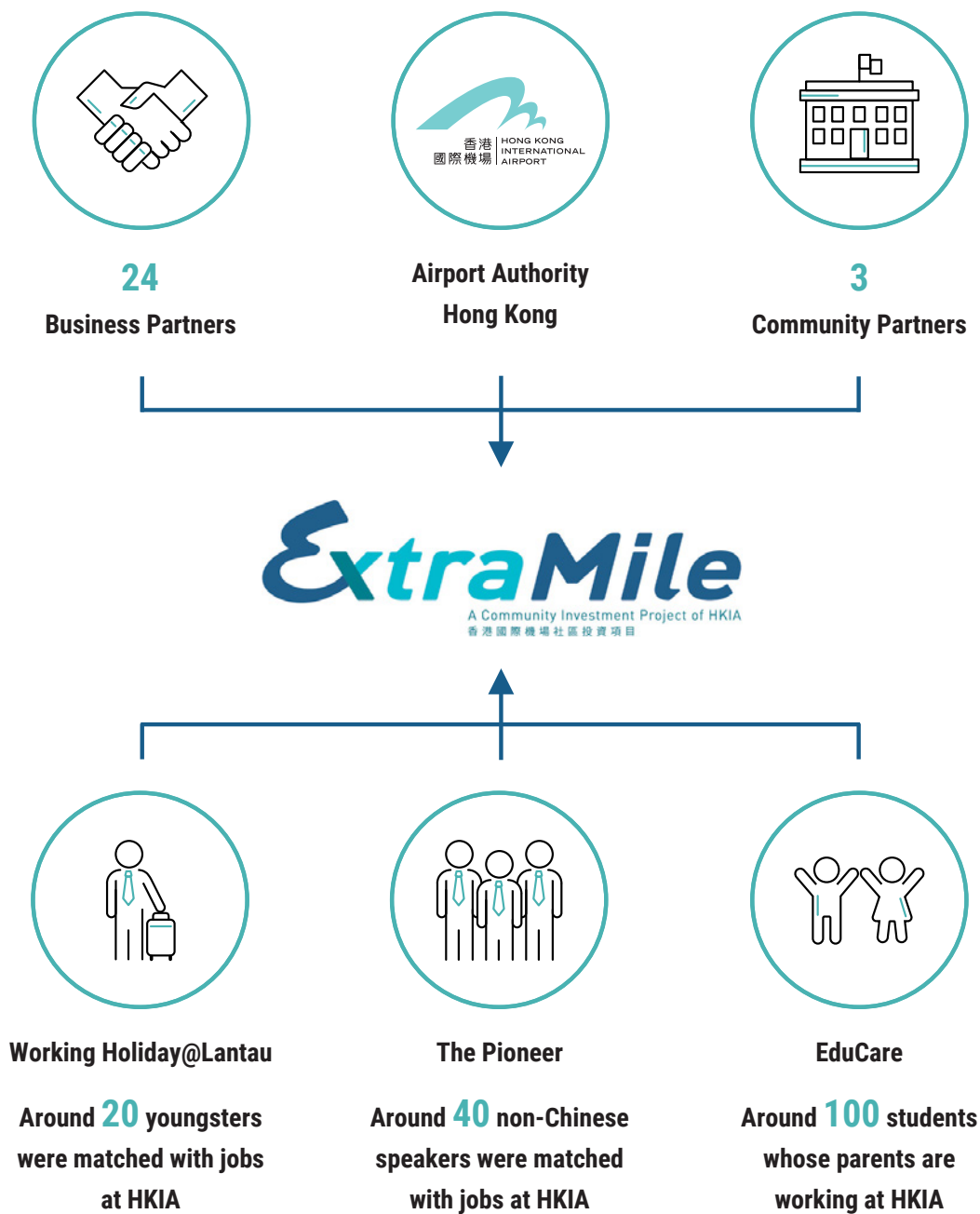
**"To contribute to the social and economic growth of Hong Kong, in particular Lantau and other neighbouring communities, by nurturing talent, realising the potential of individuals, and encouraging participation in aviation-related industries."**

Launched in 2018, the EXTRA MILE project aims to create and promote shared value between the airport community and the wider community. It is a collaborative platform for AAHK, its airport business partners, non-governmental organisations (NGOs) and neighbouring communities that aims to develop and nurture talent, improve social mobility and contribute to the development of HKIA and the community.

The three programmes under the EXTRA MILE project, 'Working Holiday@Lantau', 'The Pioneer' and 'EduCare', focus on creating work opportunities at HKIA for working youth, non-Chinese speakers (NCS) in Hong Kong, and helping airport staff with children respectively.

In 2018/19, over 60 local youngsters and NCS were matched with jobs at HKIA. A further 100 students whose parents are working at HKIA received after-school care services. Nine additional airport business partners joined the project increasing the total to 24.

## EXTRA MILE



## Case Study: EXTRA MILE

Q&A with Michelle Ngai, Loyalty Officer, Hong Kong SkyCity Marriott Hotel – A participant of Working Holiday@Lantau

### **What attracted you to join the Working Holiday@Lantau programme? What do you aim to achieve after completion of this programme?**

Having previously worked at HKIA as a ground staff, I am interested to explore other career opportunities in the aviation industry. My parents recommended me to join the Working Holiday@Lantau programme as it offers a variety of airport-based jobs. Through the programme, I am currently a Loyalty Officer at the Hong Kong SkyCity Marriott Hotel. The co-living component is another attractive element of the programme. Regrettably during my undergraduate studies, I lived at home and missed the experience of living on campus during my undergraduate years. I hope to make up for the lost opportunity and to build new friendships with my roommates and other participants of the programme in the coming year.

By participating in this programme, I hope I can break through my comfort zone propelling personal growth towards a better version of myself.



Michelle Ngai, Loyalty Officer, Hong Kong SkyCity Marriott Hotel – A participant of Working Holiday@Lantau

Q&A with Pavandeep Dhillon Kaur, Accounting Assistant, Asia Airfreight Terminal Company Limited – A participant of The Pioneer

### **What do you see as the biggest value offered by The Pioneer programme to non-Chinese speakers?**

The Pioneer opens up career opportunities at large corporations that often may not be accessible to non-Chinese speakers. As a person of Indian descent Sikh born-and-bred in Hong Kong, the opportunities are generally limited. I was worried about my future after working seven years as a clerk for a shipping company with few prospects for advancement.

Through the Pioneer programme, I am currently an Accounting Assistant at the Asia Airfreight Terminal Company Limited (AAT), an air cargo terminal at HKIA. As the first non-Chinese in the office, AAT provides an inclusive work environment that values the diversity of its staff making me feel truly a member of the team. I hope more companies in Hong Kong will hire non-Chinese speakers so that we can contribute to a growing and prosperous Hong Kong.



Pavandeep Dhillon Kaur, Accounting Assistant, Asia Airfreight Terminal Company Limited – A participant of The Pioneer

Q&A with Mrs Tsui, Forklift Driver, A&S (HK) Logistics Limited – A participant of EduCare

### **How has the livelihood of your family been impacted by EduCare programme?**

As a mother of two young children in primary school, the EduCare programme has allowed me pursue a full-time job as a forklift driver at A&S (HK) Logistics Limited with the peace of mind that my kids will be cared for after school. Moreover, the subsidised programme provides affordable after-school tutorial support to many of the working parents in the neighbourhood. Now I have more free time to prepare nutritious meals and plan for their extracurricular activities.



Mrs Tsui (middle), Forklift Driver, A&S (HK) Logistics Limited – A participant of EduCare



# About this Report

## About AAHK

Established in 1995, Airport Authority Hong Kong (AAHK) is a statutory body wholly-owned by the Hong Kong SAR Government and governed by the Airport Authority Ordinance (Chapter 483, The Laws of Hong Kong). Guided by the Ordinance and the objective of maintaining Hong Kong's competitiveness as a global and regional aviation hub, AAHK is responsible for the provision, operation, development and maintenance of Hong Kong International Airport (HKIA), and the provision of facilities, amenities or industry at or from any place on the airport island, and other airport-related activities as permitted by the Airport Authority (Permitted Airport-related Activities) Order (Cap. 483E). AAHK is required to conduct its business according to prudent commercial principles and with due regard for the safe and efficient movement of aircraft, passengers and cargo.

## Report Profile & Reporting Framework

AAHK's seventh annual sustainability report covers the fiscal year 2018/19 ended 31 March 2019.

The report provides a comprehensive account of AAHK's management approach and performance towards sustainability in 2018/19 as well as a brief outline of its future plans and targets for key areas of sustainability.

The report covers AAHK's core business in Hong Kong over which it has direct management control and does not include AAHK's subsidiaries and joint ventures. Information about our subsidiaries and joint ventures can be found in our [Annual Report 2018/19](#). However, reference is made to AAHK's subsidiaries and outsourced operations where relevant. The report also explains how AAHK engages with its stakeholders and collaborates with its business partners in addressing sustainability issues and improving HKIA's overall sustainability performance.

This report has been prepared in accordance with the Global Reporting Initiative's GRI Standards: Core option and the GRI G4 Airport Operators Sector Disclosures. The GRI Content Index sets out the sections where the relevant details or data can be found in this report.

## GRI Content Index

Airport Authority Hong Kong (AAHK)'s Sustainability Report 2018/19 was prepared in accordance with GRI Standards: Core option. It also reports on the GRI G4 Airport Operator Sector Disclosures. The information reported against the recommended disclosures of the abovementioned guidelines is referenced as set out in the table below.

## GRI Standards > General Disclosures

### GRI 102: General Disclosures 2016

#### Organisational Profile

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
102-1	Name of the organisation		Airport Authority Hong Kong
102-2	Activities, brands, products, and services	<ul style="list-style-type: none"> <li>• <a href="#">About This Report</a></li> <li>• <a href="#">Corporate Website: Introduction</a></li> </ul>	
102-3	Location of headquarters		Hong Kong
102-4	Location of operations		Hong Kong and the Mainland. AAHK is involved in the operation and management of three airports in the Mainland via joint ventures: Shanghai Hongqiao International Airport, Hangzhou Xiaoshan International Airport and Zhuhai Airport.
102-5	Ownership and legal form		AAHK is a statutory body wholly owned by the HKSAR Government and governed by the Airport Authority Ordinance ( <a href="#">Chapter 483, The Laws of Hong Kong</a> ).

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
102-6	Markets served	<a href="#">Annual Report 2018/19</a> (pages 55, 62, 84, 88, 160)	As at March 2019, over 120 airlines were operating at Hong Kong International Airport (HKIA), connecting Hong Kong to over 220 destinations worldwide.
102-7	Scale of the organisation	<ul style="list-style-type: none"> <li>• <a href="#">About This Report</a> (Performance Data)</li> <li>• <a href="#">Annual Report 2018/19</a> (pages 84, 87, 99, 101, 133)</li> <li>• <a href="#">Corporate Website:</a> <a href="#">HKIA Fact Sheet</a></li> </ul>	
102-8	Information on employees and other workers	<ul style="list-style-type: none"> <li>• <a href="#">About This Report</a> (Performance Data)</li> </ul>	
<p>All AAHK's employees (2018/19: 2,602) are full-time employees.</p> <p>AAHK outsources many of the airport's operational functions to franchisees, tenants and Government departments. AAHK conducts workforce survey amongst the companies and organisations operating at HKIA from time to time to update the manpower situation and projection to facilitate related planning of HKIA. The latest survey was conducted in 2019. According to the 2019 Survey, there were about 78,000 people working at HKIA.</p>			
102-9	Supply chain	<ul style="list-style-type: none"> <li>• <a href="#">Airport City</a> (Economic Contribution)</li> </ul>	
102-10	Significant changes to the organisation and its supply chain	<ul style="list-style-type: none"> <li>• <a href="#">Airport City</a> (Economic Contribution)</li> <li>• <a href="#">Airport City (Expanding Capacity and Functionality)</a></li> <li>• <a href="#">About This Report</a> (Performance Data)</li> </ul>	AAHK acquired AsiaWorld-Expo Management Limited, the company that operates AsiaWorld-Expo in September 2018.
102-11	Precautionary Principle or approach	<ul style="list-style-type: none"> <li>• <a href="#">Annual Report 2018/19</a> (pages 44 to 47)</li> </ul>	
102-12	External initiatives		

**Airport- / Aviation-related (year of adoption by AAHK)**

- Airport Authority Ordinance, Chapter 483, The Laws of Hong Kong\* (1995)
- Aerodrome Licensing Requirements Document, Civil Aviation Department\* (1998)
- ICAO International Standards and Recommended Practices\* (1998)

**Corporate Governance**

- Companies Ordinance, Chapter 622, The Laws of Hong Kong (1998)
- Corporate Governance Code and Corporate Governance Report, Appendix 14 of the Listing Rules of Hong Kong Stock Exchange (2002/03)

**Environment**

- Clean Air Charter, Hong Kong General Chamber of Commerce & Hong Kong Business Coalition on the Environment (2007)
- Hong Kong Green Purchasing Charter, Green Council (2007)
- Programme on Source Separation of Commercial and Industrial Waste, Environmental Protection Department (EPD) (2007)
- Aviation Industry Commitment to Action on Climate Change, Enviro.aero (2008)
- Carbon Reduction Charter: Carbon Audit • Green Partner, EPD (2008)
- Manifesto for Energy Efficiency in Buildings, World Business Council for Sustainable Development (2012)
- Energy Saving Charter on 'No ILB', Electrical and Mechanical Services Department (2013)
- Food Wise Charter, EPD (2013)
- 'Let's Save 10L Water' Campaign, Water Supplies Department (2013)
- The Greening Partner Charter, Development Bureau (2013)
- Wood Recycling & Tree Conservation Scheme, Hong Kong Environmental Protection Association (2013)
- Waste Check Charter, EPD (2015)
- Hong Kong Cooking Oil Registration Scheme, Hong Kong Quality Assurance Agency (HKQAA) (2015)
- Hong Kong Zero Carbon Partnership, The University of Hong Kong (2015)
- HKQAA Hong Kong Registration - Recycling Services, HKQAA (2015)
- Innovation Partner of CarbonCare Open Innovation Lab, CarbonCare InnoLab (2015)

**Safety**

- Occupational Safety Charter, Occupational Safety and Health Council (2001)

**Social Responsibility**

- Talent-Wise Employment Charter and Inclusive Organisations Recognition Scheme, Labour and Welfare Bureau (2013)

**Others**

- Agreement on Government Procurement of the World Trade Organization\* (1998)

\* AAHK has an obligation to comply with these principles and charters.

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
102-13	Membership of associations		
<p><b>Chair/Co-chair/Vice-chair</b></p> <ul style="list-style-type: none"> <li>Airports Council International (ACI) World Environment Standing Committee</li> <li>ACI Asia-Pacific Regional Board</li> <li>Aviation Fuel Facility Management Association of HKIA</li> </ul> <p><b>Member</b></p> <ul style="list-style-type: none"> <li>ACI</li> <li>ACI Asia-Pacific</li> <li>Association for Project Management</li> <li>Aviation Security Committee, Security Bureau</li> <li>Business Environment Council</li> <li>Energy Liaison Group, HKSAR Government</li> <li>Hong Kong Association for Customer Service Excellence</li> <li>Hong Kong Internet of Things Alliance</li> <li>Hong Kong Logistics Development Council</li> <li>Hong Kong Trade Development Council – Logistics Services Advisory Committee</li> <li>ICAO TRAINAIR PLUS</li> <li>Occupational Safety and Health Council – Logistics and Freight Transport Industry Safety and Health Committee</li> <li>Occupational Safety and Health Working Group of the Commerce, Industry and Housing Committee of Tuen Mun District Council</li> <li>Pharma.Aero</li> <li>The Hong Kong Green Building Council</li> <li>The Lighthouse Club Hong Kong</li> </ul> <p><b>Trustee</b></p> <ul style="list-style-type: none"> <li>The International Air Cargo Association</li> </ul>			



## Strategy

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
102-14	Statement from senior decision-maker	<ul style="list-style-type: none"> <li>• <a href="#">Chairman's Message</a></li> <li>• <a href="#">CEO's Message</a></li> </ul>	

## Ethics and Integrity

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
102-16	Values, principles, standards, and norms of behaviour	<ul style="list-style-type: none"> <li>• <a href="#">Our People (Strengthening Corporate Culture)</a></li> <li>• <a href="#">Corporate Website: Vision, Mission &amp; Values</a></li> </ul>	

## Governance

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
102-18	Governance structure	<ul style="list-style-type: none"> <li>• <a href="#">Our Approach (Our Approach to Sustainability)</a></li> <li>• <a href="#">Annual Report 2018/19 (pages 17, 21 to 26)</a></li> </ul>	

## Stakeholder Engagement

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
102-40	List of stakeholder groups	<ul style="list-style-type: none"> <li>• <a href="#">Our Approach (Stakeholder Engagement)</a></li> </ul>	
102-41	Collective bargaining agreements		Not reported – The majority of AAHK employees are in Hong Kong where there is no statutory recognition of collective bargaining agreements.
102-42	Identifying and selecting stakeholders	<ul style="list-style-type: none"> <li>• <a href="#">Our Approach (Stakeholder Engagement)</a></li> </ul>	
102-43	Approach to stakeholder engagement	<ul style="list-style-type: none"> <li>• <a href="#">Our Approach (Stakeholder Engagement)</a></li> </ul>	
102-44	Key topics and concerns raised	<ul style="list-style-type: none"> <li>• <a href="#">Our Approach (Materiality Assessment)</a></li> <li>• <a href="#">Our Approach (Stakeholder Engagement)</a></li> </ul>	

## Reporting Practices

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
102-45	Entities included in the consolidated financial statements	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Report Profile and Reporting Framework)</a></li> <li>• <a href="#">Annual Report 2018/19 (pages 117 to 122)</a></li> </ul>	
102-46	Defining report content and topic Boundaries	<ul style="list-style-type: none"> <li>• <a href="#">Our Approach (Materiality Assessment)</a></li> </ul>	
102-47	List of material topics	<ul style="list-style-type: none"> <li>• <a href="#">Our Approach (Materiality Assessment)</a></li> </ul>	
102-48	Restatements of information	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Performance Data)</a></li> </ul>	

Chairman & CEO's Messages	Our Approach	Our People	World-class Gateway	Greenest Airport	Airport City	Community	About This Report
102-49	Changes in reporting	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Report Profile and Reporting Framework)</a></li> </ul>					
102-50	Reporting period	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Report Profile and Reporting Framework)</a></li> </ul>					
102-51	Date of most recent report	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Report Profile and Reporting Framework)</a></li> </ul>					
102-52	Reporting cycle	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Report Profile and Reporting Framework)</a></li> </ul>					
102-53	Contact point for questions regarding the report	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Your Feedback)</a></li> </ul>					
102-54	Claims of reporting in accordance with the GRI Standards	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Report Profile and Reporting Framework)</a></li> </ul>					
102-55	GRI content index	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Report Profile and Reporting Framework)</a></li> </ul>					
102-56	External assurance	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Verification Statement)</a></li> </ul>					

## GRI Standards > Material topics

### GRI 200 Economic Standard Series

#### Economic Performance

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>• <a href="#">Airport City (Expanding Capacity and Functionality)</a></li> </ul>	
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>• <a href="#">Airport City (Economic Contribution)</a></li> </ul>	
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>• <a href="#">Annual Report 2018/19 (pages 83 to 88)</a></li> </ul>	
<b>GRI 201: Economic Performance 2016</b>			
201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Performance Data)</a></li> </ul>	
201-3	Defined benefit plan obligations and other retirement plans	<ul style="list-style-type: none"> <li>• <a href="#">Annual Report 2018/19 (pages 129 to 132)</a></li> </ul>	
201-4	Financial assistance received from government		AAHK did not receive any material financial assistance from the HKSAR Government during the reporting period.

## Market Presence

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its Boundary		
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>• <a href="#">Airport City (Economic Contribution)</a></li> <li>• <a href="#">Annual Report 2018/19 (pages 58 to 59)</a></li> </ul>	
103-3	Evaluation of the management approach		
<b>GRI 202: Market Presence 2016</b>			
202-2	Proportion of senior management hired from the local community	<ul style="list-style-type: none"> <li>• <a href="#">Annual Report 2018/19 (pages 12 to 15)</a></li> <li>• <a href="#">Corporate Website: Board &amp; Management</a></li> </ul>	



## Indirect Economic Impacts

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>• <a href="#">Airport City (Expanding Capacity and Functionality)</a></li> </ul>	
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>• <a href="#">Airport City (Economic Contribution)</a></li> <li>• <a href="#">Airport City (Smart Airport)</a></li> </ul>	
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>• <a href="#">Website: From City Airport to Airport City</a></li> <li>• <a href="#">Economic Impact Study 2015</a></li> </ul>	
<b>GRI 203: Indirect Economic Impacts 2016</b>			
203-1	Infrastructure investments and services supported	<ul style="list-style-type: none"> <li>• <a href="#">Airport City (Expanding Capacity and Functionality)</a></li> <li>• <a href="#">Airport City (Smart Airport)</a></li> <li>• <a href="#">Corporate Website: Three-runway System</a></li> </ul>	
203-2	Significant indirect economic impacts	<ul style="list-style-type: none"> <li>• <a href="#">Airport City (Expanding Capacity and Functionality)</a></li> <li>• <a href="#">Airport City (Smart Airport)</a></li> <li>• <a href="#">Corporate Website: Three-runway System</a></li> <li>• <a href="#">Economic Impact Study 2015</a></li> </ul>	

## GRI 300 Environmental Standard Series

## Energy

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its Boundary		
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>• <a href="#">Greenest Airport (Approach to Environmental Management)</a></li> <li>• <a href="#">Corporate Website: Environment</a></li> </ul>	
103-3	Evaluation of the management approach		
<b>GRI 302: Energy 2016</b>			
302-1	Energy consumption within the organisation	<ul style="list-style-type: none"> <li>• The total energy consumption<sup>1</sup> within the organisation in 2018/19 was 1,123,225 GJ</li> </ul> <p><sup>1</sup> Relevant conversion factors sourced from '2018 Key World Energy Statistics of International Energy Agency' and 'BP Statistical Review of World Energy June 2018' were applied.</p>	
302-3	Energy intensity	<ul style="list-style-type: none"> <li>• <a href="#">Greenest Airport (Carbon and Energy Management)</a></li> <li>• <a href="#">About This Report (Performance Data)</a></li> </ul>	
302-4	Reduction of energy consumption	<ul style="list-style-type: none"> <li>• <a href="#">Greenest Airport (Carbon and Energy Management)</a></li> </ul>	

## Emissions

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its Boundary		
103-2	The management approach and its components	<ul style="list-style-type: none"> <li><a href="#">Greenest Airport (Carbon and Energy Management)</a></li> </ul>	
103-3	Evaluation of the management approach		
<b>GRI 305: Emission 2016</b>			
305-1	Direct (Scope 1) GHG emissions		
305-2	Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> <li><a href="#">About This Report (Performance Data)</a></li> </ul>	
305-3	Other indirect (Scope 3) GHG emissions		
305-4	GHG emissions intensity		

## Effluents and Waste

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its Boundary		
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>• <a href="#">Greenest Airport (Waste Management)</a></li> </ul>	
103-3	Evaluation of the management approach		
<b>GRI 306: Effluents and Waste 2016</b>			
306-2	Waste by type and disposal method	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Performance Data)</a></li> </ul>	

## GRI 400 Social Standard Series

## Employment

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its Boundary		
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>• <a href="#">Our People</a></li> </ul>	
103-3	Evaluation of the management approach		
<b>GRI 401: Employment 2016</b>			
401-1	New employee hires and employee turnover	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Performance Data)</a></li> </ul>	
401-3	Parental leave		



## Occupational Health and Safety

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> <li>World-class Gateway (Safety and Security)</li> </ul>	
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>World-class Gateway (Contingency Planning)</li> </ul>	
103-3	Evaluation of the management approach	<ul style="list-style-type: none"> <li>Sustainability Report 2014/15 – Airport Safety (page 45)</li> </ul>	
<b>GRI 403: Occupational Health and Safety 2016</b>			
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	<ul style="list-style-type: none"> <li>About This Report (Performance Data)</li> </ul>	

## Training and Education

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its Boundary		
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>• <a href="#">Our People</a></li> </ul>	
103-3	Evaluation of the management approach		
<b>GRI 404: Training and Education 2016</b>			
404-1	Average hours of training per year per employee	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Performance Data)</a></li> </ul>	

## Diversity and Equal Opportunity

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its Boundary		
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>• <a href="#">Our People</a></li> </ul>	
103-3	Evaluation of the management approach		
<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
405-1	Diversity of governance bodies and employees	<ul style="list-style-type: none"> <li>• <a href="#">Annual Report 2018/19 (pages 12-15)</a></li> <li>• <a href="#">About This Report (Performance Data)</a></li> </ul>	
405-2	Ratio of basic salary and remuneration of women to men	<ul style="list-style-type: none"> <li>• <a href="#">About This Report (Performance Data)</a></li> </ul>	

## Customer Health and Safety

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its Boundary		
103-2	The management approach and its components	<ul style="list-style-type: none"> <li>World-class Gateway (Safety and Security)</li> <li>World-class Gateway (Contingency Planning)</li> </ul>	
103-3	Evaluation of the management approach		
<b>GRI 416: Customer Health and Safety 2016</b>			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		There were no significant fines and sanctions for legal and regulatory non-compliance during the report period.

## GRI G4 Airport Operators Sector Disclosures

### Market Presence

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
G4-A01	Total number of passengers annually		
G4-A02	Total annual number of aircraft movements	<ul style="list-style-type: none"> <li><a href="#">About This Report (Performance Data)</a></li> </ul>	
G4-A03	Total amount of cargo tonnage		

### Effluents and Waste

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
G4-A06	Aircraft and pavement de-icing / anti-icing fluid used and treated		This indicator is not applicable to HKIA. De-icing / anti-icing is not required due to the climate of HKIA's geographic location.

### Customer Health and Safety

Disclosure	Description	Sustainability Report 2018/19 / Other references	AAHK's direct response / reasons for omission
G4-A09	Wildlife strikes	<ul style="list-style-type: none"> <li><a href="#">Sustainability Report 2013/14 – Wildlife Hazard Management (page 26)</a></li> </ul>	The index of birdstrikes per 10,000 aircraft movements in 2018/19 is 0.65.

## Correlation between AAHK's most important sustainability issues and GRI Standards

Material issues – Definition		Related GRI Standards
<b>Economic &amp; Society</b>		
1. Air cargo strategy – Strengthen HKIA's air cargo leadership.		Market Presence Indirect Economic Impacts
2. Branding & reputation – Enhance the brand and reputation of AAHK/HKIA.		
3. Connectivity – Strengthen HKIA as the leading international aviation hub, including expansion of HKIA's catchment into the Greater Bay Area.		Market Presence
4. Economic contribution – Strengthen HKIA as a key engine for the economic growth of Hong Kong, including job creation, supporting and creating new opportunities for the four key pillar industries.		Indirect Economic Impacts
5. Infrastructure development – Manage and execute existing and planned significant infrastructure development at HKIA, e.g. the Three-runway System project and other capacity enhancement projects.		Indirect Economic Impacts
<b>Environment</b>		
6. Carbon & energy – Manage the energy consumption and greenhouse gas emissions generated from the operation and development of HKIA.		Energy Emissions
7. Green design & construction – Apply AAHK's green building design strategy and practices in construction projects.		
8. Waste – Manage the solid waste generated from the operation and development of HKIA.		Effluents and Waste
<b>Operating Practices</b>		
9. Airport safety & security – Provide and maintain a safe aerodrome, and ensure the safety and security of passengers, employees, cargo and other operators at HKIA.		Customer Health and Safety
10. Compliance with laws & regulations – Ensure compliance with laws and regulations applicable to AAHK's own operation.		
11. Contingency planning – Identify and manage potentially disruptive situations, and respond to and recover airport operations from disruptions and crises.		
12. Capacity constraints – Address HKIA's capacity constraints under the two-runway system in light of rising air traffic demand.		Economic Performance Indirect Economic Impacts
13. Customer experience – Maintain the highest standards of service quality and enhance customer experience.		
14. Information security – Protect the confidentiality and integrity of AAHK's own information assets and personal data.		
15. Facilities management – Manage buildings, plant and equipment to maintain the highest levels of operational efficiency and quality.		
16. Innovation & technology – Facilitate the adoption of innovation and technology at HKIA, e.g. robotics, data analytics.		
<b>People</b>		
17. Attracting talent – Strengthen AAHK's ability to attract and recruit the right talent.		Employment
18. Employee engagement – Develop a team of highly engaged employees who share the same vision and passion to make HKIA the pride of Hong Kong.		Employment
19. Employee rights – Respect AAHK staff's basic rights at the work place such as equal opportunities, diversity and grievance mechanism.		Employment
20. Employee well-being – Enhance AAHK's employee well-being.		Employment Occupational Health and Safety
21. Ethics & integrity – Maintain the highest level of integrity and honesty in conducting the affairs of AAHK and performing duties.		
22. Occupational health & safety – Provide a safe and healthy work environment for AAHK staff.		Occupational Health and Safety
23. Retention and turnover – Monitor turnover and strengthen AAHK's ability to retain staff.		Employment Training and Education
24. Succession planning – Identify and develop talent at all levels within AAHK to meet evolving business needs and support long-term development.		Training and Education
25. Training & career development – Provide training to AAHK staff to ensure that they are equipped with the necessary competencies and skills.		Training and Education



## Performance Data

The performance data presented in this report covers the 2018/19 fiscal year unless otherwise stated. Where available, data for previous fiscal years has been included to facilitate comparison and analysis. The financial data used in this report was extracted from AAHK's audited consolidated financial statements for the year ended 31 March 2019. Other data is provided in accordance with the GRI Standards and the Airport Operators Sector Disclosure requirements unless otherwise stated. Standards and methodologies for compiling the data, as well as explanations of any restatements, are given where appropriate.

## Economic Performance<sup>1</sup>

	Unit	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Economic value generated</b>						
Revenue	HK\$ million	16,367	18,184	18,627	21,994	<b>19,470</b>
<b>Economic value distribution</b>						
Operating costs	HK\$ million	5,053	5,848	5,796	6,058	<b>7,027</b>
Employee wages and benefits	HK\$ million	1,786	2,082	2,360	2,825	<b>3,182</b>
Payments to providers of funds <sup>2</sup>	HK\$ million	5,434	132	138	75	<b>79</b>
Payments to government <sup>3</sup>	HK\$ million	1,099	1,512	1,093	1,810	<b>1,498</b>
Financial donations	HK\$ million	2	3	5	4	<b>4</b>
<b>Economic value retained<sup>4</sup></b>	HK\$ million	<b>4,781</b>	<b>10,692</b>	<b>11,600</b>	<b>14,051</b>	<b>10,866</b>

<sup>1</sup> Economic performance covers the direct economic values generated and distributed from the reporting organisation (i.e. AAHK) as defined in GRI 201-1. The relevant performance data was extracted from AAHK's audited consolidated financial statements.

<sup>2</sup> Since the year ended 31 March 2015, no dividend has been declared pursuant to the financial arrangement plan for the Three-runway System project.

<sup>3</sup> Hong Kong Profits Tax paid to the HKSAR Government.

<sup>4</sup> 'Economic value retained' is derived by subtracting 'Operating costs', 'Payments to providers of funds' and 'Payments to government' from 'Economic value generated', given that 'Operating costs' includes 'Employee wages and benefits' and 'Financial donations'.

## Operational Performance

### Air Traffic Data

	Unit	2014/15	2015/16	2016/17	2017/18	2018/19
Passenger traffic <sup>1</sup>	Millions of passengers	64.7	69.7	70.5	73.6	<b>75.1</b>
Cargo throughput <sup>2</sup>	Millions of tonnes	4.5	4.4	4.7	5.1	<b>5.1</b>
Aircraft movement <sup>3</sup>	Thousands	396	410	410	423	<b>429</b>

<sup>1</sup> Total number of passengers includes originating, terminating, transfer and transit passengers. Transfer and transit passengers are counted twice. The number of passengers broken down by passengers on international and domestic flights is not relevant for AAHK as all passengers are classified as international. Origin-and-destination and transfer and transit data is not reported as it is considered commercially sensitive.

<sup>2</sup> The scope of cargo tonnage in 2018/19 has been revised to include import, export and transshipment (counted twice) cargo and airmail. The 2014/15, 2015/16, 2016/17 and 2017/18 figures have been restated to facilitate comparison with the 2018/19 figure. Cargo tonnage broken down by cargo transported on all-cargo flights and on passenger flights is not reported as the data is considered commercially sensitive.

<sup>3</sup> Aircraft movements include civil international passenger, cargo and non-revenue flights. Military and local flights are excluded. Aircraft movements by day and by night, broken down by commercial passenger, commercial cargo, general aviation and state aviation is not reported as the data is considered commercially sensitive.

### Connectivity

	Unit	2014/15	2015/16	2016/17	2017/18	2018/19
Passengers using land-based cross-boundary transport at HKIA	Thousands of passengers	2,035	2,068	1,978	2,041	<b>1,971</b>
Number of cross-border land destinations served by coach and SkyLimo at HKIA	Number	110	110	110	110	<b>110</b>
Passengers using SkyPier	Thousands of passengers	2,809	2,812	2,593	2,569	<b>2,494</b>
Number of cross-border seaports SkyPier serves	Number	8	9	9	9	<b>9</b>

## Customer Satisfaction

	Unit	2014	2015	2016	2017	2018
Airport Service Quality (ASQ) overall satisfaction score <sup>4</sup>	Score (out of 5)	4.85	4.86	4.86	4.86	<b>4.87</b>
Annual mean score of passengers feeling safe and secure <sup>4,5</sup>	Score (out of 5)	4.80	4.82	4.81	4.84	<b>4.84</b>

<sup>4</sup> According to the Airports Council International (ACI)'s ASQ Survey, which is based on performance in a calendar year (i.e. 1 January to 31 December).

<sup>5</sup> This is an aspect covered in the ACI's ASQ Survey.

## Index of Complaints

	Unit	2014/15	2015/16	2016/17	2017/18	2018/19
Index of complaints received per million passengers	Number	29.9	33.3	32.5	34.0	<b>31.4</b>

## Airport Safety Performance

	Unit	2014/15	2015/16	2016/17	2017/18	2018/19
Airport Composite Safety Index <sup>6</sup>	Injury rate per million passengers	4.85	4.04	3.94	3.25	<b>2.78</b>
Index of birdstrikes per 10,000 aircraft movements	Number	0.43	0.37	0.61	0.47	<b>0.65</b>
Availability of airfield ground lighting <sup>7</sup>	Percentage	100.00	100.00	99.99	100.00	<b>100.00</b>

<sup>6</sup> The Airport Composite Safety Index is a safety performance indicator that measures the number of injuries arising from passengers and staff, with respect to the number of passengers.

<sup>7</sup> The availability of airfield ground lighting is determined in accordance with the requirements of ICAO's Annex 14 of the Convention on International Civil Aviation. The percentage of availability = [(Total operation hour – System down time) / Total operation hour] x 100%. The percentages are rounded to two decimal points for reporting purposes. However, in 2013/14 and 2014/15, there were incidents which resulted in system downtime and the overall availability was not precisely 100%.

# Environmental Performance

## Waste Management

	Unit	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Waste sent to landfill</b>						
Waste sent to landfill (absolute)	Tonnes	21,934	23,422	25,373	26,642	<b>25,410</b>
Waste sent to landfill (intensity)	kg per passenger	0.339	0.336	0.360	0.362	<b>0.338</b>
<b>Recycling performance</b>						
HKIA's recycling rate	Percentage	12.2	7.5	8.4	8.7	<b>11.3</b>
Recyclables collected	kg per passenger	0.047	0.027	0.033	0.035	<b>0.043</b>
<b>Recyclables collected by type</b>						
Paper and cardboard	Tonnes	2,578	1,593	1,801	2,002	<b>2,400</b>
Plastic	Tonnes	142	176	274	290	<b>202</b>
Metal and cans	Tonnes	97	38	61	82	<b>72</b>
Wooden pallets and boxes	Tonnes	5	28	31	41	<b>146</b>
Glass	Tonnes	2	3	10	16	<b>143</b>
<b>Food waste and surplus food collected</b>						
Food Waste						
To compost <sup>1</sup>	Tonnes	87	22	24	4	–
To fishmeal	Tonnes	1,150	1,324	2,131	2,025	<b>2,137</b>
Surplus food via the HKIA Food Rescue Programme	Tonnes	17.5	36.0	37.3	44.1	<b>37.9</b>
<b>Chemical waste collected</b>						
Chemical waste <sup>2</sup>	Tonnes	10	9	23	13	<b>8</b>

<sup>1</sup> In 2018/19, food waste collected from AAHK's facilities was converted to fishmeal only (no composting).

<sup>2</sup> AAHK adopts the 'chemical waste' categorisation as specified under the Waste Disposal Ordinance (Chapter 354, The Laws of Hong Kong). The figure includes waste lubricating oil and used mercury-containing fluorescent tubes collected by registered chemical waste collector for disposal.

## Energy Management

	Unit	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Fuel consumed by type</b>						
Diesel	Litres	1,087,730	1,059,614	961,940	1,054,576	<b>1,085,913</b>
Petrol	Litres	107,837	112,298	120,192	124,774	<b>112,797</b>
LPG	Litres	15,923	12,627	6,367	18,491	<b>19,765</b>
<b>Electricity consumed</b>						
Electricity	kWh ('000)	282,565	279,461	308,327	293,595	<b>299,760</b>
Electricity consumption per passenger	kWh per passenger	4.37	4.00	4.38	3.99	<b>3.99</b>

## Greenhouse Gas (GHG) Emission<sup>3</sup>

	Unit	2014	2015	2016	2017	2018
<b>Scope 1 – Direct emissions</b>						
Stationary combustion	Tonnes ('000) of CO <sub>2</sub> e	0.10	0.09	0.13	0.12	<b>0.15</b>
Mobile combustion	Tonnes ('000) of CO <sub>2</sub> e	2.79	3.08	2.70	2.91	<b>3.06</b>
Fugitive emissions	Tonnes ('000) of CO <sub>2</sub> e	5.84	5.98	4.77	6.56	<b>6.90</b>
<b>Scope 2 – Indirect emissions</b>						
Electricity <sup>4</sup>	Tonnes ('000) of CO <sub>2</sub> e	178.43	150.08	165.25	150.74	<b>151.14</b>
<b>Scope 3 – Other indirect emissions<sup>5</sup></b>						
Other indirect emissions	Tonnes ('000) of CO <sub>2</sub> e	0.53	0.52	0.43	0.48	<b>0.46</b>
<b>Emissions avoided</b>						
By tree planting and paper recycling	Tonnes ('000) of CO <sub>2</sub> e	0.35	0.45	0.61	0.67	<b>1.13</b>
<b>GHG net emissions</b>						
GHG net emissions (absolute)	Tonnes ('000) of CO <sub>2</sub> e	187.34	159.30	172.67	160.14	<b>160.58</b>
GHG net emissions (intensity)	kg CO <sub>2</sub> e / WLU <sup>6</sup>	1.75	1.42	1.49	1.31	<b>1.28</b>

<sup>3</sup> GHG emissions are reported for the calendar year. The methodologies and emission factors applied for the development of a GHG emissions inventory are in accordance with the 'Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong, 2010 Edition' issued by Electrical and Mechanical Services Department and Environmental Protection Department. AAHK follows the operational control approach in defining its organisational boundary, which covers buildings and facilities that AAHK has control over. The inventory covered seven types of GHG, namely carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF<sub>6</sub>) and chlorodifluoromethane (HCFC-22).

<sup>4</sup> The emission factor for each respective year as provided by CLP Power Hong Kong Limited, AAHK's electricity provider, was applied.

<sup>5</sup> Scope 3 emissions are the GHG generated from paper disposal at landfill and electricity consumption for processing fresh water and sewage.

<sup>6</sup> One workload unit (WLU) is either 1 passenger or 100kg of cargo.



## Water Management<sup>7</sup>

	Unit	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Water withdrawal by source</b>						
Seawater	m <sup>3</sup> ('000)	85,788	90,179	91,739	80,711	<b>78,492</b>
Municipal water	m <sup>3</sup> ('000)	656	610	377	383	<b>380</b>
Water recycled/reused	m <sup>3</sup> ('000)	179	185	204	201	<b>167</b>
Total water discharge <sup>8</sup>	m <sup>3</sup> ('000)	477	425	173	182	<b>213</b>

<sup>7</sup> AAHK uses a "triple water system" to improve the efficiency of our three major water sources: freshwater, seawater and treated wastewater. Details are available on our [website](#).

<sup>8</sup> The volume of wastewater discharge is estimated by subtracting the volume of wastewater recycled from our municipal water consumption. Under the Water Pollution Control Ordinance (Chapter 358, The Laws of Hong Kong), AAHK holds a number of licences which require the monitoring of water quality using the following parameters: flow rate (m<sup>3</sup>/day), total residue chlorine, amines, temperature, antifoulant, suspended solids, chemical oxygen demand, oil and grease, surfactants (total), biochemical oxygen demand, total phosphorus and formaldehyde. In 2018/19, all discharges were in compliance with licence discharge limits.

## Aircraft fuel spillage

	Unit	2014/15	2015/16	2016/17	2017/18	2018/19
Aircraft fuel spillage	Number of spills	12	25	17	28	<b>12</b>

# Workplace Performance

## Analysis of Workforce

	Unit	2014/15	2015/16	2016/17	2017/18	2018/19
Total employees <sup>1</sup>	Number	1,472	1,609	1,929	2,314	<b>2,602</b>
<b>By employee category</b>						
Senior management	Number	38	45	49	57	<b>58</b>
Professional / Managerial staff	Number	507	565	722	908	<b>1,089</b>
Supporting staff	Number	927	999	1,158	1,349	<b>1,455</b>
<b>By employment contact</b>						
Permanent	Percentage	90	89	84	73	<b>66</b>
Fixed term	Percentage	10	11	16	27	<b>34</b>
<b>By gender</b>						
Male	Percentage	62	61	62	64	<b>65</b>
Female	Percentage	38	39	38	36	<b>35</b>
<b>By age group</b>						
Under 30	Percentage	17	18	19	19	<b>17</b>
30 to 39	Percentage	27	28	29	31	<b>33</b>
40 to 49	Percentage	31	29	28	28	<b>28</b>
50 or older	Percentage	25	25	24	22	<b>22</b>
<b>By location<sup>2</sup></b>						
Hong Kong	Percentage	99	99	99	100	<b>100</b>
Outside Hong Kong	Percentage	1	1	1	0	<b>0</b>

<sup>1</sup> Since 2017/18, the scope of total employees has been revised to include temporary staff and excludes employees of HKIA Precious Metals Depository Limited, AAHK's wholly-owned subsidiary, in order to align with the scope and numbers as disclosed in AAHK's Annual Report. The scope of the figures between 2014/15 and 2016/17 remain unchanged.

<sup>2</sup> Percentages are rounded to the nearest integer.

	Unit	Male	Female
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### Number of employees by employment contract and gender as at 31 March 2019

Permanent contract	Number	1,004	720
Fixed-term contract	Number	689	189

### Number of employees by location and gender as at 31 March 2019

Hong Kong	Number	1,685	906
Outside Hong Kong	Number	8	3

### Percentage of employees by employee category and gender as at 31 March 2019

Senior management	Percentage	78	22
Professional / Managerial staff	Percentage	71	29
Supporting staff	Percentage	60	40

	Unit	Under 30	30 to 39	40 to 49	50 or older
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### Percentage of employees by employee category and age group as at 31 March 2019

Senior management	Percentage	0	0	19	81
Professional / Managerial staff	Percentage	4	36	36	24
Supporting staff	Percentage	28	32	22	18

	Unit	Chinese	Non-Chinese
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### Percentage of employees by employee category and ethnic origin as at 31 March 2019

Senior management	Percentage	84	16
Professional / Managerial staff	Percentage	98	2
Supporting staff	Percentage	100	0

	Unit	Male	Female
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### Ratio of basic salary<sup>3</sup> of women to men by employee category in 2018/19

Senior management	–	0.95	1.00
Professional / Managerial staff	–	1.13	1.00
Supporting staff	–	1.21	1.00

<sup>3</sup> Basic salary is a fixed, minimum amount paid to an employee for performing his/her duties.  
This does not include any additional remuneration.

	Unit	Male	Female
<b>Ratio of basic remuneration<sup>4</sup> of women to men by employee category in 2018/19</b>			
Senior management	–	0.97	1.00
Professional / Managerial staff	–	1.11	1.00
Supporting staff	–	1.25	1.00

<sup>4</sup> Remuneration is basic salary plus additional amounts such as those based on years of service, bonuses, benefit payments, and any additional allowance.

### New Hires and Leavers<sup>5</sup>

	Unit	2014/15	2015/16	2016/17	2017/18	2018/19
New hires	Number	252	296	464	590	<b>515</b>
New hire rate	Percentage	17.1	18.4	24.1	25.5	<b>19.8</b>
Turnover	Number	137	137	114	178	<b>215</b>
Turnover rate	Percentage	9.7	8.7	6.4	8.2	<b>8.7</b>

<sup>5</sup> All new hires and leavers in 2018/19 were based in Hong Kong. The number of leavers and turnover rate exclude involuntary termination and temporary staff. New hire rate is calculated using the total number of employees at the end of the reporting period. Turnover rate is calculated using the average number of employees for the fiscal year.

	Unit	Male	Female
<b>Number of new hires and leavers by gender in 2018/19</b>			
New hires	Number	347	168
Leavers	Number	117	98

	Unit	Under 30	30 to 39	40 to 49	50 or older
<b>Number of new hires and leavers by age group in 2018/19</b>					
New hires	Number	164	196	91	64
Leavers	Number	88	80	28	19

## Employee Training

	Unit	2014/15	2015/16	2016/17	2017/18	2018/19
Total hours of employee training	Hours	26,284	38,326	49,520	53,718	<b>57,417</b>
Average hours of employee training <sup>6</sup>	Hours	18.5	24.4	28.0	24.9	<b>23.3</b>

### By training type

In-house training programmes	Hours	7,062	14,157	22,022	21,844	<b>31,917</b>
E-learning programmes	Hours	3,077	5,535	6,270	7,732	<b>8,868</b>
Operational and technical (external) training	Hours	16,144	18,634	21,228	24,143	<b>16,632</b>

### Human rights training<sup>7</sup>

Total hours of human rights training provided	Hours	751	1,311	1,490	1,702	<b>2,639</b>
Percentage of employees trained	Percentage	60.5	97.9	99.1	97.5	<b>97.4</b>

### Anti-corruption training

Percentage of management employees trained during the year	Percentage	10.3	10.7	18.8	24.3	<b>21.7</b>
Percentage of non-management employees trained during the year	Percentage	13.0	21.0	25.4	22.2	<b>20.9</b>

<sup>6</sup> The figures reflect the total hours of employee training during the year (which include training hours of both active staff and leavers) per the average headcount of the fiscal year.

<sup>7</sup> Training topics include corporate governance, code of conduct, data privacy, equal opportunities and anti-discrimination.

## Hours

**Average hours of training per employee by employee category in 2018/19**

Senior management	14.4
Professional/ Managerial staff	24.9
Supporting staff	22.6

## Hours

**Average hours of training per employee by gender in 2018/19**

Male	22.4
Female	25.0

## Percentage

**In-house training hours by training category in 2018/19**

Social & intellectual skills	45.7
Orientation	16.9
Town Hall Meeting and other internal communications	9.5
Legal compliance, procedures & practices	3.5
Personal attributes & effectiveness	3.1
Work Improvement Team programme	5.0
Management development programme	9.0
Environmental and staff well-being	4.6
Airport operational training	2.7
<b>Total</b>	<b>100.0</b>



## Occupational health and safety<sup>8</sup>

	Unit	Male	Female	Total
Injuries <sup>9</sup>	Number	4	7	11
Injury rate	Percentage	0.2	0.8	0.4
Lost days	Number	86	33	119
Lost day rate	Percentage	0.01	0.01	0.01
Absentee rate	Percentage	1.0	1.7	1.2

<sup>8</sup> There were no occupational disease cases or work-related fatalities during the reporting period. The injury rate indicates the number of occupational injuries as a percentage of the total number of employees during the reporting period. The lost day rate and absentee rate indicate respectively the number of lost days (as a result of occupational injuries) and the number of absentee days (as a result of occupational injuries and other illnesses) as a percentage of the total number of employees working throughout the year (365 calendar days).

<sup>9</sup> The 11 injuries included two injuries during site inspection (#2), two injuries in a minor car crash (#2), injury caused by a locked door (#1), and injuries sustained while walking downstairs (#1), riding a bicycle (#1), walking backward (#1), packing and carrying an heavy object (#1), getting off from bus (#1), and pushing and moving an heavy object (#1).

## Family-friendly practice

	Unit	Male	Female	Total
Employees who took maternity / paternity leave <sup>10</sup>	Number	50	35	85
Return to work rate after leave	Percentage	100	100	100
Retention rate <sup>11</sup>	Percentage	90	78	86

<sup>10</sup> Male and female employees who have been in continuous employment within AAHK for six months and not less than 40 weeks respectively prior to the commencement of parental leave are eligible for paid parental leave.

<sup>11</sup> Retention rate shows the percentage of employees retained 12 months after they returned to work following parental leave in the previous reporting period (i.e. 2017/18).

## Social Performance

	Unit	2014/15	2015/16	2016/17	2017/18	2018/19
Employee volunteers <sup>1</sup>	Number	90	225	237	210	171
Volunteer hours contributed <sup>1</sup>	Hours	1,165	1,767	1,154	998	871
Volunteer activities organised <sup>1</sup>	Number	5	9	9	5	6

<sup>1</sup> AAHK employees serve the community by participating in volunteer activities organised by AAHK's social service group. Volunteer hours include the hours contributed by employees and their guests.

## Independent Assurance

This report has been independently verified by the Hong Kong Quality Assurance Agency. Separately, AAHK's greenhouse gas emissions data, as disclosed in this report, has been independently verified by SGS Hong Kong Limited.

### [View Verification Statement](#)

## Your Feedback

We welcome your feedback on AAHK's sustainability management approach and performance. Please fill in the [online feedback form](#) or contact Mike Kilburn via:

- [corporatesustainability@hkairport.com](mailto:corporatesustainability@hkairport.com)
- +852 2188 7111
- Sustainability Department  
Airport Authority Hong Kong  
HKIA Tower  
1 Sky Plaza Road  
Hong Kong International Airport  
Lantau, Hong Kong

# Verification Statement

## Scope and objective

Hong Kong Quality Assurance Agency ("HKQAA") has been commissioned by Airport Authority Hong Kong ("AAHK") to conduct an independent verification of its Sustainability Report 2018/19 (the "Report"). The Report covers the fiscal year 2018/19 from 1st April 2018 to 31st March 2019. It provides a clear illustration of AAHK's sustainability strategies, management approach and performance for its core business in Hong Kong over which it has direct management control.

The aim of this verification is to provide a reasonable assurance for the information stated in the Report based on the Global Reporting Initiative (GRI) reporting principles for defining report content and report quality. The Report is prepared in accordance with the GRI Standards: Core Option and the GRI G4 Airport Operators Sector Disclosures.

## Methodology

The verification process was undertaken with reference to:

- International Standard on Assurance Engagement (ISAE) 3000 (Revised) – "Assurance Engagement Other Than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board
- GRI Standards and the GRI G4 Airport Operators Sector Disclosures

The process included reviewing the internal data collection and management mechanism, interviewing responsible personnel with accountability for preparing the Report, and examining the raw data and supporting evidence of representative samples of data and information selected for verification based on a risk-based approach.

## Independence

HKQAA was not involved in collecting and calculating data, or in the development of the Report. HKQAA's activities are independent from AAHK. There is no relationship between AAHK and HKQAA beyond the contractual agreement for providing the verification service.

## Conclusion

The verification results confirmed that the Report has been prepared in accordance with the GRI Standards: Core Option and the GRI G4 Airport Operators Sector Disclosures.

The information stated in the Report provides a structured, balanced and reliable disclosure of AAHK's sustainability performance within the reporting period. The GRI reporting principles of stakeholder inclusiveness, sustainability context, materiality and completeness have been well adhered to. Besides, the Report demonstrates the quality of accuracy, timeliness, comparability, clarity and reliability.

In conclusion, the Report provides a comprehensive account of AAHK's management approach and sustainability performance in a factual, proactive, consistent, fair and truthful manner.

**Signed on behalf of Hong Kong Quality Assurance Agency**



**Connie Sham**  
*Head of Audit*  
January 2020