

SOCIAL RESPONSIBILITY REPORT 2015



REPORT PROFILE

Basis of Preparation

This report is prepared in accordance with the “Notice of Guidance for Certification Bodies to Fulfill Social Responsibilities” promulgated by The Certification and Accreditation Administration of the People's Republic of China (CNCA) and the various requirements in the “ISO 26000 Guidance on Social Responsibility” of International Organization for Standardization, as well as with reference to the “HKQAA CSR Index” and the “Sustainability Reporting Guidelines” of Global Reporting Initiative (GRI). Hong Kong Quality Assurance Agency (HKQAA) undertakes and warrants the authenticity, objectivity, reliability and completeness of the information disclosed in this Report.

Time Scope

This report covers the period from January to December of 2015 with some of the information beyond this scope.

Publication Frequency

This report is a kind of annual report and is published annually.

Source of Data

The data in this report are cited from the relevant official documents and statistical reports of HKQAA.

Reporting Scope

Having the Hong Kong Headquarters of HKQAA being the subject, this report simultaneously covers its subsidiaries namely HKQAA Certification (Shanghai) Limited and its Guangzhou Branch, and HKQAA Certification (Macau) Limited.

Acquisition of This Report

This report is published electronically. The PDF version of this report is available for downloading on our official website.

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**CHIEF
EXECUTIVE
OFFICER'S
MESSAGE**



Throughout history, natural disasters and human destruction have led to tragic loss of life and damage to the environment. The Great Fire of London in 1666 and the Lisbon Earthquake of 1755 are well-known examples. Krorän in the north-west of China and Machu Picchu in Peru are believed to have disappeared due to climate change.

Global warming has changed the condition of the global climate, leading to extreme temperatures in regions around the world and causing extremely cold and hot weather. Rainfall patterns are also more extreme: extremely moist in rainy season and drought in the dry season. Some regions suffer flooding caused by thunderstorms while others have not experienced rainfall for a long time, which leads to the reallocation of water resources. The salt concentration in sea water has been diluted because of the aggravated melting of the icebergs in both Arctic and Antarctic regions, which leads to a change in the density of the ocean water and a rise in the sea level. All these phenomena indicate that global warming is inflicting irreversible consequences on nature. This is definitely a threat to the sustainability of human society and the planet.

Sustainability should be developed on a balanced basis, meaning that mankind should not only use up natural resources, but should protect them at the same time. Striking a balance is crucial for maintaining the continuity of the ecosystem cycle. The United Nations hosted the 2015 United Nations Climate Change Summit in November 2015 in Paris, France. The overarching goal of the conference was to gather countries across the globe to discuss how to alleviate global warming before it is too late.

One of our Governing Council members, Ir Dr Otto L. T. Poon, also the founder and former president of Hong Kong Climate Change Forum, attended the Paris Summit. HKQAA always adheres to the concept of sustainability and has developed innovative services such as the HKQAA CSR Index, the "HKQAA Hong Kong Registration - Recycling Services" and "HKQAA Hong Kong Registration - Eco-friendly Series". We also employ people with disabilities to work in our office or to carry out mystery shopping assessments, activities which help them to live self-reliantly as well as integrate into the community. HKQAA always fulfills its obligations and duties to the community, citizens and country.

The culture of sustainability has been implanted in each and every HKQAA staff member. They take the initiative to show their concern by participating in voluntary services and charitable activities such as child sponsorship programmes, visiting remote, poverty-stricken areas and helping out with shore-cleaning activities. This sense of selflessness originates from care for others rather than any self-interest. As our staff contribute to the society, their lives are enhanced by the knowledge that they are helping people.

We promise that all HKQAA staff will continue to participate in activities which demonstrate social responsibility for the community, for Hong Kong and for the country, so as to continue down the path of sustainable development.

Dr. Michael P. H. Lam
Chief Executive Officer

ABOUT US

Hong Kong Quality Assurance Agency (HKQAA), a non-profit-distributing organization established in 1989 by the Hong Kong Government, is one of the leading conformity assessment body in Asia-Pacific region. It provides certification, audit, verification, market research, training and other assessment services. HKQAA strives to promote the industries' development aligning with the market trend, enhance the performance of management, facilitate the sustainability of organization and the society and care for the community to promote the advancement of the society.

In its early years, HKQAA's operation was funded by the Hong Kong Government. With its high quality professional services, HKQAA is able to realize its financial independence. It does not only maintain a sound financial position, but also utilizes financial profits not only for business expansion as HKQAA keeps developing its operational size but also for resources allocation on the staff and society so as to play a role in promoting the development of industries and society.

In the wake of the booming economy of the Mainland, there is a growing demand for management system and professional certification among the industries. HKQAA has set up an office in Guangzhou since the 1990s. Approved by The Certification and Accreditation Administration of the People's Republic of China (CNCA) later on, HKQAA Certification (Shanghai) Ltd. and its Guangzhou Branch were set up in the Mainland. In 2014, HKQAA further expanded its business by setting up a subsidiary in Macau.

Vision

To be a leader in conformity services that is internationally recognized, so as to help improve our livelihood and society.

Mission

- To promote management concepts in accordance with the applicable management system standards
- To assist industries and commerce to implement relevant management systems
- To deliver world-class conformity services

HKQAA Shared Values

As HKQAA continues to grow, our corporate culture “**GIFTS**”, the shared values, has been fostered among our teams. The term “GIFTS” means both “presents” and “innate talents”. “**G**rowth” represents that HKQAA together with the industries pursue growth. “**I**ntegrity” represents that the team adheres to integrity firmly. “**F**airness” emphasizes fairness and justice. “**T**eam with Joy” symbolizes that the employees’ hearts are always filled with joy. “**S**ocial Responsibility” manifests that we do not only promote social responsibility while providing services, but also proactively fulfilling the social responsibility by making use of our own resources. “GIFTS” enables employees to make right decisions at work and facilitates the sustainable development of us and the society.

Growth

With a professional attitude, we incessantly make improvements so as to enhance the competitiveness of our clients and employees, and pursue the growth for our organization, employees and clients.

Integrity

Our services are based on integrity, credibility and commitment internally and externally.

Fairness

We ensure that our stakeholders receive fair and just treatment.

Team with joy

Our team members are motivated to perform at their best, and accomplish meaningful and valuable missions with joy.

Social Responsibility

We encourage individuals as well as teams to fulfill their social responsibility, devote to benefit the community and reciprocate the country.



GIFTS
Growth
Integrity
Fairness
Team with Joy
Social Responsibility

PRIMARY FUNCTIONS OF HKQAA



In order to boost the professional level and competitiveness of various industries in the society, the services of HKQAA perform three primary functions: providing assurance, sharing knowledge and transferring technology. We are devoted to provide certification services for the industries to assure their credibility and competence. We also organize various networking activities, trainings and seminars, and publish quarterlies and books, etc, for sharing the knowledge among industries and the community. To align with the market trends and needs, HKQAA keeps developing new services and conducting market researches, integrates and transforms advanced technology into specific services. We assist clients to enhance their management performance by transferring the technology to them.

SOCIAL RESPONSIBILITY MANAGEMENT

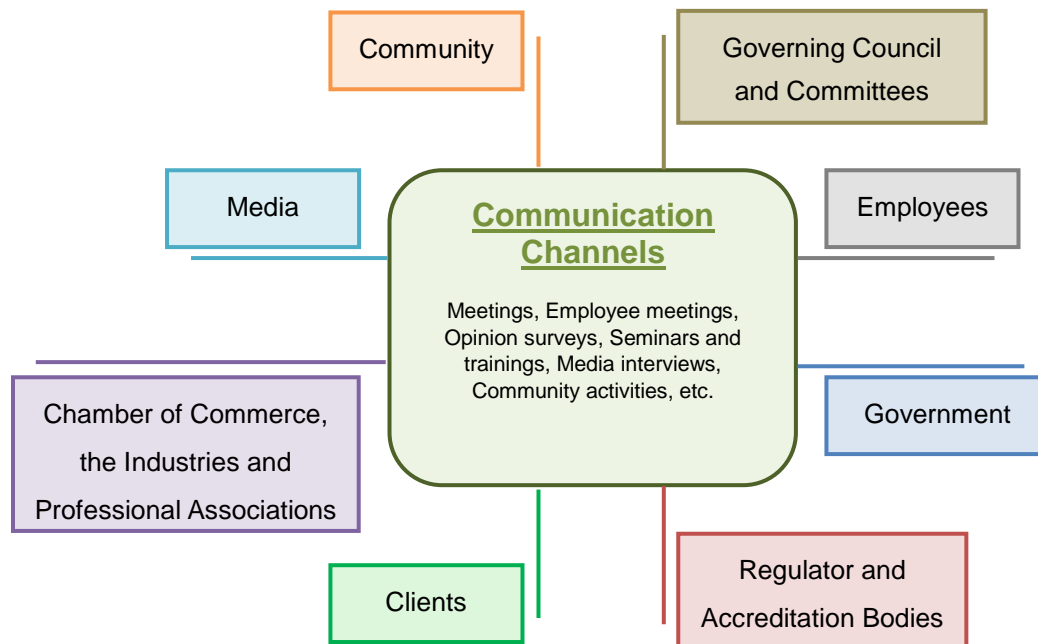
Vision, Mission



Acting as a bridge between the commercial world and the society in sustainable development, we strive to integrate social responsibility into our daily operations. To fully fulfill its social responsibility, an organization should have an integral plan. Having the shared values as the basis, the organization should establish a business strategy that matches its missions and goals. HKQAA practices its social responsibility with reference to the ISO 26000 Guidance on Social Responsibility as well as the seven core subjects and 40 recommended practices of the HKQAA CSR Index. Seven focal points are identified for our social responsibility management. They are Organizational Governance, Fair Operation, Business Practice, Respect on Human Rights, Caring for the Employees, Caring for the Environment and Caring for the Community.

Organizational Culture – Shared Values

STAKEHOLDERS' INVOLVEMENT



Due to stakeholders' increasing awareness about sustainability, HKQAA highly values the opinions of stakeholders. We strive to maintain close communication with the stakeholders through various channels in order to understand their needs and expectations, so that we can continuously optimize and develop our sustainability work.

OUR GOVERNANCE

HKQAA believes that good governance is the foundation for a holistic and sound management of an organization. With effective organizational governance, HKQAA strives to operate and manage risks with transparency, accountability, fairness, impartiality and standardization and strictly complies with the laws and regulations such as “Regulations of the People’s Republic of China on Certification and Accreditation”.

1. Governance Structure

The Governing Council

The Governing Council of HKQAA comprises a group of prominent members from different industries and a permanent representative from the Hong Kong Special Administrative Region Government. Members of the Governing Council serve on a voluntary basis and are elected and appointed for a fixed term of office. They represent the various stakeholders in the society, and remain independent and fair. Various committees have been set up under the Governing Council. They provide advice and supervise effectively according to each of its respective functions so as to ensure the transparency and accountability of HKQAA’s operation.



The Governing Council is chaired by Ir Dr Hon Lo Wai Kwok, with Ir C. S. Ho serving as the Deputy Chairman. In 2015, three members of the Governing Council have retired while five people are appointed as the members of the Governing Council. There are 24 members of the Governing Council in total.

The structure of the Governing Council helps maintain a balance of interests of various parties and prevent conflicts of interest, which enables the organization to operate sustainably and effectively.

Operational Management

The Chief Executive Officer is appointed by the Governing Council and is responsible for leading around 120 employees in the Hong Kong Headquarters and around 70 employees in the Mainland and Macau to perform regular work duties.

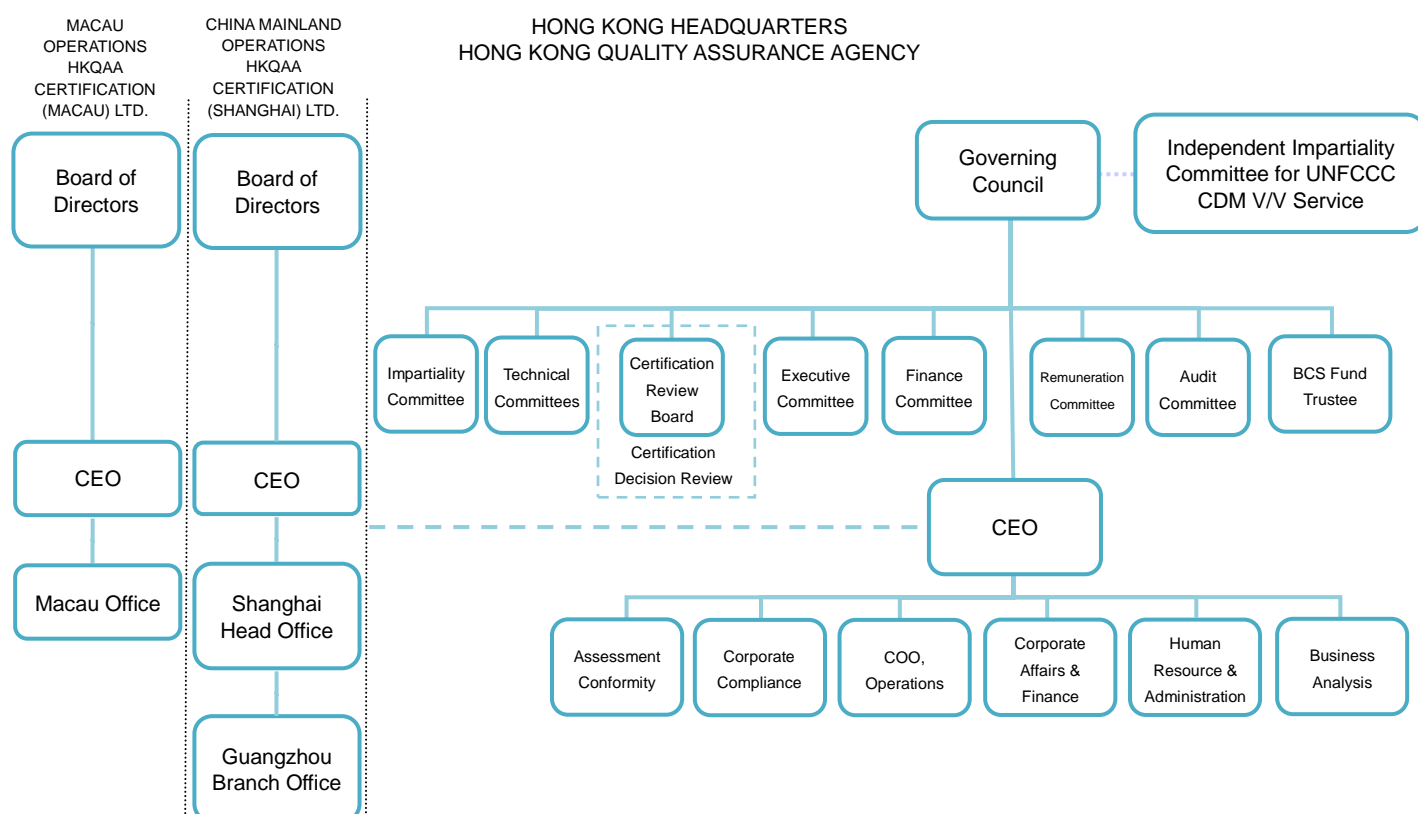
The organizational structure of HKQAA has no major changes in 2015. Clear division of work, effective checks and balances, and independent supervision are maintained. The Chief Operation Officer (COO) assists the Chief Executive Officer (CEO) in managing the operation of the subsidiaries in the Mainland and Macau. This enables the close cooperation between the two regions and strengthens the management of operational integrity in the Mainland.

2. Formulate Direction of Development

In regular meetings, the Governing Council discusses HKQAA's development plans, supervises the implementation of policies, formulates the direction of development, considers and approves the annual plan for development, significant projects and financial plans.

In 2015, the Governing Council agreed that promoting the sustainability of society continued to be our major strategic direction. Working plans were formulated to develop related business to further put our mission into practice. Under the supervision of the Executive Committee and the guidance of the CEO, staff members from various divisions execute the respective annual work plans and promote the development of society.

ORGANIZATION FUNCTIONAL CHART OF HONG KONG QUALITY ASSURANCE AGENCY



3. Risk Management

The Governing Council and various committees are dedicated to safeguarding the impartiality, professionalism and financial soundness of HKQAA's business, daily operations and human resources management.

On the level of daily management and operations, HKQAA strictly control the risks in aspects such as impartiality, technical knowledge and finance. For example, according to the established procedures, when there are changes in the requirements for accreditation bodies, organizational structure or legal status, mergers and acquisition, developing new business, starting to operate in other countries or regions, HKQAA would conduct a comprehensive risk analysis in order to ensure its certification and other services are impartial and effective. Under the condition that no major changes take place, HKQAA would conduct at least one comprehensive review annually, so as to guarantee that the operational risk of certification body has been kept under control.



<p>Impartiality Risk Management</p>	<p>The Governing Council also performs the functions of the Impartiality Committee to safeguard the impartiality of HKQAA's certification and audit services. Besides, the impartiality of our Clean Development Mechanism (CDM) validation/verification service is overseen by the dedicated Independent Impartiality Committee established according to the United Nations Framework Convention on Climate Change (UNFCCC)'s requirements. In 2015, each of the two Impartiality Committees held an annual meeting respectively to review and confirm the impartiality of HKQAA. We also formulated a revision plan pursuant to ISO 17021: 2015 "Conformity Assessment - Requirements for bodies providing audit and certification of management systems".</p> <p>HKQAA conducted risk analysis for our certification services, audit services and mystery shopping assessment services in 2015. By conducting an integrated and systematic analysis on operation, control and performance, we can identify clearly the various changes in risk, and evaluate and confirm the effectiveness of control measures. The two sets of reports have been submitted to the Impartiality Committee and the Independent Impartiality Committee for UNFCCC CDM validation/ verification service and are considered and approved accordingly.</p> <p>Certification Review Board reviews the recommendations proposed by Operations Branch strictly and only grants certificates to organizations which fulfill the applicable standards so that the high quality and credibility of the certification results can be safeguarded.</p>
<p>Financial Risk Management</p>	<p>HKQAA has hired an independent financial investment advisor for providing professional investment recommendations. Such recommendations shall be reviewed by the Finance Committee. The independence of investment projects and reasonable investment returns can be safeguarded. During the period, HKQAA conducted two comprehensive risk analyses on financial responsibility to ensure that the risks were kept under control. The risk analysis reports and the control effectiveness report were submitted to, considered and endorsed by the Audit Committee.</p>
<p>Certification Risk Management</p>	<p>HKQAA is currently having 16 technical committees which are consist of professionals such as experts, scholars, government officials who come from various industries. They are responsible for providing professional opinion for formulating the certification standards. Besides, HKQAA emphasizes the technical ability of the audit team. As such, comprehensive training and assessments are adopted for further enhancing auditors' professionalism.</p>

4. Compliance Management

In order to operate effectively, HKQAA has taken the initiative to comply with the requirements of various accreditation bodies, and has established a comprehensive internal control and early warning system. Mutual supervision, a system of checks and balances and clear accountability are also applied by HKQAA so that its management and operation comply with the relevant standards.



The Corporate Compliance Branch of HKQAA is responsible for the management of internal compliance, while other divisions also fulfill compliance requirements accordingly to their respective roles and functions. For example, the Corporate Affairs and Finance Branch is responsible for ensuring the compliance with legal requirements and financial requirements by HKQAA, and the Accreditation Unit is responsible for ensuring the compliance with accreditation requirements.

External Governance	In 2015, HKQAA continues to be recognized by various international accreditation bodies such as China National Accreditation Service for Conformity Assessment (CNAS), Hong Kong Accreditation Service (HKAS), United Kingdom Accreditation Service (UKAS), Social Accountability Accreditation Service (SAAS), Clean Development Mechanism (CDM) Executive Board of United Nations Framework Convention on Climate Change (UNFCCC) and Information Technology Service Management of The APM Group (APMG). During the period, these accreditation bodies confirm HKQAA has complied with necessary requirements after conducting 11 office audits and 10 witness accreditation audits.
Internal Governance	<p>In order to ensure the management and operation of HKQAA are effective and compliant with relevant requirements, HKQAA conduct both regular and ad-hoc internal audits every year. In 2015, HKQAA has conducted 11 regular internal audits and six ad-hoc internal audits in total for its Hong Kong Headquarters, subsidiaries in the Mainland and Macau. The audits have mainly focused on three aspects, including the compliance with corporate management, the compliance with service delivery as well as the compliance with accreditation bodies' requirements. All audit results indicate that HKQAA has complied the necessary requirements.</p> <p>In addition, the Corporate Compliance Branch has conducted unannounced audit on the integrity of four auditors in the Mainland. All audit results indicate that the auditors have fulfilled the integrity requirements.</p>
Reporting Mechanism	When incidents associated with impartiality or dishonest arise, employees can report to the CEO directly by submitting a "Report on Disturbance to Audit Team Member" or via email. In order to enhance the audit team's sensitivity to and vigilance about anti-corruption as well as reinforce work ethics, HKQAA emphasizes on educating employees about impartiality, stresses on the correct measures for handling disturbance cases and the importance of reporting disturbance incidents. In 2015, 8 sets of "Report on Disturbance to Audit Team Member" have been received by us and handled by the management.
Complaint Mechanism	HKQAA's website has a platform for collecting comments. Clients, consumers and the general public can provide suggestions on the services and professional ethics of HKQAA. HKQAA has clearly defined procedures in investigation, resolving and follow up of complaints. When an appeal against a decision of the certification is lodged by a client, HKQAA will form an independent committee to follow up the appeal hearing. During the period, no dispute on audit result has been received.
Mass Media Cases Follow-up	The Corporate Compliance Branch keeps on paying close attention to media reports and public incidents. In 2015, there is no negative news about HKQAA in media reports.

5. Fair Operation

Since its establishment, HKQAA has always adhered to the principles of honesty and impartiality when providing the various certification and assessment services, and strives to cultivate an ethical culture among employees in order to ensure the integrity, impartiality, fairness and openness of our management and services. HKQAA respects and safeguards the right of stakeholders and other relevant groups, and combats all acts of discrimination, so as to guarantee the stakeholders can be treated fairly in our daily operations.



Independent and Impartial Audit Team	<p>In order to maintain the transparency and impartiality of audit, HKQAA has different units and personnel to handle various work procedures such as business liaison, audit arrangement, auditing, confirmation of audit results and certificates issuance. The Governing Council, the management team, the business team and all other supporting teams are not allowed to intervene the professional judgments of the audit team.</p> <p>HKQAA has clearly defined internal guidelines to ensure the independence and impartiality of the audit team. When the auditors encounter intervention, they can activate the reporting mechanism and report to the management.</p>
Conduct and Ethics of Employees	<p>All of the new employees in HKQAA are required to study the “Code of Conduct” and sign the “Undertaking of Confidentiality and Conflict of Interest” on the first day at work to promise that their work will be done based on the principles of fairness, integrity and honesty. The “Code of Conduct” sets out regulations on personal conduct of employees, relationships with suppliers and contractors, true and fair accounting policies, etc., and states clearly the appropriate measures to be adopted by employees when incidents that are threatening HKQAA’s reputation arise due to dishonest, bribery and corruption.</p> <p>Through the induction training for the new employees held by the CEO in person, the mission, culture and values of HKQAA are explained in depth, while the importance of impartiality and integrity are reinforced.</p>
Supervision of Anti-corruption	<p>Acting as public servants, the behaviours of HKQAA’s employees in relation to integrity are under strict supervision of the Independent Commission Against Corruption (ICAC). In order to eliminate corruption as well as safeguard impartiality and integrity, all suspicious bribes and law-infringing cases in Hong Kong, Macau and the Mainland will be reported to the ICAC promptly.</p> <p>In 2015, HKQAA further improves its measures for supervision with the focus on social accountability audit. HKQAA has established mechanisms in strict accordance with the Business Social Compliance Initiative (BSCI)’s Zero Tolerance Protocol to ensure that the auditors are able to identify issues of zero tolerance. For example, if an intention of bribery is suspected, a notice should be issued via the BSCI platform within 24 hours after the explicit violation has happened. Besides, the confidentiality of audit arrangement has been strengthened as well.</p> <p>HKQAA also takes the initiative to arrange report and claim system for auditors’ transportation, catering, entertainment and accommodation during the audit period.</p>
Prevention of Unfair Competition	<p>HKQAA’s pricing policy serves as a clear standard of the price of various products for the employees. It also implements multiple levels of independent review to guarantee the pricing is reasonable. Meanwhile, HKQAA complies with the “Fair Competition Norms for Certification Institutions - Interim Provisions on the Management System Certification Prices”, “Anti-Unfair Competition Law of the People’s Republic of China” and “Fair Competition Norms for Certification Institutions – Constraints for Actions against Fair Competitions relating to Certification Certificates”, as well as the “Competition Ordinance” being implemented in Hong Kong since the end of year of 2015. HKQAA expressly prohibits the subcontracting of certification business and sales activities through inappropriate channels. Also, HKQAA would definitely not engage in monopoly or price collusion, as well as boycott unfair competition with absolute determination.</p>

Fair and Pragmatic Procurement Control	<p>HKQAA adopts clearly defined procurement policy and work flow, as well as standard procedures and authority of approval that are implemented according to relevant risk factors. With deliberate consideration, the procurement criteria can be ensured as appropriate. HKQAA assesses the suppliers and logistic service providers who supply office equipments to HKQAA's offices in Hong Kong, Macau and the Mainland. HKQAA selects partners based on fair and justified procurement principles. According to the stipulated procedures, fair procurement can be carried out by having selection teams formed by different members for evaluating the suppliers' products, services and prices comprehensively.</p>
Respect of Property Right	<p>HKQAA respects intellectual property and would not engage in any right-violating activities such as forgery and plagiarism, etc. for acquiring and using properties to pay reasonable reward. In the progress of business development, design and composition, HKQAA insists on independent study and reasonable reference, and would not steal others' outcomes of know-how, and would not infringe others' property rights.</p> <p>HKQAA insists on the use of genuine computer softwares and conducts regular internal checks. Unless submitting application officially and being confirmed as legal, employees are prohibited to install any softwares and computer applications.</p>

OUR SERVICES

HKQAA strives to bring inspiration to the industries, and enhance their competitiveness by providing various systematic, scientific and traceable certification and assessment services. During the period, HKQAA has provided 26 types of certification services, 16 types of non-certifying assessment and verification services, various types of customized services and different types of training services. Through developing brand-new services, sharing diversified knowledge and communicating with the industry and stakeholders actively, HKQAA continues to magnify its three basic functions: providing assurance, sharing knowledge and transferring technology.

1. Cater to the Needs of the Community • Develop Brand-new Services

HKQAA follows closely with the development of the society. In order to promote the sustainable development of the industry and society, we are devoted to developing diversified services as well as optimizing the existing services with focuses on issues that are concerned by the public, so that the quality of life of the entire society can be enhanced. During the period, HKQAA has implemented various brand-new services which are embedded with the concept of sustainability. This helps enhance the organizations' performance in integrity, environmental protection and social responsibility across the industry so as to satisfy the demands on the development of both the industry and the society.

Support Start-ups Hand in Hand with Hong Kong Science & Technology Parks Corporation (HKSTP)

In order to nurture and support local start-ups in the technology field, HKQAA and HKSTP have signed a Memorandum of Understanding in March 2015 for expanding the supporting network for newly-established technology companies. By developing assessment services for start-ups, we intend to assist them to create more opportunities for business expansion, and facilitate the transfer of knowledge and technology, so as to enhance their competitiveness.



“HKQAA is a leading organization providing third-party conformity assessment services in Asia. We believe our cooperation will bring invaluable benefits to the incubatees. Riding on the expertise, knowledge and network of both parties, we hope the cooperation can help the start-ups grow and prosper, contributing to the building of a strong innovation ecosystem in Hong Kong.”

- Mr Peter Mok, HKSTP Head of Incubation Programmes



HKQAA Hong Kong Registration - Recycling Services

In order to align with the development of the industry and society, HKQAA has implemented the “HKQAA Hong Kong Registration – Recycling Services” in May 2015 with the purpose of promoting appropriate maintenance of downstream record of recyclable material during the recycling process and encouraging good practices among recycling companies. This Registration Service encourages organizations to dispose of, collect and treat waste properly. It also sets out practical guidelines to facilitate improvements in environmental protection and occupational safety and occupational health practices within the recycling industry. Through this Registration Service, we hope that we can enhance the industry’s professional level in the long run, promote clean recycling concept, and motivate the public and business community to support source separation and the recycling of waste.



“This Registration Service provides good practices and guidelines for the industry to follow, and helps enhance industry’s performance, thus strengthening the confidence of stakeholders and the public.”

- Mr Wong Kam Sing, JP, the Secretary for the Environment of The Government of the HKSAR

HKQAA Hong Kong Registration - Eco-friendly Series

In October 2015, HKQAA has officially kicked off the “HKQAA Hong Kong Registration - Eco-friendly Series” to encourage organizations to integrate environmental aspects into the design, production, delivery, use and disposal of their products and services, so as to improve environmental performance. The Registration Service recognizes organizations’ contribution to promoting environmental protection based on the traceable evidence that they have done so. This Registration Service aims to encourage the industry and public to support for adopting eco-friendly concepts in business operation as well as consumption, raise their awareness for sustainable consumption, and recognise the manufacturers, suppliers and service providers who render eco-friendly products and services. The “HKQAA Hong Kong Registration - Eco-friendly Series” is applicable for the manufacturers, importers, traders, retailers and service providers of environmentally-friendly products. It encourages them to commit to protecting the environment at different stages of the product life cycle by providing products and services that are good for the environment and to strive to reduce the impacts on the environment.



HKQAA Hong Kong Registration - Personnel Series

In today's globally-connected knowledge economy, nurturing management talents is one of the keys to sustainable development of the business community. In this respect, HKQAA has kicked off the "HKQAA Hong Kong Registration – Personnel Series" in December 2015. It recognizes an individual's professional competence in management systems, fosters knowledge and experience exchange among people working on management systems, as well as facilitates the sustainable nurture of local talents and professional skills development.



"HKQAA is a non-profit organization which has been dedicated to giving things back to the society, and the Personnel Series registration encourages knowledge sharing, helping turn individual knowledge into organizational knowledge and raising organizations' management level in the long run."

- Dr Nigel Croft, Chairman of the ISO Technical Subcommittee on Quality Systems (ISO/TC176/SC2)

"Since quality and environmental management have been industry concerns, there are more companies implementing these management systems. The 'HKQAA Hong Kong Registration – Personnel Series' promotes the advantages of management systems to different levels of staff, and so can help an organization to develop further."

- Ir Prof Wong Yuk Lung, Committee Member of the Building Division of the Hong Kong Institution of Engineers



Hong Kong Wine Registration Scheme

In response to the market's concern on the source of wine, HKQAA has introduced the "Hong Kong Wine Registration Scheme" in 2013. The Scheme aims to recognize an organization's ability to maintain the records of identifiable source of wines they handle and make the records available for searching and checking, which facilitates the enhancement of the industry's standard in a whole. In 2015, HKQAA has expanded the Scheme by accepting applications submitted in terms of events. All wine bottles in the registered event would bear the label with a unique QR code so that the public can view the relevant information about the wine online, which enables consumers' better understanding about the products. The Scheme, on one hand, promotes good practices across the industry thus benefits the consumers, on the other hand, it strengthens the competitiveness edge of the industry thus cements Hong Kong's role as an international wine trading hub.



"Hong Kong Wine Registration Scheme Label allows consumers to access the source and information of wine easily, and foster our relations with customers."

- Mr Red Ho, Director of Wine High Club, a Registered Client of Hong Kong Wine Registration Scheme

2. Promote Standardized Management • Enhance Recognition Continually

As a leading conformity assessment body in the region, HKQAA is recognized by various international accreditation bodies. As a pioneer of the local industry, HKQAA takes the lead to introduce the advanced international management system, which contributes to continual improvements in the management standards of the industry. During the period, HKQAA has obtained the necessary accreditations for ISO 9001:2015, ISO 14001:2015, QSPSC:2014 and ISO 50001:2011 from the Hong Kong Accreditation Service (HKAS) through the Hong Kong Certification Body Accreditation Scheme (HKCAS). HKQAA is pleased to become the first HKAS accredited certification body to issue certificates of ISO 9001:2015 and ISO 14001:2015 and the first in the region to provide accredited certification services for these new standards. We are dedicated to encouraging internationally standardized management systems and enhancing performance in quality and environmental management systems, so as to benefit the society as a whole.

3. Share Knowledge and Experience • Encourage the Development of the Industries

“Sharing knowledge” is one of the primary functions of HKQAA. In order to provide the latest knowledge and information about management for the industries, HKQAA has held a symposium, various training courses and seminars during the period. This allows the industry to adapt to the market trend and social development, as well as enhance competitiveness. Through sharing of knowledge, their awareness about sustainable development can be raised.

Symposium with a cluster of elites

HKQAA's annual flagship event, the HKQAA Symposium 2015, was held successfully on 29 May, 2015. This year, the main theme of our Symposium was “Strategic Management of Megatrends to Achieve Sustained Success”. We brought together renowned local and overseas speakers from different sectors, including Mr Victor Lam, Acting Government Chief Information Officer, the HKSAR Government; Dr Nigel Croft, Chairman of ISO Technical Subcommittee on Quality Systems; Dr Li Rong, Chairman of Shenzhen Association for Quality; Dr Michael Chan, Chairman of Café de Coral Holdings Limited and Honorary Chairman of Legacy Academy; Mr Wilson Fung, Executive Director of Corporate Development, Airport Authority of Hong Kong; Ir Allen Yeung, Chief Corporate Development Officer, Hong Kong Science and Technology Parks Corporation; Prof Ho Kin Chung, Dean of School of Science and Technology, The Open University of Hong Kong, etc. Topics such as balancing urban development and environmental concerns, green building, carbon performance, impact investment, water footprint, big data, innovative business incubation, family business inheritance and latest development of ISO international management standards were covered. The Symposium was a huge success with over 700 participants who came from different sectors and has realized one of the HKQAA's primary functions - “Sharing knowledge”.



Besides, HKQAA has organized 24 seminars on various themes. For instance, "A New Era of Management System Standards – Common Myths, Truths and Lies about ISO 9001:2015", with Dr Nigel Croft being the speaker, has attracted over 300 participants. Other seminars are also held on different topics including "Sustainable Development", "Recycling Solid Waste" and "Management of Sales and Customer Services" etc. Sharing and interactions with the public took place in the seminars.



Innovative and Diversified Training

In 2015, HKQAA does not only develop new training programmes actively, but also holds training programmes with other institutes and professional organizations such as the Open University of Hong Kong and HKU School of Professional and Continuing Education. 28 brand-new training programmes and 191 public training are held during the year, making up to 2,200 training hours in total.

On top of the traditional technical skills training courses, HKQAA also introduces many legal-related training courses. In July 2015, HKQAA organized the "Safety and Environmental Offences in Construction Project" with a practicing barrister of Hong Kong Legal Training Institute as speaker. Subsequently, there were other training courses on various legal topics such as "Fundamental Contract Law for Managers and Professionals" and "Legal Principles, Procedures and Responsibilities about Bidding".

During the period, HKQAA has also launched various courses in relation to management and personal enrichment including "Peter Drucker's Management Course Series - Innovation and Leading Change", "Mind Map Training", "Enneagram of Personality - Management" and "Trainer's Path for Successful Management Professionals" so as to meet the demands of people coming from different sectors in an all-round manner.

"VISION" and Electronic Communication

HKQAA publishes a magazine "VISION" quarterly. Contents of which include introduction of different international management systems and new standards for sustainable development by professionals from various fields, industry news, market trends, experience sharing by organizations and updates about HKQAA. We aim to provide latest news for the industries and help enhance standards. HKQAA also releases updates via electronic means from time to time, which enables clients and the industries to grasp the latest trends of management systems promptly.

In 2015, a total of 4 issues of "VISION" have been published. We have interviewed Mr Wong Kam Sing, JP, the Secretary for the Environment the HKSAR Government for exploring the topic of waste handling. We have also invited Mr Peter Mok, HKSTP Head of Incubation Programmes to share with us the possible ways for supporting start-ups in their vulnerable inception stages. Insights about management were brought to the industries.



Survey and Research on Performance in Sustainable Development

In order to promote sustainable development among the industry, HKQAA conducts relevant surveys and researches regularly to share good practices as well as areas required to be improved. In 2015, HKQAA has published some findings such as a “Summary Report of HKQAA CSR Index” and a “Survey Result on Hong Kong Carbon Performance”.

HKQAA is also appointed by Hang Seng Indexes Company Limited to conduct the rating and research on the performance of eligible local and Mainland listed companies in sustainable development, while the selection of constituents of “Hang Seng Corporate Sustainability Index Series” would make reference to the result of rating and research. With reference to various international guidelines, including the GRI G4 Sustainability Reporting Guidelines and the ISO 26000 Guidance on Social Responsibility, HKQAA has developed a set of professional methodology and criteria for reviewing the performance of listed companies in sustainable development from multiple perspectives objectively. In 2015, HKQAA has assessed the performance of 685 listed companies in respect of their sustainable development. The preliminary result has been released in October. Compared to the previous year, the performances in sustainable development and risk management of the listed companies being assessed have improved.

4. Listen to the Opinion of Different Sectors • Support Exchanges and Cooperation within the Industries

In order to facilitate the enhancement in standard and competitiveness of the industries, HKQAA has maintained close interaction with the Government and the industries, thus is able to keep close to the social development, and to design more services which suit the market demands accordingly. HKQAA also shares related experience for the industries proactively, participates and supports various events across the industries, which helps promote the development of local quality management.

Stakeholders' Group

For further enhancement of our registration services and ensuring impartiality, HKQAA has set up the Stakeholders' Group as a structural mean of stakeholders' engagement to collect views from different sectors. Members of the Stakeholders' Group come from government departments, professional associations, organizations of the industry and academic institutes, etc.

Promoting the Advantages of Local Industries

HKQAA is committed to supporting the development of local wine-related businesses. In August 2015, HKQAA joined Mr Gregory So, Secretary for Commerce and Economic Development of the HKSAR Government and representatives from the Hong Kong wine industry on a visit to South Australia. The delegation met with the senior management of the Australian Grape and Wine Authority, as well as the South Australian Wine Industry Association, where they exchanged news about the latest industry developments. The delegation presented Hong Kong's business advantages and explored collaboration projects. HKQAA was also invited to participate in the Hong Kong Wine Trade Seminar at the “Xi'an-Hong Kong Festival 2015” in September 2015. We introduced our wine-related conformity assessment services to Shaanxi's enterprises, so as to promote collaboration between Hong Kong and Shaanxi.



In addition, Jiangmen Bureau of Commerce visited HKQAA's office in Hong Kong in August 2015. We explored opportunity for collaboration to promote the development of the industries in both regions.



5. Understand the Need of Clients to Optimize Services

HKQAA acknowledges clients as one of the most prominent stakeholders. Hence, we take the initiative to maintain two-way communication with our clients and understand the market demands, so as to improve and develop our services and make advancement together with the industry.

Increase Clients' Understanding of Services

In order to let our clients know more about the services of HKQAA as well as certification assessment, HKQAA would provide clients with the "HKQAA Regulations" and the relevant terms during the course of signing contracts for certification service, so as to guarantee the right to know of users and consumers as well as to state clearly the rules that are required to be complied by both parties. This does not only encourage clients to comply with various requirements for certification self-consciously, but also allows HKQAA to maintain its quality of certification services.

HKQAA conducts regular surveillance audit annually for clients who have obtained certification. Also, by means of close supervision and monitoring such as following up with media reports intently, HKQAA ensures clients are acting in accordance with the certification requirements strictly and maintaining good practices. When there are updates in the certification requirements, HKQAA would provide the information to clients promptly in order to have the clients informed and assist them to take appropriate actions for complying with the new certification requirements.

Survey on Clients' Satisfaction

Thanks to the valuable feedbacks given by our clients, HKQAA has been improving continuously. In this respect, HKQAA invites clients to evaluate our performance and voice their comments after every audit. In 2015, HKQAA has received 875 surveys in total and have earned an average score of 6.26 (out of 7). 0.46% of the surveys have scored below 4. HKQAA has taken the initiative to approach relevant clients for communication and follow-up.

"Care for Clients Day"

To have a better understanding about clients' opinion and needs, HKQAA has held "Care for Clients Day" during the period to have face-to-face communication and interaction with clients. This helps to polish our existing services, develop new services and meet market demands.

6. Protect the Privacy of Clients

For the sake of protecting the privacy of clients, our customer services branch has restricted the right for viewing of clients' data on the information system which is being used in daily operation, so as to ensure that the personal data of each and every client can only be viewed by the liaison officer. This can prevent the leak of private data and have adequate protection of clients' privacy. Information Technology Unit has also been updating our information system to further strengthen its confidentiality.

OUR Environment

HKQAA always strives to encourage various industries to engage in environmental practices. Through the launch of various environmental initiatives and services, HKQAA assists organizations to implement environmentally-friendly measures and encourage them to join hands to build a green society. HKQAA also utilizes its own resources and knowledge to adopt numerous environmental policies in the office so as to minimize the negative impacts of operation on the environment. Besides, HKQAA organizes different green activities to raise colleagues' awareness and make an effort in protecting the environment. HKQAA firmly believes the positive impacts we bring about to the environment is much greater than the burden we put on the environment in the course of our business.



1. To Promote Green Business

Introduce international advanced environmental practices

In order to promote industries to engage in environmental protection, HKQAA has devoted to introducing international advanced green management tools such as ISO 14001 Environmental Management Systems, ISO 50001 Energy Management and the Clean Development Mechanism under the "United Nations Framework Convention on Climate Change", etc. throughout the years, so as to assist organizations in the region to make contributions in aspects such as protecting the environment, utilizing the resources and tackling climate change. Apart from these, HKQAA also shares the latest trend and information about environmental protection in various seminars and its quarterly "VISION".

Cater to Local Demands • Develop New Services

In order to cater to the demands in environmental protection of local industries and the society, HKQAA has developed various brand-new services and provides practical guidelines for industries to follow. During the year, "HKQAA Hong Kong Registration - Recycling Services" and "HKQAA Hong Kong Registration - Eco-friendly Series" have been kicked off. Also, "Carbon Performance Survey" has been done via the HKQAA-HKJC Carbon Disclosure e-Platform. We encourage organizations to integrate environmental practices in their daily operation to enhance their environmental performance. Besides, we signed a Memorandum of Understanding with Macao Association of Environmental Protection Industry in March 2015 to jointly promote management systems and sustainability concepts in Macau.



2. To Concern Climate Change

HKQAA has always been concerned about the global climate change issue. One of our Governing Council members, Ir Dr Otto L. T. Poon, attended the 2015 United Nations Climate Change Conference in Paris. At the Conference, 195 participating countries have reached consensus in relation to limiting greenhouse gases emission. The aim is to keep the average increase in temperature below 2°C (with pre-industrial levels as benchmark), while striving to accomplish the goal of keeping the increase below 1.5°C.

“The Fifth Assessment Report (AR5) by the Intergovernmental Panel on Climate Change (IPCC) states that climate change causes extreme weather events to increase with significant impact on economies and communities. I am delighted to see an agreement reached by various countries at the Paris Conference. They agreed to make Intended Nationally Determined Contributions (INDC) on carbon reduction and aimed to keep a global temperature rise well below 2 degrees Celsius. We cannot expect the Paris Agreement to provide a complete answer to the problem but it must be a big step forward in the right direction. Despite Hong Kong being such a small city, we have obligations to de-carbonize.”

- Ir Dr Otto L. T. Poon, BBS, OBE
Governing Council members of HKQAA
Founder and Former President of Hong Kong Climate Change Forum



3. Environmental-friendly Office

Apart from encouraging various industries to engage in environmental practices, we also practice what we preach. HKQAA has implemented the “Green Workplace” scheme. With the aim of promoting the environmental protection concept among staff, we work together to build a green workplace by managing resources and waste in responsible ways such as reducing the use of paper, recycling, energy-saving and carbon reduction, etc.

Reducing the Use of Paper

Paper is one of the mostly used resources at office. Hence, the Hong Kong office of HKQAA has always been encouraging employees to reduce the use of paper by multiple ways. For example, advocating double-sided printing, using waste paper as memo and setting up a waste paper recycling collection box. This is to reduce the use of paper by three major ways: Reduce, Reuse and Recycle. In 2015, HKQAA has collected about 30 bags of recycling paper and passed to confidential materials destruction service provider as well as Eco Association for handling.

Our Guangzhou office has also implemented various environmental practices, such as the installation of hand-dryer machine and the cancellation of provision of tissue hand towel in three toilets, so that employees can gradually kick the habit of using tissue hand towel. This does not only align with the environmentally-friendly concept, but also reduces the cost of organization.

Recycling

Apart from reducing the use of paper, our Hong Kong office also implements a lot of recycling policies. In March, we have participated in the “Computer Refurbish Project” being held by Caritas-HK Computer Workshop. We have donated a total of 15 desktop computers, 5 printers, 4 LCD monitors, 10 laptops, 12 servers and 1 video camera. This does not only reduce waste, but can also help the needy.

HKQAA has also joined Friends of Earth’s “Used Printer Cartridge Reuse & Recycling Programme” and has donated 35 used printer cartridges in total. The proceeds had been donated to Friends of Earth in full for promoting environmental protection.

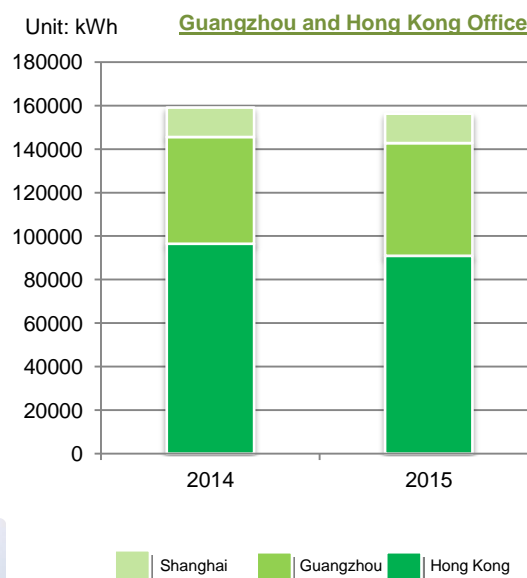
HKQAA’s offices in both Hong Kong and the Mainland have implemented waste sorting and separation. Recyclable materials such as plastic bottles, newspaper and cardboard are sorted out and handled separately to facilitate the collection by recyclers. Our Hong Kong office also collects used fluorescent tubes, light bulbs and batteries for recycling. Besides, our Shanghai office and Guangzhou office also initiated the used clothes donation which encouraged employees to support recycling and reusing.



Energy-saving and Carbon-reduction

HKQAA’s offices in both Hong Kong and the Mainland would switch off the lights in the offices during lunchtime everyday and would turn off all lights, computers, computer monitors and air-conditioners after office hour. The Shanghai office would shut down the power of air-conditioner and water dispenser 1 hour well before the end of office hour so as to ensure energy-saving. Through the above environmentally-friendly practices, the overall electricity consumption of HKQAA has decreased. This reflects our determination for energy-saving and carbon reduction.

Energy Consumption in Shanghai, Guangzhou and Hong Kong Office



4. Environmentally-friendly Activities

Shore-cleaning Activity

Apart from implementing environmental practices at office, we care for the nature environment as well. In mid December, our Hong Kong office has organized a voluntary service related to environmental protection. Including HKQAA's CEO, there are a total of 26 staff members participating in the shore-cleaning activity at Dragon Beach in the New Territories. The sorted waste was disposed at a nearby refuse collection point.



“Having sighted a piece of news related to environmental protection earlier on, it was brought to my knowledge that the endangered green turtles are found dead on the beach. Result of the autopsy revealed that some rubbish was found inside their bodies. I was therefore aroused to make an effort for protecting the environment, so I volunteered in joining this shore-cleaning activity. In addition, through activities out of the scope of work, I do not only have the chance to interact with colleagues from different divisions, but also understand each other better. Communication among us has been strengthened. Hence, if time is allowed, I would definitely join similar activities again.”



- Ms Yama Lee, Volunteer from the Hong Kong Office for the Shore-cleaning Activity

Environmental Creativity Competition

Our Guangzhou office has organized the environmental creativity competition this year. By using materials such as aluminum cans, milk cans and glass bottles to produce environmental flower pots, HKQAA staff decorate the office with plants and create a pleasant green workplace.



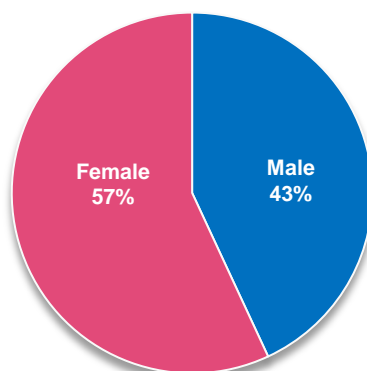
OUR PEOPLE

In order to maximize HKQAA's functions, we have a professional team that works whole-heartedly with devotion and determination of pursuing excellence. Therefore, HKQAA strives to add values to the human resources, create a fair and healthy working environment, respect employees' rights and interests, cultivate employees' various talents and listen to their opinion via different channels, so as to make progress together with the employees.

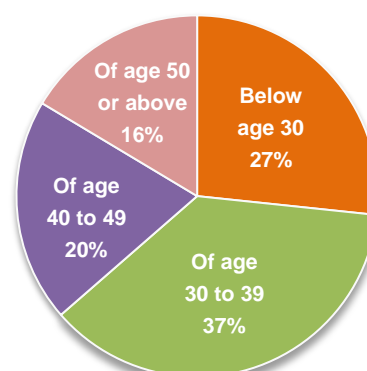
1. Human Resources

HKQAA provides equal opportunity for employees. Fairness and meritocracy are adopted in the process of recruitment, selection, hiring, training, promotion and transfer. Without regard to gender, age, marriage status, religion, race, nationality or disabilities status, all people are treated equally. In 2015, HKQAA's offices in Hong Kong and the Mainland, with appropriate remuneration package according to the relevant laws and regulations, have employed a total of 1 non-local individual, 185 physically-challenged people and elderly people.

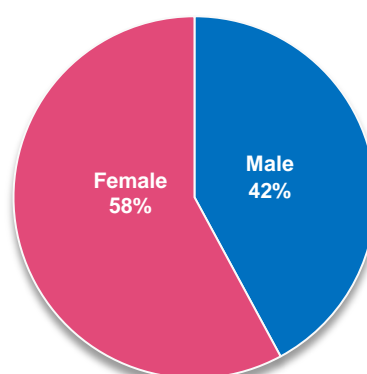
Gender Ratio of Employees in 2015



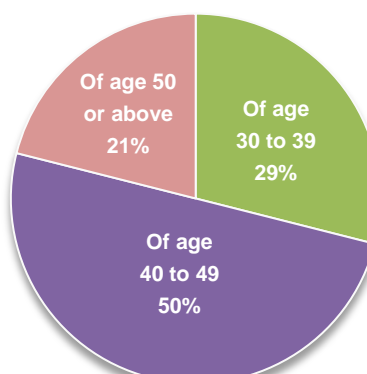
Age Distribution of Employees in 2015



Gender Ratio of Employees in 2015



Age Distribution of Employees in Managerial Position in 2015



2. Rights and Interests of Employees

HKQAA completely guarantees the basic rights and interests of employees. On such basis, HKQAA offers competitive remuneration and fringe benefits in order to attract and retain talents of high caliber.



Remuneration and Fringe Benefits

In 2015, HKQAA reviewed the remuneration structure, fringe benefits system and promotion ladder comprehensively in accordance with the market condition, operational demand and employees' needs, so as to provide employees with a more ideal remuneration package. The remuneration package was approved by the Remuneration Committee accordingly.

HKQAA strictly complies with the Labour Legislation, pays salary on time, provides protection for employees and safeguards the rights and interests of employees. In Hong Kong, we obey the Labour Legislation including the Minimum Wage Ordinance and Mandatory Provident Fund Schemes Ordinance. We offer remuneration at a reasonable level as well as make contribution to the Mandatory Provident Fund Scheme. The subsidiary in the Mainland also complies with the national laws and regulations in respect of human resources and social security, signs and fulfills employment contracts and social insurance in accordance with the laws and legislation, and buys additional commercial insurance. Apart from the basic remuneration package required by law, HKQAA also offers fringe benefits such as health care, dental care, medical check-up and travel insurance.

HKQAA has great concern about the employees' work-life balance. By implementing a flexible on-leave policy including paternity leave on full pay and maternity leave on full pay, employees are allowed to strike a balance between work and family. In 2015, we have increased the paternity leave on full pay from 3 days to 5 days, which is better than the 3-day minimum requirement being stipulated in the Labour Legislation of Hong Kong.

Labour Protection and Human Rights

HKQAA is committed to labour protection as well as the respect of human rights and makes every effort to secure that the rights of employees would not be violated. We are determined to guarantee the human rights such as right to privacy, right to human dignity, right to security of person, right to property, right to liberty, freedom of religion and freedom of speech, etc. We also encourage a liberal political stance.

During the period, HKQAA has implemented "Policy against Sexual Harassment", representing that we do not tolerate any form of sexual harassment and sex discrimination at the workplace. We also set out the mechanism for dealing with

complaints of sexual harassment to ensure that the complaint can be handled fairly in confidence. Besides, HKQAA is actively preparing for the implementation of “Breastfeeding Friendly Workplace” with the aim of providing an appropriate and friendly environment for expressing and storing breastmilk to the breastfeeding employees.

Staff Activities

HKQAA stresses the importance of work-life balance of employees. Hence, we organize various types of staff activities, such as annual dinner, Spring Lunch, departmental meal, travelling tour, hiking tour, barbecue, badminton session and yoga session, etc. We also subsidize staff's sport activities to encourage employees for doing more exercises that are believed to be good for both physical and mental health. The Guangzhou office organizes inter-division sport activities monthly, and each division holds two events each year. This enables employees to relax in their spare time. These activities do not only enhance the friendly relationship and reinforce the cohesion among employees, but can also promote the employees' sense of belonging, creating a harmonious atmosphere at work.



Streamlining of Work Procedures

HKQAA has made continuous improvement as its goal. We review and improve the work procedures incessantly in order to enhance work efficiency and quality. Each division will propose corresponding work improvement projects every year. In 2015, 31 projects have been launched, including the streamlining of work procedures, nurturing of talents of employees and control of operational cost, etc. Through these measures, the work efficiency and ability of employees can both be enhanced.

HKQAA has launched the “Human Resources Information System”. Employees are allowed to apply for and cancel leaves as well as to update contact information via the online platform. The new system has digitized leave application and employees' contact information, which greatly reduces the use of paper. It also enables employees to check the progress of leave approval and leave records, which greatly enhances the transparency of leave approval process. The “Human Resources Information System” is being launched progressively with different phases. The first phase has been put into practice officially in the end of 2015, having 40 employees of the back office to start using the system. It is expected that the full implementation of the new system will take place in the Hong Kong office in April of 2016.

3. Safety and Health of Employees

HKQAA strives to offer employees a safe and healthy working environment and reduce the safety risk at workplace. We also comply with the laws and regulations in relation to occupational health and safety, optimize the relevant policies and practices continuously as well as safeguard and promote employees' safety and health. During the year, HKQAA has no employees injured at work.

In 2015, the Administration Unit has conducted "Risk Assessment of Display Screen Equipment at Workplace" to ensure that employees are using the computers under an appropriate environment with correct posture, while the Human Resource division has arranged all new employees to attend occupational safety and health courses to raise their relevant awareness.

In respect of the safety of office, HKQAA has formulated the "Office Security Guidelines" during the period to stipulate the registration procedure of visitors clearly. The Shanghai and Guangzhou offices have updated the surveillance camera system respectively. This aims to strengthen the security of the offices. In addition, pursuant to the regulations set out by the Government, the Hong Kong office has undergone the periodic inspection, testing and certification of electrical installations as well as obtained the endorsement by Electrical and Mechanical Services Department. In terms of fire safety, both the offices in Hong Kong and Guangzhou have organized fire drill being participated by employees, so as to strengthen their awareness about fire safety as well as to enhance their capacity to cope with a fire accident.

HKQAA strives to offer employees a comfortable and clean working environment. The Hong Kong office has particularly conducted a tap water test. The test results revealed that the tap water sample has met the standard of World Health Organization (WHO). Employees can drink the water safely. In order to keep the working environment clean, HKQAA arranges regular cleaning of facilities including air-conditioning duct, carpet, water heater and distilled water dispenser.

4. Staff Development

In respect of talents-nurturing and second-tier planning, HKQAA has developed many programmes and projects with the purpose of revealing and nurturing the talents of employees from various levels. This does not only facilitate the sustainable development of both the individual and HKQAA, but also promotes the sense of belonging of employees.

On-the-job Training

HKQAA provide all employees with a series of induction training on relevant laws and ordinances. We also provide appropriate and relevant training for employees with various positions in order to enhance their abilities in multiple aspects. In 2015, the training hours for the employees of Hong Kong office reached as many as 4,805 hours and the number of participants reached 1,139 times. The training hours for the employees of the Mainland offices reached 1,974 hours.



In 2015, both Hong Kong Headquarters and the subsidiary in the Mainland have launched the monthly product training. Auditors are required to attend China Certification & Accreditation Association (CCAA)'s Continuous Education Course and BSCI's Auditors' Training Course. In order to encourage auditors to enhance their professional technical standard, HKQAA supports employees to acquire professional qualifications in various fields as it may require. In this way, they are encouraged to participate in the activities of the industries, learn new knowledge, cater the market development trends and also raise the competitive edge of both individual and the organization.

Apart from professional courses for auditors, HKQAA also organizes courses in relation to various aspects including management skills, finance and law for the employees in Hong Kong, the Mainland and Macau to enhance their management skills, leadership and professional knowledge. Supervisors from different levels recommend employees to participate in various technical skills training programmes. During the period, 4 employees of HKQAA are recommended to join Leadership Training Association's training. This helps them to explore their talents in leadership and benefits the upcoming leading role in future.

Nurturing Technical Experts

Audit services is HKQAA's core service. Hence, HKQAA has implemented the "Auditors' Development" programme for promoting the young auditors and consolidating our professional team. HKQAA arranges experienced auditors of Assessment Conformity Unit to be the trainers, while trainees are required to take assessment, as well as to be accompanied by the Assessment Conformity Unit to conduct the audit for clients, so as to ensure the audits have met the required standard. During the period, 6 employees who are without previous audit-related background have joined this programme and they have widened their exposure in the professional field. Besides, HKQAA is also devoted to nurturing young technical talents in the hope of adding new blood to the industries.

Second-tier Management Development Programme

HKQAA is passionate about nurturing new generations of executives at management level. We prepare a second-tier management staff for some middle-level and senior management positions. Through the quality and innovative meetings which are held monthly, their management capacity would be enhanced. This measure does not only help to identify and train young talents, it also ensures the sustainability of management functions and reduces the management risk.

Team Building Events

During the period, HKQAA has organized some team building activities. Participating employees form different teams and cooperation across divisions has been realized. Employees could bring their talents into full play for accomplishing the tasks. HKQAA hopes that through these events, communication among employees can be facilitated, the bonding among them can be strengthened, and each employees are enabled to understand their own advantages and shortcomings so as to enhance individual's ability.



Ms Wendy Yu
Participating Employee
of Team Building Activity

"During the event, the colleagues took the initiative to participate in different activities. We were assigned to form teams with our colleagues who came from different divisions, which facilitates better understanding among colleagues and strengthens communication. Employees are allowed to gain a better understanding about HKQAA, so that the team building spirit can be reinforced and the bonding and cohesion can be reinforced."

5. Communication with Employees

HKQAA understands the importance of communication with employees, so that multiple communication channels have been established to let employees express any opinions they have on HKQAA. If employees have any queries, they can report to the superiors, the Human Resource Unit or CEO directly by various means such as emails. They can also express their opinions to colleagues in occasions such as divisional meetings, auditors' meetings and monthly quality meetings.



Performance Appraisal

Performance Appraisal is a combination of two sessions namely self-rating and appraiser's rating. This facilitates the communication between employees and their superiors, enables the identification of aspects such as advantages and shortcomings, work performance, improvement areas and training needs, etc. of the employees. It also allows the employees to set the goals for next stage and reach a consensus on possible ways for enhancing work performance together with their superiors. Also, HKQAA encourages employees to express their views candidly through the monthly and quarterly review. If employees do not agree to the review results, HKQAA will take follow-up action accordingly.

In 2015, in order to enhance the productivity and work performance of the employees, HKQAA has finished the performance appraisal for all employees, and has taken some follow-up actions and made some reminders to a few concerned cases.

Internal Customer Satisfaction Survey

In 2015, HKQAA has conducted the internal customer satisfaction survey by inviting all employees to give comments on various divisions in respect of their work efficiency, quality, customer service manner and overall image. Management review meeting has reviewed the survey results, and the comments to and the overall score of each division will be passed to the respective head of division, so as to help each division to improve.

Staff Meeting

HKQAA's Hong Kong office, Guangzhou office and Shanghai office hold a staff meeting half a year to update employees with HKQAA's latest trend, business performance and future plan of development. This is to exalt our organizational culture, promote the communication among employees and raise morale. Some group activities would be held during the staff meeting to enable better understanding among employees and promote solidarity.

OUR COMMUNITY

HKQAA has always been following closely with the social development and adhering to the spirit of benefiting the society. In addition to assisting the development of industries, HKQAA is also responding to the society's need and expectation by taking part in community activities actively, promoting the whole-person development of students and simultaneously supporting the underprivileged. The employees are also responding to these enthusiastically. During the period, HKQAA's employees in Hong Kong and the Mainland have participated in voluntary services for 600 hours in total, which reflects that employees greatly support HKQAA's ideology of serving the community.



*Runner-up Entry of the Primary School Junior Section,
the 8th "My Dream Home" Drawing Contest
by Tang Ching Ka, Student of Holy Trinity Primary School*

HKQAA Business and Community Supporting Fund

In 2015, HKQAA Business and Community Supporting Fund (BCS Fund) has subsidized 13 projects, including supporting the advancement of education, helping the underprivileged, holding symposium and supporting the community services. The total amount of donation for the year is about HK\$600,000.

CSR (Corporate Social Responsibility) Ambassador

Every year, HKQAA's employees would select a CSR Ambassador by voting, who is responsible for initiating and organizing various charitable events, and to encourage the active participation by employees, so as to contribute to the society.

1. Support the Advancement of Education

"My Dream Home" Programme

"HKQAA My Dream Home" aims at instilling the concept of social responsibility to our next generation at their early age and establishing their good sense of citizenship, so that they can hold on to such beliefs and principles and balance the interests of various stakeholders even when they have entered the workforce, so as to contribute to the overall sustainable development of corporates and the society.

Writing, Photo, Drawing and Poster Design Contest

During the period, HKQAA has organized the 8th HKQAA "My Dream Home" Writing, Photo, Drawing and Poster Design Contest, it was the fifth consecutive year to invite primary and secondary school students from Guangzhou and other nearby regions to participate in the Programme. Having the Education Bureau of Hong Kong and Guangzhou Youth Cultural Exchange Center working together to promote the Programme, students reacted enthusiastically and 3,000 pieces of art work were received.



Awarded entry

"I chose to use the charity stalls held by the elderly as the subject of my photos because I would like to convey that participation in charitable work is regardless of one's age and identity. As long as you are determined, you can make an effort. This is to encourage everyone to participate in more charitable work actively. Besides, I also hope that I can arouse the society's concern on the elderly, and to build a harmonious and fair "dream home" with no prejudice together. This award is an affirmation to me and has boosted my confidence for joining various photograph competitions in the future."

- Wong Ho Man, Student of Kwai Ming Wu Memorial School of the Precious Blood
Champion of the Primary School Section, "My Dream Home" Photo Contest

Low-Carbon Exchange Program between Students from Shanghai and Hong Kong

In response to the concept of environmental protection and "My Dream Home", HKQAA has also cooperated with the Shanghai Branch of China Quality Certification Center to organize the Low-Carbon Exchange Program. Exhibitions have been held in Hong Kong and Shanghai respectively to showcase the drawings on the theme "Low-Carbon" drawn by the students from the respective regions, so as to inspire the younger generation from both regions to reflect on the topics of environmental protection and climate change.

“The Business-School Partnership Programme” – Experience of Organizing an Event

HKQAA has also joined “The Business-School Partnership Programme” which is launched by the Education Bureau of the HKSAR Government. It provides secondary school students with chances of work experience exposure and assists them to explore their ambition and interest, so as to help them with life planning. The Programme has attracted applications from 30 secondary five students. During the interview screening procedure, participating students have received valuable recommendations from colleagues of HKQAA’s Human Resource Unit on skills for attending interviews, which would be helpful for their further education and career in the future. Shortlisted candidates would participate in the award-presenting ceremony of HKQAA’s “My Dream Home” Programme to gain experience in organizing a large-scale event. This Programme does not only increase the students’ knowledge in the industries, but also enables them to understand their own potential and aspiration, so as to make them be ready for entering the workforce in the future. The CEO of HKQAA has also attended the “Life Planning for a Bright Future cum Business-School Partnership Programme Anniversary Celebration Ceremony” and represented HKQAA for receiving the recognition from Mr CY Leung, the Chief Executive of the HKSAR.



Summer Internship Programme

Apart from nurturing the next generation through the form of competition, HKQAA also organizes Summer Internship Programme every year to allow students coming from various tertiary institutes to gain practical working experience and have a better understanding of the world of work while they are still studying. Internship also helps them to realize their potential, increase their knowledge about the industries, which are beneficial to their future career development.



In 2015, HKQAA’s Hong Kong office has organized a Summer Internship Programme with four institutions for seven students. Teaching staff from the School of Continuing and Professional Studies, the Chinese University of Hong Kong and the Hong Kong Institute of Vocational Education have visited HKQAA in August 2015 to find out more about the working performance of the interns.

In our Guangzhou office, we have also employed two interns to join the Administration Unit and Finance Unit for learning and working.

Scholarship Donation

BCS HKQAA is committed to nurturing the whole-person growth of the youth. The BCS Fund had awarded scholarships to students of Hang Seng Management College and Youth College who had attained outstanding academic results, so as to encourage them to continue in utilizing their potential for repaying the society in the future.



2. Support the Underprivileged

Embracing Social Inclusion

HKQAA has always been dedicated to helping people with disabilities to integrate into the community and offering job opportunities to people in need so as to allow them to bring their talents into full play. In 2015, HKQAA's Hong Kong office has employed 183 people with disabilities and elderly as our mystery shoppers. Among them, 66 are visually impaired, 34 are hearing impaired, 50 are elderly and 33 are wheelchair users. 30 of them are newly employed in 2015. Both Guangzhou office and Shanghai office have employed people with disabilities as full-time employees who are responsible for administrative and data collecting tasks.

Sponsoring Children by Drinking Coffee

This programme is arranged by the Charity Ambassador by offering food and snacks at the office's pantry to the employees to purchase. All the proceeds together with a certain amount of the BCS Fund would be donated to World Vision Hong Kong for sponsoring three children in Nepal, Albania and the rural village in Shaanxi respectively so as to help improve their living standard.



Besides, the Charity Ambassador initiated a donation campaign for Chinese New Year red packets, encouraging our staff to donate one of their red packets or more in exchange of snacks, so that we can celebrate the Chinese New Year and at the same time bring hopes to the poor children in remote areas.

Thank You Cards from the Sponsored Children



Every year, HKQAA receives self-made thank you cards from the sponsored children. These cards are displayed in our pantry so that all staff can get to know about the recent lives of the children.

Donating Used Clothing

Shanghai office and Guangzhou office have held the Used Clothing Donation Campaign in October 2015 respectively so as to encourage staff to make an effort and spread the warmth to the needy. More than one hundred pieces of used clothing have been collected and have been passed to some charitable organizations and recycling banks designated by the government. This does not only match the mission of HKQAA for environmental protection by reducing wastes, but also helps the people in need.

Participating in “Moonwalkers” of Orbis Hong Kong

HKQAA participates in various fund-raising activities actively every year so as to make an effort



for helping the needy in the society. In order to encourage staff participation, HKQAA has continued to subsidize colleagues for joining Orbis Hong Kong's “Moonwalkers” in full amount for raising funds for the visually impaired in 2015. An enthusiastic response was received that 28 staff including the CEO and COO have joined the activity.

3. Care for the Community

Taking Part in Community Voluntary Activities

Staff of HKQAA participates in community voluntary activities actively. In 2015, staff of Guangzhou office joined the voluntary activity at Guangzhou Juvenile Library. They were allocated to different positions to assist people with different needs. In Guangzhou office, there are two staff who are awarded as “Outstanding Volunteer” and have acquired the relevant certificate due to their active and numerous participation in voluntary activities.



“When HKQAA initiated this voluntary activity, I found it very meaningful. Also, I have never joined any voluntary activities in the past, so I decided to take part in this one. Since the personnel of the library is not sufficient, we assisted to put the books back to the bookshelves. After numerous participations, I have gained the “Outstanding Volunteer” Award. This motivates me to continue in joining voluntary activities so as to help more and more people who are in need.”



- Mr Larry Lin, Volunteer of Guangzhou Office and Outstanding Volunteer of Guangzhou Juvenile Library

Visiting Remote Areas

HKQAA hopes to improve the learning environment in remote areas, as well as to enhance the living standard of children and the elderly there by utilizing the BCS Fund. This also allows us to advocate one of our shared values - “Social Responsibility”.

In September 2015, delegates from HKQAA, including CEO of HKQAA Dr Michael P. H. Lam, visited some regions in the Northwest China such as Gansu, Sichuan and Shaanxi. They communicated with the local orphanages, charitable organizations and volunteers, learnt the recent updates for the funded projects as well as the education and health care support offered in those cities.



Supporting Sustainable Development Projects

BCS Fund does not only encourage younger generation's involvement in the society and support the disadvantaged, but is also dedicated to promoting sustainable development projects. In 2015, BCS Fund has given subsidy to sustainable development projects, including subsidizing a local volunteer to travel to Australia for learning and experiencing some good practices in sustainable developments. The relevant reflection by the volunteer has been included in HKQAA's publication “VISION” for sharing with the industries and the public.



Ms Caroline Ma
Sustainability Project
Volunteer Supported by
HKQAA BCS Fund

“With BCS Fund, I stayed in Australia for the previous 11 months. I have emerged myself fully into the local voluntary projects. I have also learnt some practices adopted by foreign countries for organic farming and ecosystem conservation. Since the development of organic farming in Hong Kong is still immature, I hope that I have been able to bring some good practices back to Hong Kong after this journey, so as to facilitate the society's sustainability.”



LOOKING FORWARD



“Social Responsibility” is one of the shared values of HKQAA. It is also a crucial factor to the sustainable development of the society. In the future, apart from generating profit for supporting our daily operation, we also continue to follow the pace of social development, show concern about social issues such as development of start-ups, barrier-free, environmental protection and consumer rights. We shall connect with stakeholders closely and allocate more resources for launching more innovative services and training to cater the growing demand of enterprises and the society. This can facilitate the sustainable development of the industries and the community.

While promoting the sustainable development of the industries, HKQAA will also optimize its internal governance to ensure its impartiality, neutrality and professionalism. HKQAA is also committed to nurturing talents and assisting the personal growth of staff and the long-term development of the organization. Additionally, in order to promote economic and social development, HKQAA will continue to allocate resources to support industrial, educational and community projects by utilizing the BCS Fund. Being led by the CSR Ambassador, HKQAA will contribute to the society by participating in environmental protection and community activities.

All the staff of HKQAA would work together and cooperate with various stakeholders to bring innovation and add values to the industries and the society, so as to build a new era of sustainability together.

Appendix 1: Index - “HKQAA CSR Index”

“HKQAA CSR Index” has been developed based on the guidance and principles provided by ISO 26000. The guidance of ISO 26000 was consolidated into forty recommended CSR practices under seven core subjects as below:-

CSR Core Subjects	Recommended CSR Practices		Relevant Pages
Organizational Governance	OG1	Organisation should set its direction by making social responsibility an integral part of its policies, strategies and operations.	2,3
	OG2	Organisation should establish programmes to raise awareness and build competency in social responsibility in the organisation.	3
	OG3	Organisation should be aware of applicable laws and regulations, as well as informing those within the organisation responsible for observing these laws and regulations to ensure that they are observed.	6,8-10,24,25
	OG4	Organisation should disclose its policies, decisions and activities about their known and likely impacts on society and the environment.	12-23,30-35
	OG5	Organisation should define its standards of ethical behaviour with reference to available international norms.	4,10
	OG6	Organisation should develop governance structures that help to promote ethical conduct within the organisation and in its interactions with others.	6-11
	OG7	Organisation should establish a two-way communication mechanism for stakeholders' interests, as well as assisting in identifying areas of agreement and disagreement and negotiating to resolve possible conflicts.	5,9,18,19,29
Human Rights	HR1	Organisation should prevent the abuse of human rights resulting from the actions of any entities or persons whose activities are significantly linked to those of the organisation.	10,24,25
	HR2	Organisation should establish a transparent and independent governance structure to ensure that no party can interfere with the fair conduct of a particular grievance process.	7-9,19,29
	HR3	Organisation should provide stakeholders with channels to freely express their views, even in situations of disagreement with organisational decisions.	5,9,18,19,29
	HR4	Organisation should ensure that it does not discriminate against employees, partners, customers, stakeholders, members and anyone else that the organisation has any contact with or can influence.	10,11,24,25
	HR5	Organisation should ensure no engagement with forced labour and child labour.	24,25
Labour Practices	LP1	Organisation should encourage the organisations in its supply chain to meet legal labour requirements.	11
	LP2	Organisation should ensure that the conditions of its work comply with national laws and regulations.	24,25
	LP3	Organisation should establish dialogue with staff members to establish healthy labour-management relations.	5,29
	LP4	Organisation should implement measures to protect employees from health risks and adopt an occupational environment that meets the physiological and psychological needs of employees.	25-29
	LP5	Organisation should promote an occupational health and safety culture to employees and contractors.	13,27
	LP6	Organisation should implement programmes to increase the capacity and employability of employees.	26-28

The Environment	EN1	Organisation should implement measures to prevent pollution and minimise waste.	21-23
	EN2	Organisation should promote an environmental-caring culture to employees and contractors.	13,20-23
	EN3	Organisation should implement resource efficiency measures to reduce its use of energy, water and other materials.	21-23
	EN4	Organisation should implement measures to reduce Greenhouse Gases (GHG) emissions associated with its activities, products and services.	22
	EN5	Organisation should identify potentially adverse impacts on the ecosystem and take measures to eliminate or minimise these impacts.	21-23
Fair Operating Practices	FO1	Organisation should develop and implement programmes to prevent corruption.	9-11
	FO2	Organisation should prevent engaging in anti-competitive behaviour.	10
	FO3	Organisation should incorporate social, ethical, environmental and gender equality criteria in its purchasing, distributing and contracting policies.	10,11
	FO4	Organisation should develop and implement programmes to protect property rights.	11
Consumer Issues	CO1	Organisation should ensure no unfair or misleading marketing and information is delivered to customers or consumers.	10
	CO2	Organisation should ensure that consumers are aware of their rights and responsibilities when products and services are delivered.	19
	CO3	Organisation should ensure that its products and services will not be inherently harmful to consumers' health.	12-15,20
	CO4	Organisation shall provide customers with socially and environmentally beneficial products and services that are able to reduce respective adverse impacts throughout their life cycle.	12-18,20
	CO5	Organisation should review complaints and take action to prevent recurrence.	9
	CO6	Organisation should implement measures to resolve dispute and enhance customer satisfaction.	9,19
	CO7	Organisation should implement measures to protect consumers' data and privacy.	19
	CO8	Organisation should educate customers or consumers in order to enhance their understanding of the product and awareness of sustainable consumption.	12-18,20,21
Community Involvement and Development	CD1	Organisation should help to conserve and protect heritage, especially where the organisation's operation has an impact on.	16,17
	CD2	Organisation should contribute to programmes that provide assistance or other necessities to vulnerable and low-income groups.	30-35
	CD3	Organisation should participate in skills development for the organisations in its supply chain in the community in which they operate.	12-18,20,30-33, 35
	CD4	Organisation should encourage healthy lifestyles in the community.	12-18,20,30-35
	CD5	Organisation should contribute to the development of the community in which they operate.	12-18,20,21,30-35

Appendix 2: CNCA's "Guidance for Certification Bodies to Fulfill Social Responsibilities"

"Main Content for Certification Bodies to Fulfill Social Responsibilities" – Index

Main Content for Certification Bodies to Fulfill Social Responsibilities		Relevant Pages
Legal Compliance	Take the initiative to comply with various requirements of laws, regulations and an organization's standardized operation; Seriously fulfill moral and ethical standards as a corporation as well as a citizen; combat crooked competition, commercial bribery and fraudulence; voluntarily accept the supervision by the government, consumers and society; uphold the law and order within the accreditation industry	6-11,24-25
Standardized Operation	Develop internal control system for ensuring the impartiality of certification work, the scientific and standardized operation in business and personnel management, identification and prevention of certification risk; Develop and implement measures for effectively supervising organizations which have obtained certification; strengthen the management and control over the entire certification process; Assist organizations which have obtained certification to continually fulfill the certification requirements by providing them with practical and effective support	6-11,19
Integrity	Take the initiative to adhere to the morality and ethics of the society, business and industry with self-discipline; engage in certification work in a fair, impartial and objective manner; deal with the relevant certification parties with sincerity and standardized methods; earn the confidence of the society with scientific means, strict manner, standardized procedures, professionalism, quality services and reliable results	6-11
Enhancing Service Levels	Actively develop diversified services which can improve and enhance the managerial levels of an organization and ensure the effectiveness of certification; facilitate organic integration of the management system established by an organization into the practical management process; lay a solid foundation for provision of high-quality and reliable certification results	6-12,18,19
Innovative Development	Actively expand the field of certification with the focus on development in national economy and the society; innovate the business mode of certification industry; satisfy the need of the government, industry and enterprises for certification; utilize the positive effect of certification on economic continual growth and social harmony	12,15
Protecting the Environment by Energy-saving and Carbon-reduction	Make use of certification technology to facilitate environmental protection, energy-saving and carbon-reduction. Reduce exploitation and exhaustion of resources and energy as well as pollution during the process of management and certification work	13,15,20-23
Employees' Rights and Interests	Comply with the national laws and regulations in relation to human resources and social security; sign contracts with employees and obey the terms and conditions therein and the requirement for social security in accordance with the law; establish policies and systems to protect employees' rights and interests as well as their physical and mental health; refine remuneration allocation system; recognize and nurture talents; provide business development opportunities; foster employees' esteem and sense of responsibility for the certification industry	24-29
Serving the Society	Actively engage in social welfare and community building; encourage the development of the certification for approved charitable activities and voluntary services; care about and give support to public welfare work such as education, culture and hygiene	30-35

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