

【Press Release】

FOR IMMEDIATE RELEASE

**HKQAA Symposium 2011 Held Successfully
Sustainable Building Index Launched Today**

(25 November 2011, Hong Kong) The Hong Kong Quality Assurance Agency's annual flagship event, the HKQAA Symposium 2011, was held successfully on 25 November 2011 in the Ballroom of the Langham Place Hotel, Mongkok. The Symposium attracted over 700 participants from governments, industry, commerce and academia, as well as members of the public.

A simple and inexpensive assessment system for buildings of all types

The main theme of the Symposium this year was "Performing Your Social Responsibility to Recreate the World". The event opened with the launch ceremony for a new initiative, the HKQAA Sustainable Building Index (HKQAA SBI). Based on the **UNEP (United Nations Environment Programme)-FI / SBCI's** financial & sustainability metrics report, the Index provides a simple and inexpensive building assessment system designed with a balance of economic, social and environmental considerations, applicable to buildings of all ages and types.

"HKQAA strives to promote the importance of CSR and the need for a low-carbon society to the industry, which have both become rather imperative locally and globally. Our new initiative, the HKQAA SBI, complements the existing building assessment systems and other sustainability drivers and contributes to the sustainability of the Hong Kong community," said Dr Michael P. H. Lam, CEO of HKQAA.

CSR Advocate Index up for the 2nd year

At the afternoon session, HKQAA announced the benchmarking results of HKQAA-HSBC CSR Index 2011. A ceremony was also held to recognise holders of the CSR Advocate Mark, which is now in its third year.

The **HKQAA-HSBC CSR (corporate social responsibility) Index** is a joint initiative by the Hong Kong Quality Assurance Agency (HKQAA) and the Hongkong and Shanghai Banking Corporation Limited (HSBC) since 2008. A total of 23 government departments and renowned corporations have participated in the 2011 Index. This year, an additional "**Carbon & Energy Management Advocate Sub-Index**" has been added with the aim of providing more specific and in-depth analysis and opinions on performances related to carbon and energy management, which has yielded an average score of 4.29 out of 5.

Labour Practices scores highest; Environment and Community Involvement the opposite

The overall CSR Advocate Index has edged up for the second year to 4.62 out of 5, showing that most participating organisations have implemented matured in-house systems to manage CSR-related issue.

Among the 7 core elements of CSR, Labour Practices has the greatest increase compared with last year and is also the highest-scored subject. Participating organisations in general show great concern for labour needs, such as occupational health and safety, staff development, training and labour relations, etc. In response to legal requirements, it was observed that some participating organisations conducted engagement meetings with their staff members, vendors, suppliers and sub-contractors to discuss the new wage and salary arrangements.

In contrast, The Environment and Community Involvement & Development have received the lowest scores. A systematic approach to managing greenhouse gas emissions is not widely adopted, and participation in heritage conservation and community skills development is lacking.

“The HKQAA-HSBC CSR Index is the first index compiled with reference to the ISO 26000 Guidance on Social Responsibility to measure the CSR performance of organisations in Hong Kong with an established standard. It aims to encourage the implementation of CSR by organisations of any size and any industry,” said Ir Prof. Peter K. W. Mok, Chairman of HKQAA.

Participating organisations in this year’s Index include The Marketing Store Worldwide (Asia) Limited (a McDonald’s agency), Cafe De Coral Holdings Limited, Canon Hong Kong Company Limited, The Link Management Limited, Hang Seng School of Commerce and Hang Seng Management College Limited, SOCAM Development and EGL Tours Company Limited.

Another key component of the HKQAA-HSBC CSR Index – the Hong Kong 100 CSR Index, measures the transparency in the disclosure of CSR issues from 100 companies selected from 14 industrial sectors. The study is based on their websites, policy documents, reports and other publicly available information. Higher score means higher transparency. The Hong Kong 100 CSR Index for 2011 is 67 out of 100, which is 1 point slightly higher than last year. Significant improvement has been found in the transparency concerning the integration of CSR into organisational policy, which also has the highest score among the 16 indicators.

For more details about the HKQAA-HSBC CSR Index 2011 benchmarking results, please refer to the attachment. The full HKQAA-HSBC CSR Index 2011 Report can be downloaded from the HKQAA website (<http://www.hkqaa.org>).



Delegates of HKQAA on the launch ceremony for the HKQAA Sustainable Building Index.



Ir Prof. Peter K. W. Mok, Chairman of HKQAA (1st row, 4th from right), Dr Michael P. H. Lam, CEO of HKQAA (1st row, 3rd from right) and representatives of the CSR Advocate Mark holders at the presentation ceremony.



The Symposium attracted over 700 attendees.

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HKQAA Background

Being a non-profit-distributing organisation established by the Hong Kong Government in 1989, Hong Kong Quality Assurance Agency (HKQAA) assists industry and commerce in the development of management systems to enhance its competitive advantage. As one of the leading conformity assessment bodies in Hong Kong, HKQAA provides enterprises in Hong Kong and China with professional, impartial and value-adding certification services, as well as promotes management systems and various training services. Please check out <http://www.hkqaa.org> for further information.

Abstract of the HKQAA-HSBC CSR Index 2011 Report

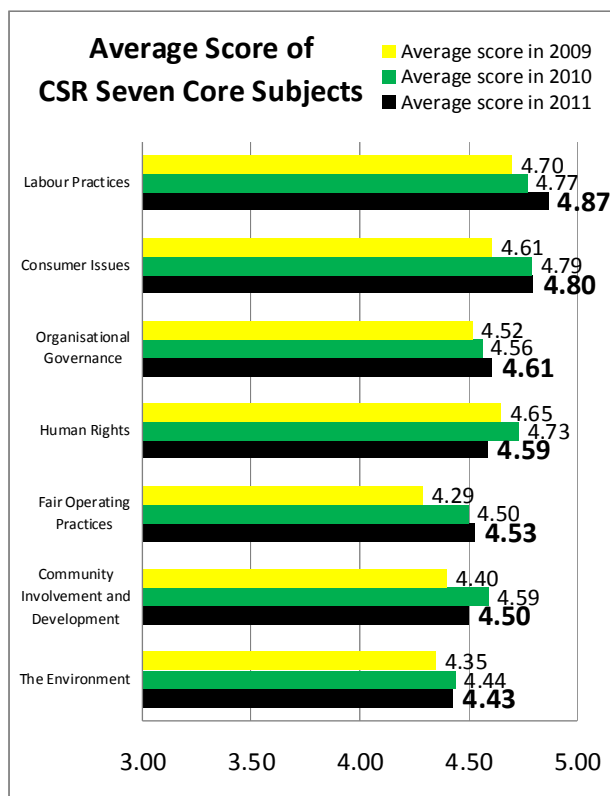
The HKQAA-HSBC CSR Index is a joint initiative by the Hong Kong Quality Assurance Agency (HKQAA) and the Hongkong and Shanghai Banking Corporation Limited (HSBC) since 2008. It is the first index in Hong Kong that is compiled with reference to the ISO 26000 Guidance on Social Responsibility, with the aim to measure the CSR (corporate social responsibility) performance of organisations in Hong Kong with an established standard.

1) HKQAA-HSBC CSR Advocate Index

The Hong Kong CSR Advocate Index is an annual voluntary benchmarking project. The participating organisations are assessed by HKQAA on their maturity in 40 recommended CSR practices and are given a score of 1 to 5. Those receive an average score of 3 or above would receive an HKQAA-HSBC CSR Advocate Mark:



23 organisations have participated in the Index this year. The overall average score is 4.62 out of 5, up slightly from the 4.57 and 4.53 of last year and the first year respectively. The Index comprises 7 indicators and the results are as follows:



Labour Practices (4.87): Participating organisations in general show great concern for labour needs, such as occupational health and safety, staff development, training and labour relations, etc. In response to legal requirements, it was observed that some participating organisations conducted engagement meetings with their staff members, vendors, suppliers and sub-contractors to discuss the new wage and salary arrangements.

Consumer Issues (4.80): It was observed that most organisations exerted extensive effort on the development of innovative products introducing the use of socially- and environmentally-beneficial materials and adoption of cleaner and greener production methods. Furthermore, having a ISO 9001 certified quality management system seemingly is an effective tool for ensuring customer satisfaction and managing complaints.

Organisational Governance (4.61): Systematic procedures are in place to govern the business operations in almost all participating organisations, including two-way stakeholder communication mechanisms, scrutiny in the compliance status of the applicable laws, regulations and relevant international norms, codes of conduct or ethics and staff manuals.

Human Rights (4.59): The organisations have well-established systems to prevent child labor, forced labor and discrimination.

Fair Operating Practices (4.53): Compared to the results of previous years, more participating organisations raised the issues of fair competition. Some of them employed legal consultants to evaluate the organisation’s existing operating practices in order to prevent the engagement of anti-competitive behaviour. Some have established plans to prepare for the upcoming Competition Law.

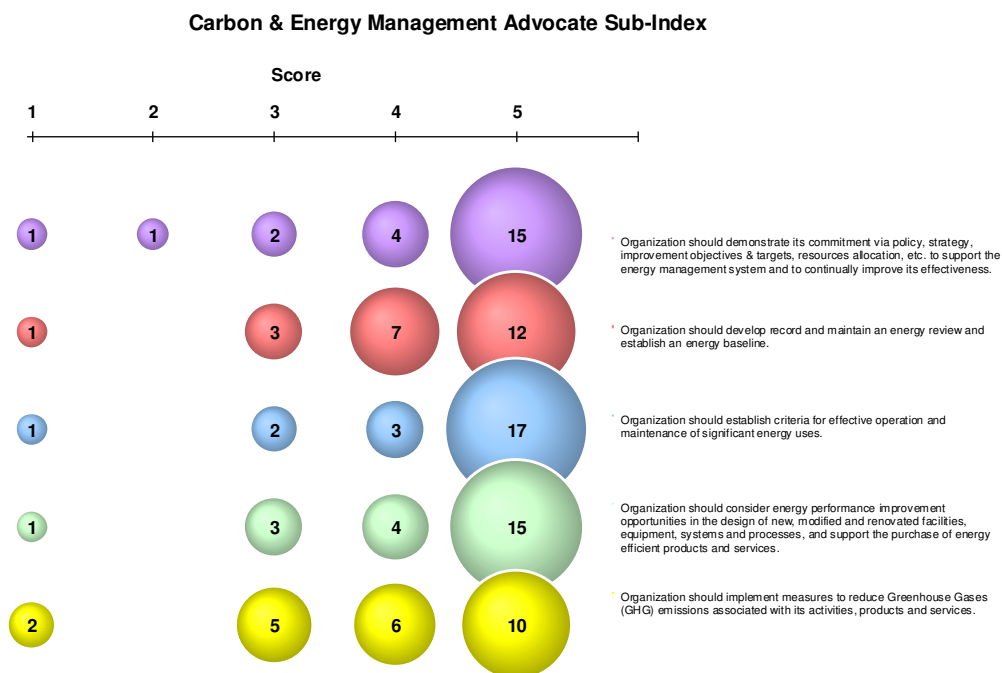
Community Involvement and Development (4.50): The participating organisations have shown continuous efforts in supporting the community and volunteerism. Philanthropy is the common approach towards community development. However, heritage conservation and community skills development are the areas that can be further strengthened.

The Environment (4.43): Some participating organisations implement campaigns and measures to enhance energy performance and reduction of greenhouse gases. However, a systematic approach to managing greenhouse gas emissions was not widely adopted.

Carbon & Energy Management Advocate Sub-Index

This year, an additional “Carbon & Energy Management Advocate Sub-Index” has been added under the umbrella of the HKQAA - HSBC CSR Advocate Index 2011 with the aim of providing more specific and in-depth analysis and opinions on performances related to carbon and energy management, which has yielded an average score of 4.29 out of 5.

As shown in the report, most of the participating organisations have established criteria for effective operation and maintenance of significant energy use, as well as conducted energy reviews to measure the energy use of their operational processes. Some of them are even planning for Carbon Audits, assessments or certification such as ISO14000 and ISO50001 in order to enhance energy performance. However, the overall performance is comparatively less mature and the maturity level varies from organisation to organisation.



Note: This practice is not applicable to some participating organisations, so the average score is calculated with a base less than 23

2) Hong Kong 100 CSR Index

The Hong Kong 100 CSR Index measures the transparency in the disclosure of CSR issues from 100 companies selected from 14 industrial sectors. The study is based on their websites, policy documents, reports and other publicly available information. Higher score means higher transparency. The Hong Kong 100 CSR Index for 2010 is 67 out of 100, which is 1 point slightly higher than last year.

It is worth noting that significant improvement has been found in the integration of CSR into organisational policy and it has the highest score among the 16 indicators. It demonstrates that the organisations' commitment to CSR and the awareness of CSR is increasing. Many of the organisations have implemented corporate governance programmes to ensure sufficient control over the operations.

Like last year, Complaint and Dispute Handling Programme, Disclosure of Human Rights Issues and Consumer Education are the lowest-scored subjects.

As with last year, the levels of disclosure of CSR issues vary in the 14 industrial sectors. The Education and Public Services sections get the highest score whereas the Manufacturing, Construction & Engineering and Catering sectors score the lowest.

