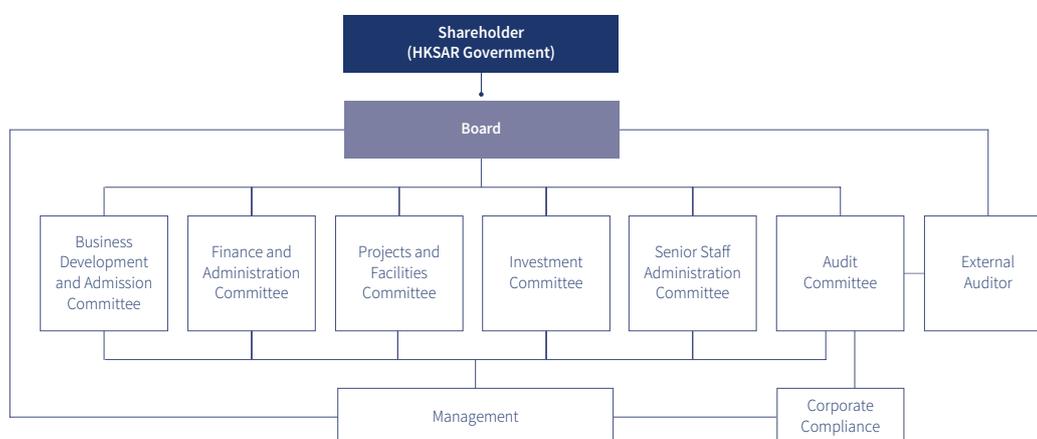


## CORPORATE GOVERNANCE REPORT

Hong Kong Science and Technology Parks Corporation (the “Corporation”) is a statutory body incorporated under the Hong Kong Science and Technology Parks Corporation Ordinance, Chapter 565, laws of Hong Kong (the “HKSTPC Ordinance”). We strive to attain and maintain high standards of corporate governance best suited to the needs and interests of the Corporation and its subsidiaries, and conduct our business

according to prudent commercial principles. The Corporation has made reference to the Corporate Governance Code and Corporate Governance Report contained in Appendix 14 (“CG Code”) to the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited in so far as they are applicable in achieving the purposes as set out in the HKSTPC Ordinance. We believe transparency, accountability, fairness and ethics are the foundation on which we build trust and work with all our stakeholders for the benefits of Hong Kong.

## CORPORATE GOVERNANCE STRUCTURE



### THE BOARD

The Board is the governing body of the Corporation. It is responsible for formulating overall strategic directions and policies of the Corporation and overseeing management of the business.

As at 31 March 2019, the Board comprised 17 Non-Executive Directors including the Chairman and 16 Board Members. The Chairman is appointed by the Chief Executive of the HKSAR Government, and the Board Members are appointed by the Financial Secretary. All Board Members are appointed without honorarium, generally for a term of two-year and subject to re-appointment upon expiry of their terms. Each Board Member has a duty to act in good faith in the best interests of the Corporation. Members are aware of their collective and individual responsibilities to the HKSAR Government, being the sole shareholder of the Corporation, for the manner in which affairs of the Corporation are managed, controlled and operated.

### BOARD COMPOSITION

Board Members come from varied but relevant backgrounds with a wide range of skills, experiences and expertise, originating from academia, industry, biomedical technology, pharmaceuticals, artificial intelligence, finance, investment, trading, architect, property, legal and management consulting. One of our Board Members, the Permanent Secretary for Innovation and Technology, is a public officer. Biographical details of the Board Members are contained on the website of the Corporation (<http://www.hkstp.org>).

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles and responsibilities of the Chairman of the Board and the Chief Executive Officer of the Corporation (“CEO”) are distinct and separate, enhancing independence and accountability.

The non-executive Chairman is responsible for leading the Board to formulate overall strategic directions and policies of the Corporation. While encouraging Board Members to make full and effective contribution to the discussions at Board meetings, he leads and facilitates the exchange of views on issues among Board Members in an effective manner.

The CEO is appointed by the Board as a remunerated full-time employee of the Corporation, and is responsible for leading the management team and staff members of the Corporation in day-to-day operations and implementing strategies as determined by the Board.

## **INDUCTION PROGRAMME**

Newly appointed Board Members are invited to attend an induction programme which consists of a meeting with the CEO and the management team followed by a visit to major facilities of the Corporation to familiarise themselves with the objectives, business plan and operations of the Corporation.

Board Members are also provided with a Director's Manual which consists of constitutional documents of the Corporation and its committees, key guidelines and major programmes documents of the Corporation. Members are made aware of their responsibilities in managing and monitoring the affairs of the Corporation, and the importance of always acting in good faith and in the best interests of the Corporation.

## **KEEPING MEMBERS UP TO DATE**

To keep Members abreast of the development of innovation and technology and to refresh knowledge and skills as to corporate governance, a talk on "Establishment of 9GAG Hong Kong-based Online Platform and Social Media Website" hosted by Mr. Ray Chan, founder of 9GAG, was arranged for sharing the success and experience in running a start-up company during the Board Strategy Day on 15 December 2018. A briefing session on "Managing Conflict of Interest and Preventing Misconduct in Public Office" hosted by the Independent Commission Against Corruption was also arranged for the Board on 12 September 2018.

## **DECLARATION OF INTERESTS**

Board Members are required to declare their proprietorships, partnerships and/or directorships of local and overseas public and/or private companies, as well as paid jobs, offices, trades, professions or vocations and interests in shareholdings in any public

or private companies on an annual basis. They are also required to inform the Company Secretary within 14 days of any changes. A register of Board Members' declarations of interest is made available for public inspection upon request.

## **CONFLICT OF INTEREST**

The HKSTPC Ordinance under which the Corporation was incorporated requires Members to declare their direct or indirect interests in any contracts or proposals considered by the Board or its Committees. Those with any conflict of interest must withdraw from the approval process. Board Members are made aware that they should avoid entering into any business contract with the Corporation in their personal capacity as a matter of principle. Also, they should not be personally involved in the bidding process or in the supply of goods or paid services. Where it is unavoidable that a Member will bid for a contract with the Corporation in his or her personal capacity, he or she should adhere to the guidelines on managing possible conflict of interest stipulated in the Guide to Handle Corporate Governance Matters of the Corporation. To further enhance governance within the Corporation, Board Members were reminded regularly as to the principle of conflict of interests. For example, a governance memo was circulated to Board Members in August 2018 to facilitate Members' understanding of their obligations in potential conflict of interest situations.

## **WHAT THE BOARD DOES**

The Board of Directors formulates strategic direction, oversees implementation of strategic plan and approves the annual budget, corporate key performance indicators, 10-year financial projection, as well as major development and redevelopment projects. It monitors the overall performance of the Corporation and ensures that effective controls are in place to manage potential risks. It also approves the appointment of external auditors and their remuneration during the period under review. It met six (5 Board meetings and the Strategy Day) times during the year with an average attendance rate of 80%.

The Chairman maintains close contact with the Secretary for Innovation and Technology, the Permanent Secretary for Innovation and Technology, the Commissioner for Innovation and Technology as representatives of the sole shareholder of the Corporation, and the Chairmen of the Board Committees, as well as meeting regularly with the CEO and the management team to review strategic issues, business plans and future development.

## COMPANY SECRETARY AND PROFESSIONAL ADVICE

All Board Members have access to the advice and services of the Company Secretary who is appointed by the Board and reports to the Chairman and the CEO. The Company Secretary is accountable to the Board for ensuring that the Board procedures are followed and Board activities are efficiently and effectively conducted. To this end, the Company Secretary facilitates the Board and Management to adhere to Board processes as updated from time to time, and the provision of sufficient information to the Board by Management. In addition, procedures are in place to enable Directors to seek independent professional advice at the Corporation's expense on matters relating to their roles and responsibilities.

## RESPONSIBILITY FOR ACCOUNTS

The Directors acknowledge their responsibility for ensuring that the preparation of the annual accounts of the Corporation is in accordance with statutory requirements and applicable accounting standards. The Directors are assisted by the Finance and Administration Committee and the Audit Committee in discharging their responsibilities for overseeing the Corporation's financial reporting process. The statement of the auditors of the Corporation about their reporting responsibilities is set out in page 40 of the Annual Report.

## BOARD COMMITTEES

The Board oversees six standing Committees:

- Business Development and Admission Committee
- Finance and Administration Committee
- Projects and Facilities Committee
- Investment Committee<sup>1</sup>
- Audit Committee
- Senior Staff Administration Committee

Terms of Reference of the Committees set out the functions, duties and membership of the Committees. These Committees are accountable to the Board for their recommendations and decisions. Mechanism is in place to report recommendations and decisions made by the Committees to the Board.

Attendance records of each individual member of the Board of Directors are shown on page 29 of the Annual Report.

Remarks:

<sup>1</sup> The Investment Committee was established by the Board on 12 December 2018 to monitor and oversee investments of the Corporation.

## BUSINESS DEVELOPMENT AND ADMISSION COMMITTEE

The Business Development and Admission Committee ("BDAC"), chaired by Dr. Sunny Chai (after Mrs. Fanny Law retired from the Board on 30 June 2018), reviews applications for admission as tenants and grantees into the Corporation's premises. It approves and monitors business initiatives and marketing programmes in accordance with the strategic plans approved by the Board. The Committee also keeps under review the Corporation's admission guidelines and terms, and recommends major changes to the Board for approval.

## FINANCE AND ADMINISTRATION COMMITTEE

The Finance and Administration Committee ("FAC"), chaired by Mr. Raymond Cheng, approves accounting policies and recommends the annual budget and the 10-year financial projection to the Board for approval. It reviews the financial performance of the Corporation on a quarterly basis. It also reviews and recommends to the Board, rental guidelines, investment (other than equity or equity-linked investment) and financing initiatives, staff job grading structure, compensation and benefits policy and salary adjustment. Additionally, it advises the Board on administrative and human resources policies and approves procurement and information technology security risk policies.

## PROJECTS AND FACILITIES COMMITTEE

The Projects and Facilities Committee ("PFC"), chaired by Mr. Donald Choi (after Mr. Billy Wong retired from the Board on 30 June 2018), oversees and monitors the capital works projects, policies and initiatives in respect of sustainability, safety (including laboratory safety), health and environment and facilities management of the Corporation's premises. It also reviews or recommends to the Board as to capital works related matters, including master development plan and programme, development budget, facilities provisions, contract award and related headcount requirements, facilities management and related consultancy services.

## **INVESTMENT COMMITTEE**

The Investment Committee (“IC”), chaired by Mr. Dennis Ho, oversees and monitors the investment policies and initiatives which possess or will potentially possess equity or equity-linked investment elements, as well as results and outcome of the same. It approves the annual key performance indicators in relation to the investment initiatives, and also recommends to the Board on the annual budget of the investment initiatives. It approves the divestment and investment of the Corporation under the investment initiatives and the incorporation of investment-related subsidiary companies of the Corporation. It also approves the formation and terms of reference of sub-committees and panels that oversee specific investment initiatives.

## **AUDIT COMMITTEE**

The Audit Committee (“AC”), chaired by The Hon. Jimmy Ng (after Mr. Richard Sun retired from the Board on 30 June 2018), oversees the corporate compliance function and considers the appointment, re-appointment and removal of the external auditor, the scope of service and the audit fee. It reviews findings set out in both the internal audit reports and external auditor’s management letters and the Management’s responses to them, and monitors the implementation of agreed actions. It also reviews the annual audited accounts, significant accounting policies, corporate governance practices, financial controls, internal controls and risk management systems with a view to complying with recognised standards and achieving continuous improvement. It met the external auditors and Chief Compliance Officer without management presence and conducted a self-evaluation of its effectiveness and concluded that its performance was effective.

## **SENIOR STAFF ADMINISTRATION COMMITTEE**

The Senior Staff Administration Committee (“SSAC”), chaired by Dr. Sunny Chai (after Mrs. Fanny Law retired from the Board on 30 June 2018), comprises the Board’s Chairman, two Board members and the Government Member of the Board. This Committee is responsible for the selection of senior executives of the Corporation (first two tiers — CEO and Chief Officers) and setting performance targets and assessing performance of the senior executives on an annual basis. It recommends remuneration policies, determines appointment, remuneration package and variable remuneration awards, contract renewal and annual salary review for senior executives and consider Human Resources policy change and any other topics as defined by the Board. It recommends appointment, remuneration package and variable remuneration awards and contract renewal of CEO to the Board for approval.

## **TASK FORCE FOR SPECIFIC PROJECTS**

Various Task Forces are set up on a need basis to handle specific projects, for example the SPX1 and IE2.0 Projects. Experts in the related industries would be appointed as co-opted members to provide valuable experience and expertise to the Task Forces on a need basis.

## **SUB-COMMITTEES**

Two sub-committees including the Corporate Venture Fund Investment Committee (“CVF-IC”) and the Call Option Committee were established under the purview of FAC. Both the CVF-IC and Call Option Committee were under the purview of the IC after its establishment on 12 December 2018. Meetings of these committees are held on a need basis. The CVF-IC, chaired by the CEO, approves Corporate Venture Fund (“CVF”) investments and divestments and oversees the operations of the CVF whereas the Call Option Committee, chaired by the CEO, decides on matters relating to call option terms and exits. During the year, two CVF-IC meetings had been held with an average attendance rate of 92% and the Call Option Committee approved matters via paper circulation.

## **MEETING PROCEDURES**

The Board and Committees convene meetings on a regular basis, with special meetings held as and when necessary. The HKSTPC Ordinance provides that at a meeting of the Board, all questions shall be decided by a majority of votes of the Members present.

Management circulates agenda and papers seven days prior to meetings in general. Board or Committee papers are not issued to Members who have conflict of interest.

The Company Secretary records the major points of discussions, recommendations, decisions and action items arising from the meetings. Committee decisions, as recorded on the meeting minutes, would be shared with the Board on a regular basis. Outstanding matters are followed up by the relevant divisions and progress updates are reported at subsequent meetings.

## MEETING ATTENDANCE

The Board assumes the responsibility of ensuring each Member has spent sufficient time to engage in the affairs of the Corporation.

A summary of meeting attendance of Board Members in meetings of the Board and Committees for the financial year from 1 April 2018 to 31 March 2019 is provided in the following table.

BOARD MEMBERS	MEETINGS	Board of Directors	BDAC	FAC	PFC	IC	AC	SSAC
Dr. Sunny CHAI Ngai Chiu (Retired from AC and joined SSAC on 8 August 2018)		5/6	3/5	—	—	—	0/1	2/2
The Hon. Mrs. Fanny LAW FAN Chiu Fun (Retired with effect from 30 June 2018)		1/1	1/1	1/1	—	—	—	1/1
Permanent Secretary for Innovation and Technology <sup>2</sup> or his alternates		6/6	5/5	4/4	4/4	1/1	3/3	3/3
Mr. Raymond CHENG Siu Hong (Joined IC on 12 December 2018)		4/6	—	4/4	—	1/1	3/3	2/3
Mr. Herbert CHIA Pun Kok (Appointed on 1 July 2018) (Joined BDAC and PFC on 8 August 2018)		5/5	3/4	—	3/3	—	—	—
Mr. Donald CHOI Wun Hing (Appointed on 1 July 2018) (Joined PFC on 8 August 2018)		4/5	—	—	3/3	—	—	—
Ms. Cordelia CHUNG (Joined SSAC and IC on 8 August 2018 and 12 December 2018 respectively)		6/6	5/5	—	3/4	1/1	—	2/2
Mr. Kent HO Ching Tak (Joined IC on 12 December 2018)		4/6	—	2/4	—	1/1	—	—
Mr. Dennis HO Chiu Ping (Appointed on 1 July 2018) (Joined FAC and AC on 8 August 2018, and IC on 12 December 2018)		5/5	—	3/3	—	1/1	2/2	—
Ir Dr. Hon. LO Wai Kwok (Retired with effect from 30 June 2018)		1/1	1/1	—	1/1	—	—	—
Mr. Theodore MA Heng (Joined IC on 12 December 2018)		6/6	—	3/4	—	1/1	3/3	—
Dr. Kim MAK Kin Wah		6/6	3/5	—	2/4	—	—	—
Professor MAK Tak Wah (Appointed on 1 July 2018)		0/5	—	—	—	—	—	—
The Hon. Jimmy NG Wing Ka (Appointed on 1 July 2018) (Joined BDAC and AC on 8 August 2018) (Resigned from BDAC with effect from 21 September 2018)		3/5	1/1	—	—	—	2/2	—
Mr. Joseph NGAI (Joined SSAC on 8 August 2018)		4/6	1/5	—	—	—	—	1/2
Mr. Gavin POON Ka Ming (Appointed on 1 July 2018) (Joined PFC and AC on 8 August 2018) (Resigned from AC and joined BDAC with effect from 21 September 2018)		4/5	2/3	—	3/3	—	1/1	—
Professor SHYY Wei (Retired with effect from 30 June 2018)		1/1	1/1	—	—	—	—	—
Mr. Richard SUN Po Yuen (Retired with effect from 30 June 2018)		0/1	—	0/1	—	—	1/1	1/1
Professor TANG Xiaou (Appointed on 1 July 2018) (Joined BDAC on 8 August 2018)		4/5	2/4	—	—	—	—	—
Mr. Denis TSE Tik Yang (Appointed on 1 July 2018) (Joined BDAC and FAC on 8 August 2018, joined IC on 12 December 2018)		4/5	2/4	3/3	—	1/1	—	—
Professor TSUI Lap Chee		5/6	—	4/4	—	—	—	—
Mr. Billy WONG Wing Hoo (Retired with effect from 30 June 2018)		1/1	1/1	—	1/1	—	—	1/1
Average Attendance Rate		80%	69%	86%	87%	100%	94%	87%

Remarks:

<sup>2</sup> Three of the Board meetings and all the Committee meetings including BDAC, FAC, PFC, IC, AC and SSAC were attended by the alternates of Permanent Secretary for Innovation and Technology on his behalf.

## MANAGEMENT AND STAFF

Under the leadership of the CEO, Management and staff are responsible for managing the Corporation's day-to-day operations and implementing strategies as determined by the Board. They must comply with the Corporation's Employee Code of Conduct and apply prudent commercial principles as required under the HKSTPC Ordinance.

## ETHICAL BEHAVIOUR AND CULTURE

The ethical behaviour of the Corporation is well defined in the Employee Code of Conduct, which is reviewed on a regular basis. It covers issues such as prevention of bribery, conflict of interest, acceptance of gifts and advantages, misconduct in public office, handling of confidential information and preservation of secrecy, outside engagement, financial issues, operational and administrative transactions, and intellectual property. Staff members are reminded every six months on the importance of compliance. The ICAC is invited to give briefing on the prevention of bribery and conflict of interest to employees on a regular basis. The last briefing session for new employees and existing employees was conducted in November 2018.

## INTERNAL CONTROL AND RISK MANAGEMENT

The Corporation maintains a high standard of corporate governance, transparency and accountability. The system of internal controls has been designed to provide reasonable assurance to the Board regarding the effectiveness and efficiency of operations, the reliability of financial reporting, and compliance with relevant laws and regulations.

Management has put in place a Whistleblowing Policy whereby employees and external parties may raise concerns, in strict confidence, about possible improprieties in financial reporting or other matters. Information on this policy can be found on the Corporation's website.

With the help of the corporate compliance function, Management performs an annual review of the Corporation's internal control system in accordance with the COSO (the Committee of Sponsoring Organizations of the Treadway Commission) framework as recommended by the Hong Kong Institute of Certified Public Accountants. The COSO framework comprises five main components: control environment, risk assessment, control activities, information and communication, and monitoring. The

review is designed to assess the risks associated with the key processes and the effectiveness of the controls in mitigating those identified risks. Independent verification of the effectiveness of controls is performed by the corporate compliance function.

Risk management is an integral component of the Corporation's corporate governance. The Corporation has put in place a risk management framework. Details of the risk management framework, the key risks and the key mitigations are described in the Risk Management Report on pages 34 to 35.

During 2018/19, the Board, through the Audit Committee, has conducted a review and assessment of the effectiveness of the risk management and internal control systems of the Corporation and was satisfied with the effectiveness of the Corporation in managing risks based on the risk management report and the result of internal control review.

The Board acknowledges that it is responsible for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

## CORPORATE COMPLIANCE

The corporate compliance function was established as part of the on-going commitment on the part of the Board and the Management to improve the Corporation's corporate governance. The corporate compliance function reports directly to the Audit Committee. It plays an important role in monitoring the Corporation's internal governance and provides objective assurance to the Board that a sound risk management and internal control system are maintained and operated by Management.

Using risk-based methodology, corporate compliance function plans its work schedule in consultation with, but independent of management; and the audit plan is submitted to the Audit Committee for approval.

Independent reviews of financial, business and functional operations and activities are conducted with audit resources focusing on the higher risk areas. Audit findings and recommendations arising from different assignments are reported to the respective heads of divisions for action, and corporate compliance function follows up with the implementation of the agreed actions. Significant issues are brought to the attention of the Audit Committee and the Board.

## EXTERNAL AUDIT

KPMG is the Corporation's external auditor. It plays an important role in reviewing the truth and fairness of the financial statements as well as ensuring the financial statements are free from material misstatement. The external auditor meets with the Audit Committee at least twice a year to discuss the scope of the audit (prior to commencement of work) and to report findings. The Audit Committee reviews each year a statement from the auditors confirming their independence and objectivity and discusses with the auditors the scope and appropriate fees for any non-audit services requested by the Corporation. The Audit Committee and Management are responsible for ensuring that the external auditor is not engaged by the Corporation on any other assignments that may compromise the external auditor's independence.

For the year ended 31 March 2019, the auditor's remuneration in respect of audit service provided for the Corporation was HK\$721,000. Except for the tax representative service provided for the Corporation's subsidiary with fee of HK\$12,000, no other non-audit service was provided for the Corporation in the same period.

## DELEGATION OF AUTHORITY

The authority of the Board and the levels of authority delegated to the Committees and the Management are clearly defined and documented in the Schedule of Delegated Authorities ("SDA"). An annual review of SDA was conducted and some changes in the approval authorities were made to reflect the matters approved by Board/Committees to further enhance operational efficiency while maintaining appropriate control. The updated SDA was approved by the Board in March 2019.

## CORPORATE GOVERNANCE PRACTICES

Section 7 of the HKSTPC Ordinance provides that the Corporation shall conduct its business according to prudent commercial principles. Although the Corporation is not required to comply with the CG Code, we have made reference to it and voluntarily complied with the code provisions in so far as they are applicable in conducting our business and achieving the purposes as set out in HKSTPC Ordinance, except those which are set out in table below.

Code provision	Reason for deviation and corresponding measure
A.6.5	All directors of the Corporation are appointed by the Chief Executive/Financial Secretary of the HKSAR Government who are elite in their fields of profession and possess adequate and updated knowledge and skills. The Corporation also invited all directors to events and programmes which enriched their knowledge including governance in relation to public office, as well as updated innovation and technology developments to facilitate the discharge of their Director's duties. Reading materials of the events and programmes were shared with directors. Please refer to the paragraph "Keeping Members Up to Date" on page 26 of the Annual Report for details of events participated by the directors during 2018/19.
I(i)	To provide transparency, the issuers must include the following information for the accounting period covered by the annual report and significant subsequent events for the period up to the date of publication of the annual report, to the extent possible:  how each director, by name, complied with A.6.5
A.7.1	For board and committee meetings held during 2018/19, 6% of the total number of meeting papers was dispatched less than 3 days before the meetings, which mainly included papers that were strictly confidential in nature, and were informational and required no approval. Management would abide by the timeliness of paper distribution as far as applicable to provide the Board with reasonable time to review papers prior to the meetings.

## **TRANSPARENCY**

The Corporation reports annually to the Permanent Secretary for Innovation and Technology the remuneration arrangements for the top two tiers of senior management, including the CEO and Chief Officers.

For purposes of full transparency, the annual emoluments of the Corporation's five highest paid employees are disclosed under note 9 to the financial statements on page 63 of the Annual Report.

The attendance of Directors at meetings is reported on page 29 of this Annual Report.

## **COMMUNICATION**

The Corporation maintains transparent and consistent communication with various stakeholders. The Corporation realises this by means of proactive stakeholder engagement, with a view to enhancing public awareness of the innovation and technology development of Hong Kong. The Corporation engaged in more than 30 key events including corporate events, press conferences, media luncheons and Park companies' product/solution launches. The number of Park companies the Corporation supported reported a year-on-year increase of 74%. Through senior executives speaking in various industry platforms, the Corporation strives to deepen stakeholders' understanding of the Corporation and its works towards positioning Hong Kong as an international innovation and technology hub. Information, be it about the Corporation or Park companies, is disclosed in a prompt, accurate, and fair manner through corporate website.

## **SOCIAL MEDIA**

The Corporation continues to build engaging content covering the success stories of partner companies, promotion of the signature events and publicity of industry news and partnership to facilitate communication with target stakeholders via the social and digital channels, namely HKSTP's corporate website, LinkedIn, YouTube, Facebook and Instagram. The Corporation also produced video stories such as "HKSTP Today" and "People of Science Park" to feature the startup journey of the partner companies. Some of these contents are created in collaboration with media partners with an aim to further the reach to the community. With the completion of the HKSTP corporate website revamp during the year to optimise contents and visitor's experience, the Corporation witnessed a substantial boost in website visits and social media interactions across all channels.

## **CARING COMPANY**

Being a responsible corporate citizen, the Corporation is committed to embracing corporate sustainability and social responsibility initiatives. This is the eleventh consecutive year that the Corporation has been recognised as a Caring organisation under the Hong Kong Council of Social Service Caring Company scheme and is accredited to be one of the "10 Years Plus Caring Organization". The Corporation was commended for its dedication and achievement in the areas of giving, mentoring, and caring for employees as well as the environment.

## **RESOURCES DEVELOPMENT AND COLLABORATION**

The Corporation provides a wide range of training programmes to enhance the knowledge and capabilities of employees. The courses range from achieving operational excellence such as Big Data & Business Analytics, Excel Formula & Function to developing and managing people like Performance Feedback & Coaching Skills and Communication with Confidence. The "Leadership Development Programme" which tailored for next generation leaders and last for 18 months was completed in March 2019.

The Corporation offers Summer Internship Programme to arouse the career interest of university students in innovation and technology industry and enable them to explore their career in this industry.

Furthermore, the Corporation continues the promotion of work-life balance and enhances collaboration among employees through employee-led interest groups and engagement activities by its Sports & Recreation Club. In addition, the Corporation encourages employees to take part in charity events like Dress Casual Day and Skip Lunch Day and mini-Charity Sale Day as well as voluntary services led by the HKSTP Volunteer Group. They supported a variety of community services such as dinner with elderly to celebrate Chinese New Year, rice distribution/food recycle for families of low-income, cooking/drawing class for mentally and physically disabled children and home visits for the elderly.

## **SUSTAINABILITY**

HKSTP published its fifth Sustainability Report in December 2018, covering its aspirations and progress in the areas of environment, health and safety, employee welfare and community engagement. Produced in accordance with both the Hong Kong Exchanges and Clearing Limited (HKEx) “ESG Reporting Guide”, the report was distributed in e-format via the Corporation’s website and via e-circular to all Partner Companies at the Hong Kong Science Park (“Science Park”).

HKSTP continued as signatory to the Environment Bureau’s Energy Saving Buildings (“eSB”) programme throughout the year.

HKSTP maintained the third-party certification of ISO management systems during 2018/19:

- ISO 9001 — quality management
- ISO 14001 — environmental management
- ISO/IEC 17025 — competence of testing and calibration laboratories
- ISO 50001 — energy management

## **SAFETY, HEALTH AND ENVIRONMENTAL (“SHE”)**

Safety, health and environmental protection are of paramount importance to HKSTP. Our SHE management system adopts a risk-based approach to identify and minimize potential health, safety and environmental incidents, and to mitigate their consequences.

HKSTP main office was relocated to Building 5E in January 2019, Display Screen Equipment (DSE) assessments for staff workstations have been launched in accordance with the Occupational Safety and Health (DSE) Regulation.

SHE Induction Training is arranged for the newly joined HKSTP staff to share SHE knowledge and increase safety awareness.

Independent safety audits of construction site projects including SPX1, InnoCell, and IE2.0 Projects A and C, public/common areas and back-of-house facilities are conducted on a monthly basis.

The SHE inspection programme for offices and co-working facilities has been run on a monthly basis to cover, the Corporation’s headquarter, Technology Support Centre (“TSC”), Biomedical Technology Support Centre (“BSC”), Project Development Division, Incubation and InnoCentre offices, 3 Industrial Estates and 12 various co-working facilities.

Internal audits in compliance with ISO 45001 and ISO 14001 were conducted, the audit scope covered the Corporation’s activities at the Science Park, InnoCentre and three Industrial Estate management offices, shared labs (TSC and BSC) and services contractors (Facilities Management Office and LabFM).