

**SOCIAL  
RESPONSIBILITY  
REPORT  
2019**



**Upholding our values  
Providing solutions  
for industry and society**



# 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 26000:2010 Guidance on Social Responsibility of International Organisation for Standardisation, as well as with reference to the HKQAA CSR Index and the Core Option of the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards). 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 2019 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 Xi'an representative office, 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.



# Content

- 01 Chief Executive Officer's Message
- 02 About Us
- 06 Our Governance
- 12 Our People
- 20 Our Services
- 29 Our Environment
- 33 Our Community
- 37 Looking Forward
- 38 Appendix 1: Index- "HKQAA CSR Index"
- 41 Appendix 2: Index- "Main Content for Certification Bodies to Fulfill Social Responsibilities" of CNCA's "Guidance for Certification Bodies to Fulfill Social Responsibilities"



# Chief Executive Officer's Message



Our society is like a huge family, in which every member values love and tries to create their dream home.

However, the future isn't always as bright as a blue sky. Our life is like the ever-changing weather; sometimes we encounter bad days, with dark clouds and thunderstorms. Hardships emerge when we are building our dream home, but they will turn into traces of our life, and help us to face the challenges ahead.

When facing the harsh reality, some of us might believe we are doomed, while others remain positive. Frankly, we always need to confront challenges in this ever-changing world. Each time, we can treat it as an opportunity for learning and improve our problem-solving skills. If we can adopt a positive mindset and work harder, we will learn to appreciate the beautiful blue sky after eventually coming through the bad weather.

Building a dream home is not easy. It needs to be done gradually with everyone's selfless contribution. Only then can we establish a dream home that is resilient.

Over the past 30 years, HKQAA has partnered with enterprises to help them solve problems, and improve their operational performance and core competencies to address challenges. We have worked together to contribute to the sustainable development of society. Last year, we responded to societal and market needs to develop innovative services, such as certification services for elderly homes and green funds. We have established strategic partnerships with government departments and organisations in the region to foster industry development in "Made in the Bay Area" assessment, building assessment systems, open banking eco-systems and green finance. Apart from organising various training courses and seminars, we also held large-scale forums in Hong Kong and Xi'an, and published "Green Finance in Hong Kong". We have striven to encourage knowledge exchange and technology transfer, and foster industries' continual enhancement.

In 2020, the Agency is developing conformity assessment services for medical surgical masks, disease prevention measures and personnel. We aim at contributing to society by utilising the Agency's professionalism and functionality. In order to implement the government's policies and respond to societal needs, the Agency will stay committed to its mission, develop diverse services and help enterprises and society manage problems in the future. We promise to tackle challenges together with the industry and build a dream home for everyone.

**Dr. Michael P.H. Lam**  
**Chief Executive Officer**



# About us

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Hong Kong Quality Assurance Agency (HKQAA) is a non-profit-distributing organisation established in 1989 by the Hong Kong Government. Being one of the leading conformity assessment bodies in the Asia-Pacific region, the Agency strives to help enterprises enhance their core competencies and management performance in order to tackle challenges. HKQAA not only provides certification, assessment, registration, verification and validation, training, research and rating services, but also develops a wide range of good management practices and related criteria to cope with increasingly diversified market demands and the growing needs for sustainable development, fostering a better environment and bringing benefits to the community.

In its early years, HKQAA's operation was funded by the Hong Kong Government. With its high quality professional services, HKQAA is able to realise its financial independence. It does not only maintain a sound financial position, but also utilises 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. Since 2017, a representative office has been set up in Xi'an to maintain close cooperation with different sectors.

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## Vision

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

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## 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 organisational 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 to pursue growth. “**I**ntegrity” represents that the team adheres to integrity firmly. “**F**airness” emphasises fairness and justice. “**T**eam with Joy” symbolises 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 organisation, 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.

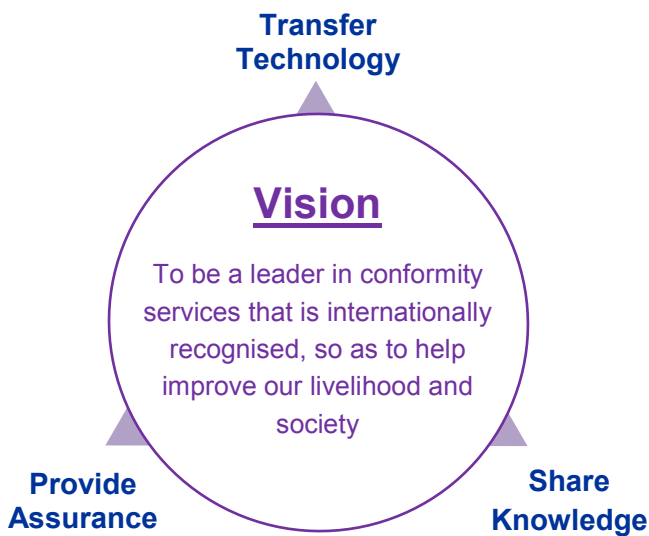
### **Social Responsibility**

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





## 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 providing certification services for the industries to assure their credibility and competence. We also organise 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



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 organisation should have an integral plan. Having the shared values as the basis, the organisation 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.

**Organisational 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 optimise and develop our sustainability work.



# Our Governance

As a leading conformity assessment body in the region, we hold high standards of the strict code for our own governance system. With many years of hard work for establishing a good foundation of governance, HKQAA does not only carry on the principles of fairness and impartiality while operating, but it also operates in a transparent and standardised manner constantly. HKQAA also strictly complies with the laws and regulations such as “Regulations of the People’s Republic of China on Certification and Accreditation” and maintains an effective and reliable governance mechanism, which has laid a good foundation for the development of the organisation.

## 1. Governance Structure

### The Governing Council

The Governing Council of HKQAA comprises a group of prominent members from different sectors and a permanent representative from the Hong Kong Special Administrative Region Government. They are elected and appointed for a fixed term of office and are serving on a voluntary basis. 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.



New and out-going governing council members at the Annual General Meeting 2019

In the 2019 Annual General Meeting, Ir Dr Hon. Lo Wai Kwok, retired as Chairman after six years of service, and serves as the Honorary Chairman. Ir C. S. Ho was elected as the Chairman, while Mr Simon Wong Ka Wo serves as the Deputy Chairman. Eight members of the Governing Council have retired while seven Governing Council members have been appointed. There are 20 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 HKQAA to operate sustainably and effectively.

### Operational Management

The Chief Executive Officer is appointed by the Governing Council and is responsible for leading around 118 employees in the Hong Kong

Headquarters and around 59 employees in the Mainland and Macau to perform regular work duties.

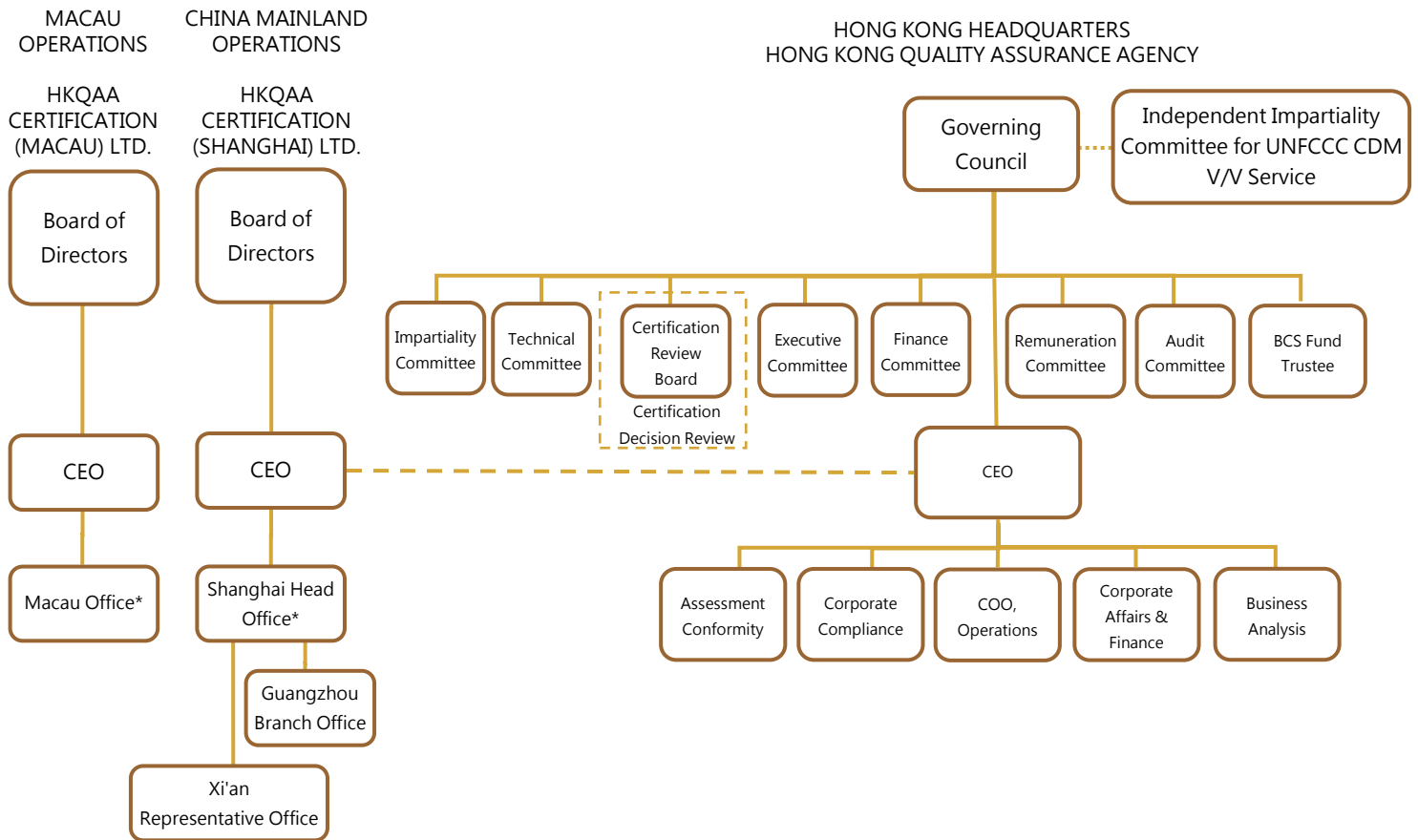
The Chief Operating Officer assists the Chief Executive Officer to manage the daily operation of Hong Kong, and the subsidiaries in the Mainland and Macau, so that HKQAA's structure can be tightened in an orderly manner and our integrity management in Hong Kong, Macau and the Mainland can be fully protected.

## 2. Formulate Direction of Development

The Governing Council holds regular meetings to discuss and resolve HKQAA's development plans, supervises the implementation of various measures and policies, considers and approves the annual plan for development strategies, significant projects and financial plans.

In 2019, 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 Chief Executive Officer, staff members from various divisions execute the respective annual work plans and promote the development of society.

### ORGANISATION FUNCTIONAL CHART OF HONG KONG QUALITY ASSURANCE AGENCY



\* Chief Operating Officer is responsible for the operation in the Mainland and Macau including business development and assessment services.



### 3. Risk Management

The Governing Council and various committees are dedicated to safeguarding the impartiality, professionalism and financial soundness of HKQAA's business, daily operation and human resources management so as to ensure the effectiveness of operational continuous management.



On the level of daily management and operations, HKQAA strictly controls the risks in aspects such as impartiality, technical knowledge and finance, and always be aware of the external environment and internal operation, and also keeps reviewing its organisational policies. For instance, according to the established procedures, when there are major changes take place, such as changes in the requirements for accreditation bodies, organisational structure or legal status, 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><b>Impartiality Risk Management</b></p>	<p>HKQAA has set up Impartiality Committee and the Independent Impartiality Committee for Clean Development Mechanism (CDM) validation/verification Service established by the United Nations Framework Convention on Climate Change (UNFCCC). Members of the Governing Council perform the functions of the Impartiality Committee to safeguard the impartiality of HKQAA's assessment services, while the Independent Impartiality Committee for UNFCCC CDM validation/verification service is dedicated to supervising the impartiality of that service.</p> <p>In 2019, HKQAA conducted risk analysis for our certification and audit, registration, validation/verification, as well as mystery shopping assessment services. 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, thus affirming the impartiality of HKQAA's services.</p> <p>Certification Review Board reviews the recommendations proposed by Operations Branch strictly and only grants certificates to organisations which fulfill the applicable standards so that the high quality and credibility of the certification results can be safeguarded.</p>
<p><b>Financial Risk Management</b></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><b>Certification Risk Management</b></p>	<p>HKQAA is currently having 18 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 emphasises the technical ability of the audit team. As such, comprehensive training and assessments are adopted for further enhancing auditors' professionalism.</p>

## 4. Compliance Management

HKQAA has obtained a lot of international and regional recognition for the certification and assessment services, and is under constant supervision. We have effective 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 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.



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14 office audits

17 witness

accreditation audits

are conducted by accreditation bodies

HKQAA has conducted :

22 regular internal audits

### External Governance

In 2019, HKQAA continues to be recognised 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 14 office audits and 17 witness accreditation audits.

### Internal Governance

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 2019, HKQAA has conducted 22 regular internal audits 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 with the necessary requirements.

In addition, the Corporate Compliance Branch has conducted unannounced integrity audits. All audit results indicate that the auditors have fulfilled the integrity requirements.

### 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 emphasises on educating employees about impartiality, stresses on the correct measures for handling disturbance cases and the importance of reporting disturbance incidents. In 2019, none of the "Report on Disturbance to Audit Team Member" has been received by us.

### 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.

### Mass Media Cases Follow-up

The Corporate Compliance Branch keeps on paying close attention to media reports and public incidents. In 2019, there is no negative news about HKQAA in media reports.



## Sharing from employees

“We cannot undergo conformity assessments without integrity. Therefore, HKQAA insists on maintaining honesty and reliability in the certification process to demonstrate the value of our certification. Moreover, we devote resources to training new employees to ensure that they understand the importance of integrity, so as to fulfill the expectations from the society.

HKQAA insists not to provide management system consulting services, while also handles relationships with other consulting organisations carefully to ensure our assessment process complies with regulations. All audit data obtained by HKQAA are kept confidential, and we would never leak any client’s private information to other organisations. HKQAA applies reporting and complaint mechanisms with high efficiency, and monitors media cases periodically. If suspected non-compliance occurs in certified organisations or inside HKQAA, related compliance branch will follow up the case immediately.”



**Mr Wilman Chan**  
**Assistant Director, Corporate Compliance**

## 5. Fair Operation

Since its establishment, HKQAA has always adhered to the principles of honesty and impartiality to guarantee the stakeholders can be treated fairly in our daily operations. We respect and safeguard the right of stakeholders and other relevant groups, and combat all acts of discrimination. We also strive to cultivate an ethical culture among employees, practice and demonstrate our integrity, impartiality, fairness and openness.

### Fair Operation

Independent and Impartial Audit Team

Conduct and Ethics of Employees

Supervision of Anti-corruption

Prevention of Unfair Competition

Fair and Pragmatic Procurement Control

Respect of Property Right

#### **Independent and Impartial Audit Team**

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.

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.

<b>Conduct and Ethics of Employees</b>	<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, relationship 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>
<b>Supervision of Anti-corruption</b>	<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>HKQAA has issued guidelines in respect of the report and claim system for auditors’ transportation, catering, entertainment and accommodation during the audit period.</p> <p>In 2019, HKQAA invited ICAC expert to pay a visit to Hong Kong Office and explain the anti-corruption regulations and risks faced by employees in the workplace, so as to increase staff member’s awareness of anti-corruption and related risks of the industry.</p>
<b>Prevention of Unfair Competition</b>	<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”, 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>
<b>Fair and Pragmatic Procurement Control</b>	<p>HKQAA adopts clearly defined procurement policy and workflow, 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>
<b>Respect of Property Right</b>	<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 software 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>

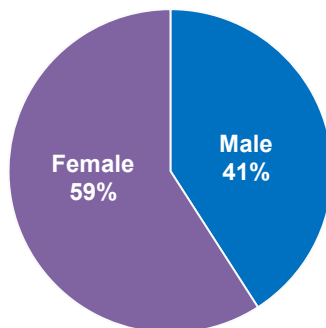
# Our People

HKQAA recognises that employees is the drive of HKQAA's development, so we integrate the personal growth of our employees with the development of HKQAA by providing them with opportunities of various training and promotion, facilitating HKQAA and employees to grow robustly together. Employees are enabled to increase their core competencies to help organisations solve problems. Besides, we are concerned with the physical and mental health and team spirit of employees. "Building a team of joy" is one of our shared values.

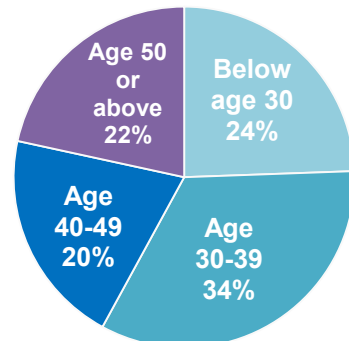
## 1. Human Resources

HKQAA endeavours to create a harmonious working environment for employees in where they can work happily under a fair condition. In the process of recruitment, selection, hiring, training, promotion and transfer, HKQAA adheres to fairness and provides equal opportunities to employees. We ensure that all people can be treated equally without regard to gender, age, marital status, ethnicity, disabilities status, religion and family status. In 2019 our offices in Hong Kong and the Mainland have employed physically-challenged people, and have employed 213 physically-challenged people and elderly people with appropriate remuneration package according to the relevant laws and regulations. Both the healthy and physically-challenged people can utilise their strengths and get along together harmoniously.

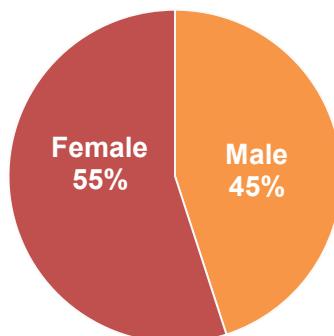
Gender Ratio of Employees in 2019



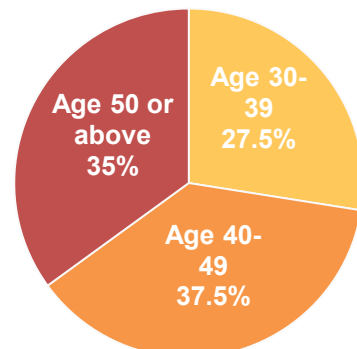
Age Distribution of Employees in 2019



Gender Ratio of Employees in Managerial Position in 2019



Age Distribution of Employees in Managerial Position in 2019



## 2. Rights and Interests of Employees

HKQAA is dedicated to guaranteeing 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 2019, 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. Employees are free to choose their Mandatory Provident Fund Schemes providers. 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 put a great emphasis on employee's work life balance and offer additional leave benefit to staff members. Hong Kong office offers Birthday Leave and Professional Examination Leave for employees to prepare further studies and achieve work life balance.



## Sharing from our employee

“As an administrative clerk in HKQAA, my daily tasks are mainly helping the business teams to build up databases.

In these three years, the Agency allowed me to finish my daily job at home if I could not work in office. Definitely, HKQAA is helping the disabled to integrate into the community.

I am grateful for the opportunity provided by the Agency to let me experience the joy of working. I will keep doing my best, and encourage more disabled people to pursue employment.”



**Ms Julia Zhu**  
Employee from Guangzhou office

## Human Rights and Labour Protection

HKQAA values equal opportunities, diversity and human rights. We make every effort to secure at all time that the rights of employees would not be violated. We are determined to guarantee and respect employees' 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. Therefore, HKQAA has implemented different policies to protect the rights and interests of employees, including the “Policy against Sexual Harassment” and the “Breastfeeding Friendly Workplace” Guideline, declaring that we do not tolerate any form of sexual harassment and sex discrimination at the workplace, and also give support to the breastfeeding employees and facilitate them to express breast milk in a suitable area at workplace.

## Staff Activities

HKQAA cares about employees' health in both physical and psychological aspect. We therefore advocate the balance between work and life. We organise various types of staff activities, such as Annual Dinner, Spring Lunch, Chinese New Year riddles session, departmental meals, travelling tours, Happy Hours, badminton training sessions and running competition etc., so that employees can still relax despite the busy work.



HKQAA also held 30<sup>th</sup> Annual Dinner in 2019. Mr Chan Mo Po, GBM, GBS, MH, JP, The Financial Secretary of the Hong Kong Special Administrative Region Government, some other government officials and HKQAA's



previous Governing Council members celebrated the anniversary with our employees. These activities do not only enhance the morale among employees, but can also create a harmonious atmosphere at work.

In addition, HKQAA organised one-day environmentally friendly workshop for the employees. It increases the employees' environmental knowledge and strengthens the friendly bonding among employees. Employees' sense of belonging towards HKQAA is also reinforced.



### Enhancement of Work Procedures

HKQAA has made continuous improvement as its management principle. We review and streamline work procedures incessantly in order to enhance work efficiency and quality. Since 2013, each division aims at enhancement of efficiency, cost control and promoting HKQAA's shared values. They have reviewed work procedures and proposed improvement projects. In 2019, 24 improvement projects have been launched, including automation of work procedures, development of employees' talents, control of operational cost and preservation of knowledge, etc. Through these measures, the work efficiency and ability of employees can both be enhanced.

### 3. Safety and Health of Employees

HKQAA emphasises the importance of the employees' occupational safety and health. We do not only comply with the laws and regulations in relation to occupational health and safety, but also optimise the relevant policies and practices continuously. In 2019, HKQAA organised training of using Automated External Defibrillator (AED). We strive to reduce the safety risk at workplace to minimal and safeguard as well as promote employees' safety and health. During the year, HKQAA has no employees injured at work.



HKQAA is devoted to providing a safe and clean working environment for the employees. In respect of fire safety, offices in both Hong Kong and Guangzhou organised fire drills so as to strengthen the fire safety awareness of employees and enhance their capability to cope with a fire accident. Also, the Hong Kong office held a fire safety talk for staff members in 2019.



The Hong Kong office conducted a tap water test. The test result revealed that the level of lead, cadmium, nickel and chromium in the tap water sample met the standard of Water Supplies Department's Quality Water Supply Scheme for Buildings - Fresh Water (Plus) and that of World Health Organisation. It was also revealed that the water sample of water heater does not contain Legionella bacteria, employees can drink the water safely.

### 4. Staff Development

HKQAA emphasises the nurturing of talents and supports staff development a lot. Hence, various projects are deployed for revealing and nurturing the talents of employees from various levels. Employees are able to utilise their potential. At the same time, HKQAA's sustainable development can be promoted. Employees and HKQAA are growing simultaneously.



#### On-the-job Training

All new employees would attend a series of induction training and courses on relevant laws and ordinances. Appropriate and relevant training are also provided for employees with various positions so as to ensure they possess the abilities and skills for handling their tasks and meet the requirements. In 2019, the training hours for the employees of Hong Kong office and Macau office reached 4,173 hours and the number of participants reached 945 times. The training hours for the employees of the subsidiaries in the Mainland reached 949 hours.

Training hours for the employees of Hong Kong office and Macau office:

**4,173**

Training hours for the employees of the subsidiaries in the Mainland:

**949**

In 2019, Technical Development conducted product training for business and back office staff monthly to enable their understanding about the products' characteristics. At the same time, HKQAA arranged auditors to attend China Certification & Accreditation Association (CCAA) recognised ISO 45001 training, ISO 22000:2018 conversion training for Food Safety Management System auditors, international training of quality management system standard and certification, service certification auditor training and SAAS Procedure 200 (V4.0) conversion 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 Organisation.



Apart from professional courses for auditors, HKQAA also organises courses in relation to various aspects including management skills, law and green finance for the employees in Hong Kong, the Mainland and Macau to enhance their management skills, leadership and professional knowledge. Supervisors from different levels would also nominate employees to participate in various technical skills training programmes.

### **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. Moreover, HKQAA also encourages auditors to expand their professional fields. In 2019, six auditors have obtained professional qualification in addition to their original certification scope.

### **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.

### **Priority for Internal Promotion**

HKQAA gives priority to existing employees when considering promotion for the replacement of a job position. This provides opportunity for employees to self-recommend themselves to take up a higher position. This does not only help to identify staff with potentials, but also boost their morale. During the period, seven employees had been promoted to managerial positions, including strategic business general manager, project manager etc.

## **5. Communication with Employees**

Honest and effective internal communication motivates employees to be more dedicated to their work and is crucial for nurturing their sense of belonging. Hence, HKQAA has established multiple channels to let employees express any opinions they have on HKQAA. Employees can communicate with superiors, Human Resources Unit or Chief Executive Officer directly by various means such as emails. They can also communicate with colleagues during 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. If employees do not agree to the review results, HKQAA will take follow-up action accordingly.

In 2019, 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. Meanwhile, HKQAA also adopts a reward system that which offers performance-based incentives and bonus to employees.

### Company-wide Meeting for Staff Members

HKQAA's Hong Kong office, Guangzhou office and Shanghai office hold a company-wide meeting for staff members half a year to update employees with HKQAA's latest trend, business performance and future plan of development promptly. This is to exalt our organisational culture, promote the communication among employees and raise morale.



### Team Building Activities

During the period, HKQAA has organised “Share Core Values and Entering 30<sup>th</sup> Anniversary” team building activity. Participating employees from different teams and cooperation across divisions has been realised. Employees could bring their talents into full play for accomplishing the tasks. HKQAA hopes that through these events, employees can learn more about tHKQAA’s shared values, understanding among employees would be better and team spirit would be enhanced. Also, each employee is enabled to understand their own advantages and shortcomings so as to enhance individual’s ability.



# Our Services

With the continuous development of business, HKQAA actively develops an assortment of services. Apart from generating profit to support our own operation, we are also devoted to assisting industries to upgrade and enhance competitiveness, thus the society would be benefited as well. During the period, HKQAA has provided 38 types of certification services, 22 types of non-certifying assessment and verification services, various types of customised services and training services. We strive to maintain close communication with the industries, regulators and various parties to ensure that our various systematic scientific and traceable certification and assessment services can keep abreast of market needs.

## 1. Respond to the Needs of the Community, Develop Brand-new Services

HKQAA has always been close to the market trend and the development of the society, unceasingly innovates and makes advancement. During the period, HKQAA has launched many brand-new services and has introduced various advanced management methods to the industries, aiming to enhance their operational standard and performance in social responsibility so as to meet the expectation and demand of the society.

### Residential Care Home for the Elderly Certification Scheme (RCHE-CS)

HKQAA launched the "Service Quality Management Certification Scheme – Elderly Services" (SQM-ES) to strengthen and assist Residential Care Homes for the Elderly (RCHEs) to further enhance their service standards. The Scheme was well-received by RCHEs.



In response to the Government's direction to strengthen and assist local RCHE to further enhance their service standards, HKQAA launched "Residential Care Home for the Elderly Certification Scheme" (RCHE-CS) to keep up with market needs in 2018. Furthermore, HKQAA's RCHE-CS has been approved by Social Welfare Department to be included in the Accreditation Subsidy Scheme for Private RCHEs in October 2019. Private Residential Care Homes for the Elderly that certified by the HKQAA's RCHE-CS can apply for reimbursement of the certification and renewal fee within the implementation period of the Subsidy Scheme.

### Green Finance Certification Scheme

Being supported by the Hong Kong SAR Government, HKQAA launched the "Green Finance Certification Scheme" in 2018. It aims at foster environmentally-friendly investments in Hong Kong, the Mainland and worldwide, and facilitate the development of green finance and green industry. Until the end of 2019, 56 cases have been completed, over 14 billion US dollars' worth of issued green bonds and loans were certified.

Until the end of 2019, Green Finance Certification Scheme:

**56** cases have been completed

Over **14 billion** US dollars' worth of issued green bonds and loans were certified



## Sharing from the Chief Executive

“HKQAA focuses on sustainable development, environmental, social and governance management and responsible finance. Each is essential to the overall economic success and social well-being in Hong Kong. Thankfully, HKQAA is dedicated to pursuing those critical goals and is committed to ensuring quality assurance as a core value in Hong Kong’s business and investment. Last year, the Agency with the support of the Government established the ‘Green Finance Certification Scheme’. Its goal is clear and compelling, to help Hong Kong rise as a region’s green finance hub.”



**Mrs Carrie Lam Cheng Yuet-ngor, GBM, GBS**  
The Chief Executive of the Hong Kong Special Administrative Region  
*Officiating Guest of HKQAA 30th Anniversary  
Celebration Cocktail Reception*

## Sharing from our client

“For investors, Green Finance Certification Scheme reduces the cost for identifying their assets as green. It further attracts international capital, especially from responsible investors. For financiers, investments from responsible investors further expand the financing channels for green finance projects and green enterprises in China. The Green Finance Certification Scheme will foster the supply and demand in the green bond market in Hong Kong effectively so that an all-win situation can be achieved.”



**Mr Chen Xian**  
Assistant Chief Executive, Industrial Bank Co., Ltd.  
Hong Kong Branch  
*Certified client of Green Finance Certification Scheme*

## Green Finance Certification Scheme - Green Fund

In view of the rising global demand to incorporate green or environmental, social and governance (ESG) objectives into financial products, Securities and Futures Commission (SFC) published guidance on enhanced disclosure for green or ESG funds on April 2019. As the Green Fund market is expected to grow, HKQAA developed the “**Green Finance Certification Scheme - Green Fund**” to respond to stakeholders’ needs and raise awareness of green initiatives in the fund market. HKQAA will also continue to support SFC’s Strategic Framework for Green Finance. The Scheme aims to encourage more investors from the fund market to support green projects and industries as well as organisations committed to making a contribution to the United Nations’ Sustainable Development Goals (SDGs).



## Promotion of Sustainable Building in the Mainland

Sustainable development of building is crucial to the development of a city. In addition to the implementation of Sustainable Building Index (SBI) in Hong Kong, HKQAA has further developed the Index in the Mainland in 2016.

From 2016-2018, HKQAA has completed the assessment service for 68 buildings in Tianhe Central Business District (Tianhe CBD). In 2019, HKQAA organised a series of sustainable building management enhancement activities, such as training courses and exchanges between different buildings, which were well received. The property management companies and owners of the buildings have given positive feedback on the Index. They appreciated that the Index helped them review and improve facility management performance and energy consumption in the buildings. With the aim of increasing the satisfaction of the clients and value of buildings, the Index helped facilitate enhancement of property management service in the District, enabling them to meet international trends.



In December 2019, HKQAA signed MoU with Building Alliance of Lixia District, Jinan, Shangdong, and became the developer and assessment body of the Lixia Building Evaluation Standard Project. The MoU will utilise the strengths of both parties to foster the development of sustainable building management performance in the region.



## Mystery Shopping Programme

One of the most important missions of HKQAA is to assist industries to constantly enhance the quality of services. HKQAA's Mystery Shopping Programme helps industries to better understand the frontline staff's performance in customer service and provides crucial data for the industries, so as to enable systematic planning in staff training, rewarding scheme and development. In the past year, the Mystery Shopping assessments we have completed amounting to 25,000 and cover industries such as food and beverage, cosmetics and beauty, finance, property management, telecommunication, jewellery, public and social welfare service, etc.

Number of Mystery Shopping assessments completed

**25,000**

## Introducing Professional Services for Emerging International Standards

Moreover, HKQAA provides related certification, assessment, verification and training services of the International Standards such as ISO 41001 Facility Management System, ISO 21001 Educational Organization Management System. We aim to help organisations enhance their management performance and competitive advantage, so as to foster the sustainable development of organisations and society.

## 2. Promote Standardised Management Enhance Recognition Continually

Being a leading conformity assessment body in the region, HKQAA is devoted to helping enhance the management standard of the industry continually. HKQAA takes the lead to introduce the advanced international management system, and is recognised by various international accreditation bodies so as to help the industry develop accreditation.

### Recognised by International Organisations and Industry

During the period, the Agency maintained existing accreditations. HKQAA has been accredited by the HKAS through their Hong Kong Certification Body Accreditation Scheme (HKCAS) to provide certification service for "Residential Care Home for the Elderly Certification Scheme". Also, ISO 45001 Occupational Health and Safety certification service provided by HKQAA extended the scope of accreditation. HKQAA's certification service for ISO 50001 Energy Management Systems and Product Conformity Certification Scheme – Tile Adhesive (PCCS-TA) have both updated to the latest version.

In addition, the scope of accreditation of HKQAA with China National Accreditation Service for Conformity Assessment (CNAS) for ISO/IEC 27001 (equal to GB/T 22080) Information Security Management System (ISMS) has been extended. Meanwhile, HKAA has become a ISO/IEC 20000-1:2018 Registered Certification Body approved by APM Group (APMG) since 2019.

### Participation in Developing the ISO Standard for Sustainable Finance

Starting from 2017, HKQAA's expert was nominated by the Innovation and Technology Commission and the China National Institute of Standardization respectively to participate in the ISO standards for green debt instruments and sustainable finance. HKQAA has been contributing technical knowledge and experience to the development of international standards. During the period, our expert joined the Technical Committee meetings in Germany and Shenzhen to discuss the future development of the standard.



In 2019, HKQAA has been invited by National Standardization Management Committee to participate in developing requirements for management systems audits and certification bodies, which are "Competence requirements for auditing and certification of anti-bribery management systems" and "Competence requirements for auditing and certification of occupational health and safety management systems".

### 3. Share Knowledge and Experience Facilitate Sustainable Development

"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 three forums, 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. Also, HKQAA has collaborating with professional organisations to co-organise competitions and establishing awards, so as to increase the development of the industry by creating more opportunities for the industry to learn from each other.

#### Forums with Foresight and Providence

As HKQAA enter its 30<sup>th</sup> Anniversary, the HKQAA 30<sup>th</sup> Anniversary Forum cum Cocktail Reception with the theme "Towards Sustainable Development Goals -

ESG Management and Responsible Finance" was held. The celebration ceremony was officiated by Mrs Carrie Lam Cheng Yuet-  
ngor, GBM, GBS. Local and international speakers, including Mr Enoch Fung, Head of Market Development Division, Hong Kong Monetary



Authority, Mr Chan Ka Kui, SBS, JP, Chairman of Construction Industry Council, Mrs Ng Fong Siu Mei, BBS, Chairperson, Friends of the Earth (HK), Dr Nigel H Croft, Convener of ISO/IEC Global Task Force for Management System Standards, Mr Angus Choi, Chief Executive Officer, JETCO Hong Kong, Mr Tsui Chun Man, Thomas, General Manager and Head of Corporate Banking Division, the Bank of East Asia, Limited, gathered to discuss the latest trends of sustainability and responsible finance. The event was a huge success with over 600 participants who came from different sectors exchanging their industry experience. Besides, HKQAA has organised 43 seminars on various topics, such as Green Finance, social responsibility, food safety, occupational health and safety, cold chain management in Hong Kong, Macau and Mainland. Good practices are being shared among the industries.



43 seminars

have been organised for the industry



Moreover, during the HKQAA Green Finance Certification Scheme Presentation Ceremony cum Forum in March 2019, Mr Matthew Cheung Kin-chung, GBM, GBS, JP, The Acting Chief Executive of the Hong Kong Special Administrative Region, officiated at the event. Dr Ma Jun, Chairman and President of Hong Kong Green Finance Association, and Ms Julia Brickell, Regional Head of Operations, East Asia and the Pacific, International Finance Corporation, a member of the World Bank Group, were the speakers of the event. They have discussed the latest developments of Green Finance in Hong Kong and Mainland. The ceremony gathered numerous experts and practitioners from the government departments, financial, business, academic and environment sectors.

In addition to seminars, HKQAA has organised and participated in international forums in Mainland and Hong Kong to foster the development of Green Finance, such as organising the “Silk Road Forum on Green Finance 2019” in Xi’an, which was jointly organised with Shaanxi Provincial Local Financial Supervision and Administration, Hong Kong and Macao Affairs Office of Shaanxi Province, and the Xi’an Municipal People’s Government. Also, HKQAA participated in the panel discussions during “Green Bond Asia 2019”, “Hong Kong Economic Summit 2020”, and the “Belt and Road: Hong Kong-IN” Sharing Session on Financial Services and Business Growth” event.



### Quality Building Award 2020

Co-founded by nine of Hong Kong’s leading professional institutions, the Quality Building Award recognises buildings of outstanding quality and those that demonstrate outstanding teamwork. HKQAA has been elected as the Alternate Chair of the Award 2020. In June 2019, the Award held a Briefing Session & Kick off Press Conference in HKQAA. By creating more opportunities for the industry to learn from each other, the Award can further foster the development of the building industry.



### Innovative and Diversified Training

In 2019, HKQAA does not only develop new training programmes actively, but also holds training programmes with other institutes and professional organisations. 30 brand-new training programmes and 260 public trainings were held during the year, making up to 2,300 training hours in total.

On top of the traditional technical skills training courses, HKQAA also introduces many legal-related courses. In 2019, HKQAA organised courses such as “Anti-Discrimination Ordinance and Law Principles”, “Anti-bribery Ordinance and Law Principles”. Professionals from the legal field were invited to conduct the courses. For financial aspect, HKQAA held green finance certification courses in Hong Kong and Macau to foster the common understanding of green finance in the industries.

During the period, HKQAA has also launched various courses in relation to management and personal enhancement including “Corporate Micro-film Production Training”, “Innovative Design Ideas”, “New Generation Communication Workshop”, so as to meet the demands of people coming from different sectors in an all-round manner.

**30** brand-new training programmes

**260** public trainings

Total Training Hours has reached:

**2,300 hours**



### “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, green finance news, experience sharing by organisations 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.



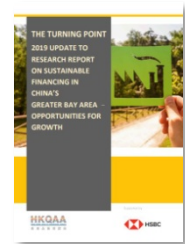
### Publications Related to Green Finance

With the aim to promote a common understanding of green finance in Hong Kong among the general public, HKQAA conducted researches on green finance and published “Green Finance in Hong Kong” book, which is available in bookstores and online. It is expected to encourage more enterprises, investors and society to know about green finance and foster the long-term development of green finance and green industry together. It introduces the core principles of green finance, as well as its benefits and opportunities for enterprises, supplementing this with case studies from well-known green finance issuers in Hong Kong.



### Survey and Research on Performance in Sustainable Development

In order to understand the latest trend of the industry and promote sustainable advancement, HKQAA conducts various surveys and researches regularly to explore good practices and areas required to be improved. HKQAA published a research report on “Sustainable Financing in China’s Greater Bay Area – Opportunities for Growth”, with the support of the HSBC in 2018, and published an addendum for the Report in 2019. The addendum responds to the “Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area” promulgated by the Chinese Central Government on 18 February 2019 and provides an update on the research.



## 4. Strengthen the Cooperation among Industries Cater to Market Trends

HKQAA is actively engaged in close connection with governments of different regions and industry organisations, so as to keep abreast of social developments.

### Establish Strategic Partners to Promote Green Finance

In order to create more opportunities for collaborations and foster the development of Green Finance, MoUs were signed between HKQAA and numerous organisations during the period, including Guangdong Provincial Local Financial Supervision and Administration, Guangzhou Municipal Local Financial Supervision and Administration (Bureau of Finance Affairs of Guangzhou Municipality at the time), Xi'an Municipal Bureau of Financial Work and the Administrative Committee of Chan-Ba Ecological District, China Construction Bank Guangdong Branch and GuangDong Financial Association.



### Foster Construction and Fin-tech Developments

Apart from fostering green finance, HKQAA also signed MoU with BRE Group to drive positive change in the Hong Kong construction sector, starting with the promotion of international best practice, training and certification in Building Information Management modeling and green building. Also, HKQAA collaborates with JETCO to facilitate the development of open banking ecosystem in accordance with Hong Kong Monetary Authority’s strategy of smart banking. It aims to strike a good balance between innovation and cybersecurity risk in the FinTech industry. We believe these cooperations will enhance sustainable development and technological innovation in the construction and banking sectors.

### Foster Greater Bay Area Product and Brand Developments

HKQAA is collaborating with Guangzhou Brand and Quality Innovation Association (the Association) for the “2019 Guangdong-HongKong-Macau Greater Bay Area ‘Made in the Bay Area’ Assessment Guidelines Development Project”. The Agency develops guidelines and mechanisms, and provides assessment services for the “Made in the Bay Area” products. The first batch of 44 participating organisations was recognised in August 2019. In December 2019, HKQAA signed a strategic cooperation agreement with the Association and Guangzhou Nansha Weiken Development Company (under the Guangzhou Nansha Modern Agriculture Corporation), which aims at assisting Nansha to grasp opportunities in the Greater Bay Area and promote quality agricultural products in the region.



## **5. Understand the Need of Clients Dedicate to Optimising Services**

Client is one of our most prominent stakeholders, so we have provided various channels for maintaining two-way communication with our clients in order to understand their needs and enhance their service experiences, so that we can refine and develop our services.

### **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 performances and voice their comments after every audit. In 2019, HKQAA has received 616 surveys in total and have earned an average score of 6.40 (out of 7), which is higher than 6.29 from last year. No surveys have scored below 4. HKQAA has taken the initiative to approach relevant clients for communication and follow up.

## **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.

In 2019, HKQAA arranged employees to participate in the professional training on Personal Data (Privacy) Ordinance organised by Privacy Commissioner for Personal Data, Hong Kong so as to enhance their awareness in relation to protection of personal data.



# Our Environment

Protecting the environment and facing the climate change have become challenges for the world. HKQAA is devoted to launch various initiatives which are related to environmental protection, assisting enterprises to enhance their core competencies, and put environmental protection into practice, and adopting numerous environmental policies in the offices so as to do our very best to preserve the environment and love the earth.

## 1. To Promote Green Business

### Response to Society's Needs and Promote Sustainability

In order to encourage the industry to protect the environment systematically, HKQAA provides numerous environmental assessment services, such as ISO 14001 Environmental Management System, ISO 50001 Energy Management Systems Certification and ISO 14064-3 Green House Gas Verification. In response to the environmental needs of the local industries and society, HKQAA has developed brand-new services, such as Green Finance Certification Scheme. During the period, HKQAA organised a series of Green Finance seminars and study tours to promote Green Finance under the “Step to Global Green Finance Hub – Establishment of Green Finance Professional Network and Outreaching Programme”, funded by the Professional Services Advancement Support Scheme of the HKSAR Government. It aims at promoting a common understanding of Green Finance, and fostering environmentally-friendly investments in the region. During the period, HKQAA also assist the Construction Industry Council to roll out the Sustainable Construction Model project, which aims at enhancing the sustainability performance of the industry.



### Sharing from the industry

“People must consider the environmental and societal impact of economic development. To align with the 17 Sustainable Development Goals set out by the United Nations 2030 Agenda for Sustainable Development, the Belt and Road Initiative should strike a balance between economic growth, inclusiveness and environmental protection instead of just letting a part of the population along the route get rich. This is an opportunity to improve everyone’s life and environment, as well as achieve the sustainable development of our society. HKQAA’s Green Finance Certification Scheme plays an important role in providing assessment which ensures that economic projects conform to green and sustainable goals based on a standardised framework.”



#### **Mr Jonathan Drew**

Managing Director, Sustainable Finance, Real Assets & Structured Finance, Global Banking, Asia-Pacific  
The Hongkong and Shanghai Banking Corporation Limited

#### **Ms Luying Gan**

Head of Sustainable Bonds, Debt Capital Markets, Asia-Pacific  
The Hongkong and Shanghai Banking Corporation Limited



## 2. Green Workplace

### Reducing Paper Consumption

HKQAA employees have always persevered in reducing unnecessary paper consumption through multiple ways, including replacing printouts by previewing documents in digital version, making good use of science and technology network system to achieve paperless, using the "print-on-both-sides" function, reusing the waste papers and papers which have only been used on single side. We also encourage the recycling of waste papers by setting up several waste paper recycling collection boxes in offices in order to promote the concept of environmental protection. During the period, HKQAA recycled 64 bags of papers and passed to Eco Association as well as confidential materials destruction service provider for handling. This campaign aims to reduce carbon emission and save the trees. The amount of HKQAA's recycled paper for the year is equivalent to reducing 6518 kg greenhouse gas emission and is also equivalent to planting 167 tree seedlings. At the same time, Hong Kong office also donated second-handed books to The Salvation Army.



Amount of paper recycled is equivalent to planting

**167 tree seedlings**

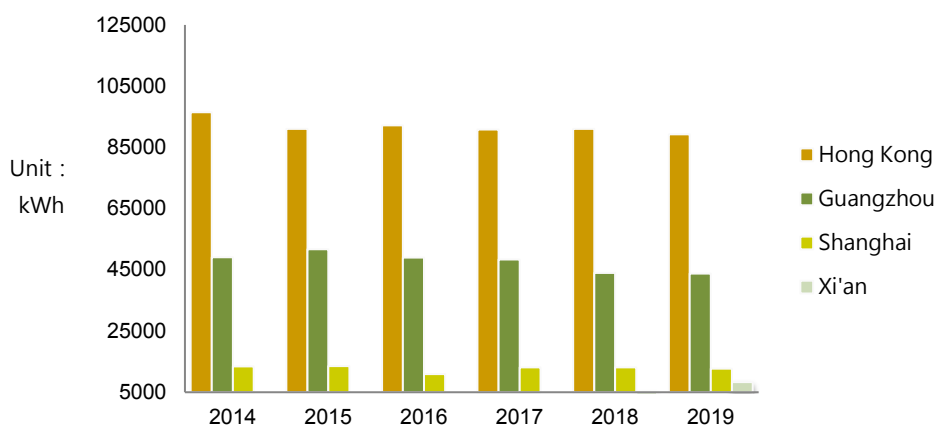
Apart from utilising the papers in a proactive manner, our Guangzhou and Shanghai offices replace the use of tissue hand towel by using hand-dryer machine.

### Energy Management

Energy saving is one of the keys to environmental protection. In order to optimise the use of energy and minimise wastage, many reduction measures have been consistently implemented in Hong Kong and the Mainland offices, such as switching off the lights in the offices during lunchtime everyday and turning off all electronic devices including lights, computers, computer monitors and air-conditioners after office hour. In Hong Kong and Guangzhou offices, one fluorescent tube would be reduced from each panel so that we can provide a comfortable working environment for the employees and achieve energy-saving.

During the period, the overall electricity consumption of Hong Kong, Shanghai and Guangzhou offices decreased by 1.7% in total when compared to that of last year. In 2019, although relocation of Xi'an new office led to an increase in use of electricity, the electricity consumption of HKQAA in the past few years has been gradually decreasing on a whole. During the period of 2014 to 2019, it has reduced by 3% in total. This reflects that these energy-saving measures are effective and we will certainly continue to manage energy effectively, practice energy-saving and carbon reduction consistently, thus contributing ourselves to environmental protection.

**Energy Consumption in Hong Kong, Guangzhou, Shanghai and Xi'an Office**



HKQAA has always been strongly supporting recycling. We do not only develop services which are relevant to recycling so as to raise the industries' awareness about recycling, but also adopt good practices ourselves so as to cherish every drop of resources that are provided to us by the Earth.

Our Hong Kong office has joined Friends of the Earth's "Toner & Ink Cartridges Recycling & Reuse Programme" and has donated 43 used printer cartridges in total. The proceeds had been donated to Friends of the Earth in full for promoting environmental protection.

Additionally, employees of HKQAA support waste sorting and separation and recycling very much. During the period, 35 aluminum cans and 272 plastic bottles were recycled using the bicolour recycling box in Hong Kong office. They were delivered to the designated collection points together with the used fluorescent tubes and batteries for recycling. The offices in the Mainland also collected paper boxes, envelopes, paper dust of shredded documents, plastic bottles and aluminum cans for waste separation. The collected items were then passed to recyclers for recycling. Xi'an office advocated employees to reduce the use of plastic bags and lunch boxes. Moreover, they have cultivated green plants in the office and cut off the fallen leaves as fertilisers.

**43** used printer cartridges

**35** aluminum cans

**272** plastic bottles are recycled

### 3. Environmentally-friendly Activities



In 2019, HKQAA became one of the participating organisations for the Green Event Pledge of Environmental Protection Department (EPD). HKQAA commits to making reference to the EPD's "A Waste Reduction Guidebook for Large Scale Event Organisers" when organising events, so as to enhance the environmental performance of the events. Also, the Agency organised a workshop for the Green Event Pledge to discuss the future and trends for sustainability.



Hong Kong office also organised the "Green Friday" activity once a month to encourage employees to engage in recycling, and increase their awareness of environmental protection.



## Sharing from the employee

“When organising large-scale events, HKQAA would make reference to the EPD’s A Waste Reduction Guidebook for Large Scale Event Organisers to avoid using disposable items, request contractors to apply appropriate environmental friendly measures and reuse materials in the event. We hope to further enhance the environmental performance of the events and realise our environmental responsibilities.”

**Ms Suki Chan**

Employee from Corporate Communications Unit



Our Hong Kong office embraces “green” festivals. After the Spring Festival in 2019, Hong Kong office has organised the “Red Packet Donation Campaign” to collect the used red packets for recycling. After processed, the red packets can be reused as brand-new red packets for public use for free. Also, Hong Kong office has participated in the panama orange donation matching network and donated the panama orange to RTC Gaia School. After the mid-autumn festival in 2019, Hong Kong office organised “Moon Cake Box Recycling Campaign” to recycle the moon cake boxes.



In addition, the offices in the Mainland continued to have the used clothes donation. They have donated the used clothes to Feimayi platform and the Guangzhou Social Donation Workstation. This activity did not only encourage employees to support recycling, but also facilitated the donation of old materials to charitable organisations and helped those in need.



# Our Community

As one of the local pioneers for promoting social responsibility, HKQAA has always seen serving the community as one of its missions. HKQAA does not only serve as the bridge between the industries and the society and foster the social responsibility performance of enterprises, but is also devoted to participating in different social activities, supporting various sectors to respond to the social issues and promote philanthropy, mutual benefits and social inclusion, which would facilitate sustainable social development.



*Second Runner-up of the Primary School Junior Section,  
The 12th "My Dream Home" Contest  
by a primary student of PLK Stanley Ho Sau Nan Primary School*

## HKQAA Business and Community Supporting Fund

During the period, HKQAA Business and Community Supporting Fund (BCS Fund) has subsidised 11 projects, including helping the underprivileged, supporting the advancement of education, encouraging employees to participate in community services and donate to humanitarian aid projects. The total amount of donation for the year is about HK\$348,000.

In 2019, BCS Fund focused on projects which support the disabled including donation to Construction Charity Fund and 1step Association. We hope that the disabled can always receive appropriate and timely assistances and care.

## Corporate Social Responsibility (CSR) Ambassador

Every year, HKQAA's employees would select a CSR Ambassador by voting, who is responsible for initiating and organising various charitable events, and to encourage the active participation by employees, so as to enjoy and have fun when engaging in charitable activities.

In 2019, HKQAA's employees, being led by the CSR Ambassador, continued to devote themselves to participating in voluntary services. During the period, employees of HKQAA's offices in Hong Kong and the Mainland contributed about 500 hours to the participation in voluntary services. This shows our employees are caring as well as very much connected to the community.

### 11 Projects

subsidised by HKQAA  
Business and  
Community  
Supporting Fund



## 1. Nurturing Young Talents

Young new force is vital to the sustainable development of a community. Hence, HKQAA is devoted to assisting the youth to equip themselves and establish positive attitudes so that they will be able to make contribution to the society in near future.

“My Dream Home” programme:

Around **2,500** entries from Hong Kong and Guangzhou

### Writing, Photography, Microfilm, Drawing and Poster Design Contest

During the period, HKQAA has organised the 12th “My Dream Home” Writing, Photography, Microfilm, Drawing and Poster Design Contest. In collaboration with the Education Bureau of Hong Kong and Guangzhou Youth Cultural Exchange Centre, we have received around 2,500 entries from Hong Kong and Guangzhou. We hope the Contest can cultivate the younger generation’s sense of responsibility to the society.



### Event Planning Experience Programme, Social Responsibility Workshop and Seminars

To further expand the educational content and scope of “My Dream Home”, HKQAA has organised the Event Planning Experience Programme for secondary school students to accumulate experiences in managing major events. Also, social responsibility workshop and school seminars were held to introduce the role and concept of social responsibility to secondary students.



## Sharing from the participant

“As I am not familiar with technology, the Contest topic was challenging to me. Therefore, I explored the practical uses and applications of technology and imagined our future world in my writing. I mentioned about robots which were able to do housework and provide medical care; how to improve transportation with a more advanced system; and green initiatives such as low carbon and unpiloted driving in my writing. I hope that future technology can foster warm relationships among people.”



**Yan Lok Yee**  
**Student of CNEC Christian College**  
**Champion of the Secondary School Junior Section,**  
**"My Dream Home" Writing Contest**

### Student Work Experience

HKQAA actively provides work experiences opportunities for secondary and tertiary students. During the period, 10 secondary students and 6 university students participated in the Event Planning Experience Programme and summer internship programme of our Hong Kong office respectively. They were enabled to accumulate work experience and also earn industry knowledge.

Also, BCS fund provided scholarship to Youth College to recognise outstanding students. We believe the scholarship will encourage them to become future leaders and contribute to the society.

## 2. Contributing to the Society

### Building a Social Inclusion Environment

HKQAA has always been committed to putting social inclusion into practice. In 2019, HKQAA's Hong Kong office has employed 213 elderly and people with disabilities in total. Both Guangzhou office and Shanghai office have employed people with disabilities to perform data entry and translation tasks respectively. Even people with disabilities can also utilise their skills and integrate into the society.

### Charitable Activities

The child sponsorship programme being arranged by the CSR Ambassador has been strongly supported by the employees. The donation from BCS Fund had been be donated to World Vision Hong Kong for sponsoring three children in Philippine, Bangladesh and the rural village in Shaanxi respectively so as to help improve their living standard.



*Thank you cards from the children who sponsored by donation from BCS fund*

### **Contributing with Warmth and Heart**

Employees of the Guangzhou office visited an elderly centre, delivering lunch for the elderly. During the visits, employees chatted with the elderly. Meanwhile, employees of the Xi'an office visited an orphanage. Distance between the two groups was narrowed, making it a well-spent afternoon filled with joy and warmth.

HKQAA promotes the concept of a caring society without boundaries and even extends care to other regions. Macau office participated in the 2019 Volunteers are Family activity to volunteer at Zhaoqing, which was organised by United General Association of Macao Community Volunteers and the Spreading Happiness Society, and went to primary school in rural area and distribute stationary to the students in need.



HKQAA has also paid special attention to the outbreak of Coronavirus Disease 2019 (COVID-19) since late 2019. We have prepared for the corresponding measures and support for our community, starting by contributing surgical masks to Mainland by the Guangzhou office. Hong Kong office will also develop various measures to support the prevention of the Disease in the community.

### **Sharing from our employee**

“Some orphans are abandoned due to their congenital heart disease, cerebral palsy and cleft lip.

When I first saw them, my hand was gripped by one of the orphans with smile, and he tried to pronounce every word correctly. When he said “Please hug me”, my tears fell down immediately. I believe the children need to be accompanied, no matter how long it is.



**Ms Miao Miao Yao**  
*Employee from Xi'an office who took part in community activity*

# Looking Forward



Entering 2020, our world faces various challenges ahead. HKQAA will stay committed to its goal, strive to provide solutions for enterprises and society, and extend our professional services to more regions, thereby making greater contribution to the business sector and society.

By utilising our industry knowledge and professionalism, we will develop innovative services in regard to green finance, public hygiene, environmental protection and fin-tech aspects to cope with government policies and meet the needs of society and industries. Also, we will closely communicate with various stakeholders, and support enterprises, partners, chambers and associations to nurture talents.

HKQAA will keep organising seminars, publishing research reports and books to foster sharing of knowledge and technology. As the Alternate Chair of the Quality Building Award 2020, HKQAA will work with eight professional organisations to foster exchanges in the building sector and enhance their professional performance.

We stay devoted to extending our care to society and environment. We will also focus on optimising the remuneration and fringe benefits of employees, and encourage them to participate in community services for the underprivileged. Besides, HKQAA will subsidise projects related to community care, education, environmental protection and industry development through BCS fund.

HKQAA has pursued the growth for our organisation, employees and clients over the past 30 years. In the future, we will further foster the sustainable development for our organisation, industry and society. We hope to build the ideal homeland by joining hands with everyone.



## 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 40 recommended CSR practices under seven core subjects as below:-

CSR Core Subjects	Recommended CSR Practices		Relevant Pages
Organisational Governance	OG1	Organisation should set its direction by making social responsibility an integral part of its policies, strategies and operations.	2-4, 7
	OG2	Organisation should establish programmes to raise awareness and build competency in social responsibility in the organisation.	3, 4,
	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, 8-11, 14, 16, 28, 31
	OG4	Organisation should disclose its policies, decisions and activities about their known and likely impacts on society and the environment.	20-36
	OG5	Organisation should define its standards of ethical behaviour with reference to available international norms.	4, 6, 10, 11
	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, 17, 18, 28
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.	10-13
	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.	6-9, 17, 18, 28
	HR3	Organisation should provide stakeholders with channels to freely express their views, even in situations of disagreement with organizational decisions.	5, 9, 17, 18, 28
	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.	10-13
	HR5	Organisation should ensure no engagement with forced labour and child labour.	12, 13
Labour Practices	LP1	Organisation should encourage the organisations in its supply chain to meet legal labour requirements.	10, 11
	LP2	Organisation should ensure that conditions of its work comply with national laws and regulations.	12, 13, 16

	LP3	Organisation should establish dialogue with staff members to establish healthy labour-management relations.	5, 9, 17,18
	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.	12-19
	LP5	Organisation should promote an occupational health and safety culture to employees and contractors.	16
	LP6	Organisation should implement programmes to increase the capacity and employability of employees.	15-19
The Environment	EN1	Organisation should implement measures to prevent pollution and minimise waste.	20, 21, 29-32
	EN2	Organisation should promote an environmental-caring culture to employees and contractors	15, 20, 21, 29-32
	EN3	Organisation should implement resource efficiency measures to reduce its use of energy, water and other materials.	29-32
	EN4	Organisation should implement measures to reduce Greenhouse Gases (GHG) emissions associated with its activities, products and services.	30
	EN5	Organisation should identify potentially adverse impacts on the ecosystem and take measures to eliminate or minimise these impacts.	29-32
Fair Operating Practices	FO1	Organisation should develop and implement programmes to prevent corruption.	9-11
	FO2	Organisation should prevent engaging in anti-competitive behaviour.	11
	FO3	Organisation should incorporate social, ethical, environmental and gender equality criteria in its purchasing, distributing and contracting policies.	11, 31
	FO4	Organisation should develop and implement programmes to protect property rights.	11
Consumer Issues	CI1	Organisation should ensure no unfair or misleading marketing and information is delivered to customers or consumers.	10, 11
	CI2	Organisation should ensure that consumers are aware of their rights and responsibilities when products and services are delivered.	28
	CI3	Organisation should ensure that its products and services will not be inherently harmful to consumers' health.	20-28
	CI4	Organisation shall provide customers with socially and environmentally beneficial products and services that are able to reduce respective adverse impacts throughout their life cycle.	20-29
	CI5	Organisation should review complaints and take action to prevent recurrence.	9
	CI6	Organisation should implement measures to resolve dispute and enhance customer satisfaction.	9, 28
	CI7	Organisation should implement measures to protect consumers' data and privacy.	28
	CI8	Organisation should educate customers or consumers in order to enhance their understanding of the product and awareness of sustainable consumption.	20-29

Community Involvement and Development	CD1	Organisation should help to conserve and protect heritage. Especially where the organisation's operation has an impact on.	15
	CD2	Organisation should contribute to programmes that provide assistance or other necessities to vulnerable and low-income groups.	32-36
	CD3	Organisation should participate in skills development for the organisations in its supply chain in the community in which they operate.	20-27, 33-36
	CD4	Organisation should encourage healthy lifestyles in the community.	14, 15, 20, 24, 29, 33-36
	CD5	Organisation should contribute to the development of the community in which they operate.	20-36

## Appendix 2: CNCA’s “Guidance for Certification Bodies to Fulfill Social Responsibilities”

### “Main Content for Certification Bodies to Fulfill Social Responsibilities” - Index

<b>Main Content for Certification Bodies to Fulfill Social Responsibilities</b>		<b>Relevant Pages</b>
<b>Legal Compliance</b>	Take the initiative to comply with various requirements of laws, regulations and an organisation’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	6-13, 16, 23
<b>Standardised Operation</b>	Develop internal control system for ensuring the impartiality of certification work, the scientific and standardised operation in business and personnel management, identification and prevention of certification risk; Develop and implement measures for effectively supervising organisations which have obtained certification; strengthen the management and control over the entire certification continually fulfill the certification requirements by providing them with practical and effective support.	6-11, 28
<b>Integrity</b>	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 confidence of the society with scientific means, strict manner, standardised procedures, professionalism, quality services and reliable results	6-11
<b>Enhancing Service Levels</b>	Actively develop diversified services which can improve and enhance the managerial levels of an organisation and ensure the effectiveness of certification; facilitate organic integration of the management system established by an organisation into the practical management process; lay a solid foundation for provision of high-quality and reliable certification results	6-11, 20-28
<b>Innovative Development</b>	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	20-28
<b>Protecting the Environment by Energy-saving and Carbon-reduction</b>	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	20, 21, 29-32
<b>Employees’ Rights and Interests</b>	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	12-19
<b>Serving the Society</b>	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	33-36



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#### **Hong Kong 香港**

19/F, K. Wah Centre, 191 Java Road, North Point, Hong Kong 香港北角渣華道191號嘉華國際中心19樓

Tel電話: (852) 2202 9111 Fax傳真: (852) 2202 9222 E-mail電郵: [hkqaa@hkqaa.org](mailto:hkqaa@hkqaa.org)

#### **Shanghai上海**

HKQAA Certification (Shanghai) Ltd. 標準認證服務(上海)有限公司

Unit 2007-2008, 20/F, Pole Tower, 425 Yishan Road, Xuhui District, Shanghai, China

中國上海市徐匯區宜山路425號光啟城20樓2007-2008室

Postal Code郵編: 200235

Tel電話: (86 21) 6876 9911 Fax傳真: (86 21) 6876 9922 E-mail電郵: [info.sh@hkqaa.org](mailto:info.sh@hkqaa.org)

#### **Guangzhou 廣州**

HKQAA Certification (Shanghai) Ltd. Guangzhou Branch 標準認證服務(上海)有限公司廣州分公司

22/F, Nova Tower, 185 Yue Xiu Road South, Guangzhou, China 中國廣州市越秀南路185號創舉商務大廈22樓

Postal Code郵編: 510100

Tel電話: (86 20) 8383 3777 Fax傳真: (86 20) 8382 3066 E-mail電郵: [info.gz@hkqaa.org](mailto:info.gz@hkqaa.org)

#### **Xi'an 西安**

HKQAA Certification (Shanghai) Ltd. Xi'an Representative Office 標準認證服務(上海)有限公司西安辦事處

Room 1608, 16/F., New World, 70 Weibin Road, Weiyang District, Xi'an City, Shanxi Province, China

中國陝西省西安市未央區涇濱路70號水晶新天地16樓1608室

Postal Code郵編: 710021

Tel電話: (86 29) 8636 0030 Fax傳真: (86 29) 8636 0031 E-mail電郵: [info.xn@hkqaa.org](mailto:info.xn@hkqaa.org)

#### **Macau 澳門**

HKQAA Certification (Macau) Ltd. 標準認證服務(澳門)一人有限公司

Flat G, 3rd floor, Dynasty Plaza, No. 411-417 Alameda Dr. Carlos d'Assumpção, Macau

澳門新口岸宋玉生廣場411-417號皇朝廣場3樓G座

Tel電話: (853) 2875 1199 Fax傳真: (853) 2875 1609 E-mail電郵: [info.mo@hkqaa.org](mailto:info.mo@hkqaa.org)