

年報

Relatório Anual
Annual report

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Managing Director's Report

Cheung Chin Cheung - Managing Director of Macao Water

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Managing Director's Statement

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Watering the Future, Nurturing Talented People

In 2014, we laid down a solid foundation for ensuring the water supply safety in the future – the completion of MSR III expansion project; at the same time, this project trained a team of local talents, just like saplings thrive when given water.

Due to the continuous stable development of Macao's tourism, the yearly water consumption of 2014 reached 83,500,000 cubic meters - a 6.4% increase compared to 2013. In the future, there will be more public housing estates and recreational facilities being completed thereby leading to water demand increase. As a result, we have invested over MOP 100, 000,000 in the expansion project of the Main Storage Reservoir Water Treatment Plant III (MSR III expansion project) to increase our water production capacity for the short-term and mid-term reliability of the local water supply. Our business philosophy is to prepare for the future.

After the operation of MSR III, the total water production capacity of Macao will be increased to 390,000 cubic meters. The increase will effectively alleviate the overall water supply pressure, and a stable water supply will also provide a secure foundation for the city's future development. MSR III employs an advanced flotation and ultra-filtration technology, which can produce quality treated water in an environmentally-friendly and energy-saving way. The MSR III project has trained a team of talented professionals, giving a fresh impetus to the local water supply industry.

Customer-focused, Strict Water Quality Control

We sincerely listen to different views from the community because we focus on our customers and service improvement. In 2014,

through the communication platform of our Customer Liaison Group, Macao Water was able to gather viewpoints and suggestions from the customer representatives from different sectors of the society. In the year, we also held the 3rd meeting of the Macao Water Customer Focus Group for the end-users to give their opinions on the overall water supply service in an interactive manner, and let them realize our daily operations. We aimed at collecting information directly from the customers.

For the Laboratory & Research Centre of Macao Water, 2014 was a year full of challenges. In the year, the quality of raw water declined, therefore, the laboratory technicians, in cooperation with the staff members from different departments and government agencies, researched into various possible solutions for the problem. At the end, due to the tireless efforts of all parties, the quality of treated water was successfully maintained at a satisfactory level of safety, plus having passed multiple tests at home and abroad afterwards. The Laboratory & Research Centre of Macao Water is dedicated to protecting water safety, analyzing far more indicators of water quality than the standards required. The Centre also proactively carries out studies on various testing techniques, aiming for a continuous improvement. In 2014, the laboratory technicians conducted their own R & D to test water odors by using gas chromatography, and to detect legionella bacteria in water by employing the quantitative real-time PCR method. More significantly, these two initiatives have set a precedent in the water supply industry of China.

Care for Staff, Focus on Health & Safety

The staff is the most important asset of a company; therefore, Macao Water cares very much about the employees' health and safety. In 2014, we systematized the management in occupational health and safety (H&S), improving the entire health and safety structure. The H&S College, according to their needs, designed and provided targeted H&S courses for the colleagues to raise their awareness. In addition, to take care of the parental needs of the employees, we particularly held a series of seminars including talks entitled 'Fostering children's resilience' and 'Caring the growth of adolescents'.

On H&S Tool Box, we paid more attention to the training given to the field personnel and new recruits. In response to the traffic chaos in Macao in recent years, we have organized many occupational safety seminars for the field staff to promote the importance of driving safety; in addition, a series of H&S courses are tailor-made for the new employees to heighten their safety awareness.

Giving Back to the Community

In 2014, Macao Water continued its care and support for the community. In August, a magnitude 6.5 earthquake badly hit Ludian in Yunnan, resulting in a serious disaster. Macao Water immediately made a donation to an eligible organization responding to the needs of the earthquake victims.

As a responsible water supply company, we are committed to promoting water conservation. Through a series of educational activities including Open Day, environmental exhibitions & seminars plus visits to our water treatment plants, we are aiming to give a better understanding of water production and water supply to the residents and let them realize that every drop counts!

Our love and care to the community being appreciated was best demonstrated by receiving the “2013 Best Enterprise in Delivering Corporate Social Responsibility in China Water Industry Award” from Chinawater.net, and the “2014 Business Cares Action Logo” from the Youth Committee of Macao Chamber of Commerce and Associação de Jovens Empresários Chineses de Macau. These two awards symbolized the approval from the community for our contributions in the water supply industry and the society.

Working Together for the Future

Last but not least, on behalf of Macao Water, I would like to extend my heartfelt gratitude to our customers, partners, the Macao SAR Government and our shareholders for their continued support. My thanks must also go to all staff members, who have exerted huge efforts for the outstanding water supply service in Macao.

Looking forward to 2015, we will continue our optimism and positive attitudes to face any possible difficulties and accomplish our missions, trying our best to improve corporate governance, enhance service quality, fulfill social responsibilities and provide a quality, safe and reliable water supply for the community. Working together, Macao and Macao Water are looking forward to a better tomorrow.



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Organizational Profile

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Basic Corporate Information

As the only water supply company in Macao, Macao Water entered into the first water supply concession contract period of 25 years granted by the Macao Government in 1985. In 2009, the Company successfully renewed the concession contract - valid for 20 years - with an interim review every ten years.

Sino-French Holdings (Hong Kong) Limited, a joint venture formed between the parent companies of Macao Water - SUEZ ENVIRONNEMENT and NWS Holdings Limited, holds an 85% stake in Macao Water.

The service of Macao Water covers the households, businesses and industries, government and civil administration organs in the Macao Peninsular, Taipa, Coloane, Cotai Strip and the new campus of the University of Macau on Hengqin Island.



Our Missions

- Ensure a continuous supply of quality drinking water that meets or even surpasses European standards
- Improve customer service in a sustainable and cost-effective way
- Remain conscious of our environmental and social responsibilities
- Build a highly qualified, motivated and committed workforce, provide a safe and pleasant workplace and consistently invest in our intellectual capital
- Involve our stakeholders to increase mutual values through better management, technology and supporting service

Our Values

- Social responsibility
- Respect for environment
- Integrity
- Employee development
- Ethics
- Value creation
- Customer focus

Our Vision

To contribute to the growth and prosperity of Macao by building a strong, mutually beneficial relationship with our customers and creating values to all stakeholders.

Stakeholders

Water is everyone's concern. Therefore, Macao Water is always trying its best to build a strong relationship with those who are affected by or have an interest in our operations.

- Customers
- Government and regulators
- Shareholders
- Local community groups
- People in water supply industry
- The environment
- Employees
- Media
- Suppliers of goods and services
- Non-government organizations
- Professionals and experts

Corporate Governance

As a legitimate local business institution authorized by the Macao SAR Government, Macao Water is bound by local laws and regulations. In addition to establishing a supervisory board to monitor its management and financial status, Macao Water is required to report its operations to the supervising entity and the Government Delegate of Macao Water.

The two parent companies of Macao Water - SUEZ ENVIRONNEMENT and NWS Holdings Limited - are both sizable international corporations. Hence, Macao Water strictly adheres to the internal codes of the parent companies and is subject to internal reviews on an annual basis. In addition, based on the internal codes of its parent companies, Macao Water has appointed an Ethics Officer to monitor the internal operations of the company.

Laws and Regulations for Macao Water include :

- Contract for the Concession of the Public Utility Service of Water Supplying in the Macao Special Administrative Region
- Contract for the Concession of the Public Utility Service of Water Supplying in the Macao Special Administrative Region - Additional Contract
- Regulations on Water Supply and Drainage



Organization Structure

Board of Directors (Effective from 1 July 2014)

Chairman :	Stephen Clark	
Managing Director :	Cheung Chin Cheung	
Executive Director :	Fan Xiaojun	
Directors:	Wilfrid Frederic Dominique Drean	Cheng Chi Ming
	Chung Ka Wai	Victor Johannes Garnreiter
	Sébastien Claude Robert Arbola	Lam Choi Ha
	Lam King Sang	Lee Seng Wei
	Sociedade de Formento Predial Tak Kei Limitada (Represented by Mr. Che Peng Chi)	
	Lo Wai Man Shelley	

Company Secretary : Kuan Sio Peng

Executive Team

Executive Director :	Fan Xiaojun		
Deputy General Managers :	Lam Kam Fai	Chu Wai Man	Lou Chong U
Chief Financial Officer & Ethics Officer :	Kuan Sio Peng		

Governance Committee

Chairman :	Cheng Ka Ki Joanna
Members :	Sabrina Tan Wu Chun Sang

Management Members (Effective from 1 April 2015)

Administration Manager :	U Kit Chan
Manager of Automation & Maintenance :	Ren Yan Lin
Corporate Communications Manager :	Cheong Si Man
Customer Services Manager :	Lao Weng Kim
Information Services & Human Resources Manager :	Wong Weng Chap
Infrastructure Project Manager :	Yu In Peng
Laboratory & Research Center Manager :	Zhao Qian Ning
Operations Manager :	Lei Chi Tou
Performance Management Manager :	Fong Lok Chong

Note: (1) Remunerated executive members of the Board of Directors of Macao Water include the Chairman, Managing Director and Executive Director.

Key Statistics

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Key Statistics of Macao Water

		2013	2014	2014/2013
Installed design capacity per day	'000m ³	330	330	0.0%
Peak day demand	'000m ³	270	290	7.4%
Total pumpage	'Mm ³	87	93	6.9%
Non-revenue Water	%	9.5	10.2	7.4%
Volume of imported raw water	'Mm ³	87	93	6.9%
Metered consumption	'Mm ³	78	83	6.4%
Length of network	Km	636	644	1.3%
Annual consumption per capita ⁽¹⁾	m ³	131	131	0.0%
Annual consumption per domestic customer ⁽²⁾	m ³	168	171	1.8%
Total accounts	'000	227	229	0.9%
Headcount	Nos.	260	262	0.8%
Capital investment	10 ⁶ MOP	61	147	141%

(1) Annual consumption per capita = metered consumption/total population in Macao

(2) Annual consumption per domestic account = total metered consumption of domestic accounts/
total no. of domestic accounts

Major Water Supply Facilities

Water Treatment Plants	Raw Water Pumping Stations
Ilha Verde Water Treatment Plant	Jai Alai Raw Water Pumping Station
Main Storage Reservoir Water Treatment Plant I	Main Storage Reservoir Raw Water Pumping Station
Main Storage Reservoir Water Treatment Plant II	Seac Pai Van Raw Water Pumping Station
Main Storage Reservoir Water Treatment Plant III (under construction)	Ka Ao Raw Water Pumping Station
Coloane Water Treatment Plant	
Reservoirs	Treated Water Pumping Stations
Main Storage Reservoir	Ilha Verde Water Pumping Station
Seac Pai Van Reservoir	Main Storage Reservoir II Pumping Station
Ka Ao Reservoir	Main Storage Reservoir Pumping Station II
Hac Sa Reservoir	Guia50 Pumping Station
Guia50 Elevated Treated Water Tank	Taipa50 Pumping Station
Guia70 Elevated Treated Water Tank	Sai Van Pumping Station
Taipa50 Elevated Treated Water Tank	Seac Pai Van Booster Pumping Station
Taipa70 Elevated Treated Water Tank	



International Organization for Standardization Accreditations

International Organization
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Accreditations
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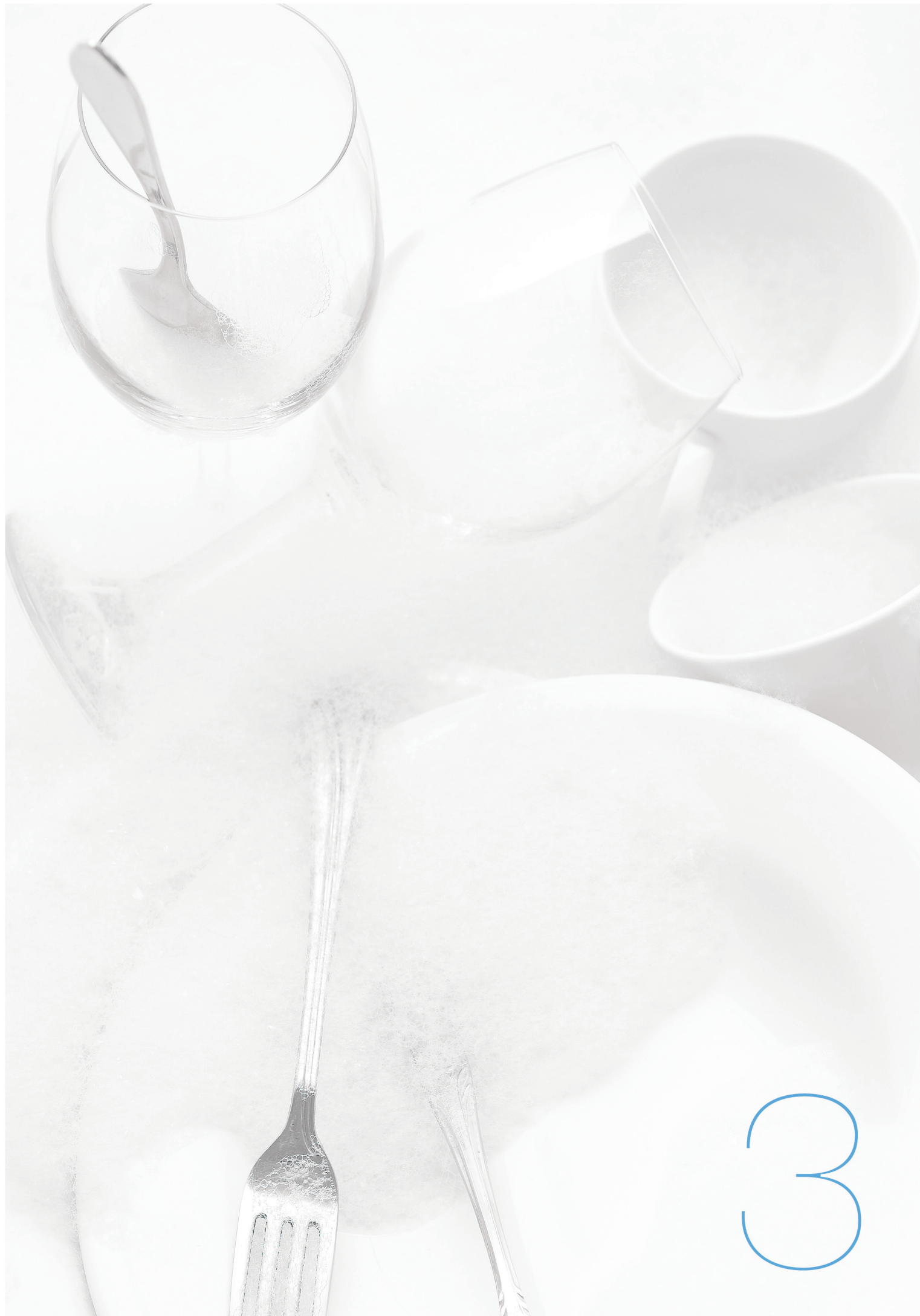
As a responsible corporate citizen, Macao Water is committed to ensuring a quality and reliable water supply whilst striving to improve customer services and overall operations. In 2013, the Company continued implementing its Integrated Quality, Occupational Health & Safety and Environmental Management System, indicating that our customer services, occupational safety & health and environment management are in line with international management standards.

The following accreditations were received in 2014 :



1. Laboratory Accreditation Certificate by China National Accreditation Service for Conformity Assessment
2. ISO9001 Quality Management System
3. OHSAS18001 Occupational Health and Safety Management System
4. ISO 14001 Environmental Management System
5. ISO 22000 Food Safety Management System

* 2-4 Integrated Quality, Occupational Health & Safety and Environmental Management System



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2014 Major Events

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FEB

Cooperated with Macao Post to Launch e-Water Bill Service

Signed a cooperation agreement with Macao Post for the e-Water Bill Service, allowing the registered SEPBox users to receive their e-Water Bills online – this service is convenient, efficient and environmentally-friendly.



MAR

Launching Ceremony for 80th Anniversary Celebration & Media Spring Luncheon 2014

Widely invited the management and journalists of local media groups to celebrate the Year of Horse, and witness the 80th anniversary of modernization of the local water supply service.





Macao International Environmental Co-operation Forum & Exhibition (MIECF)

Took this opportunity to exchange green knowledge and technologies with nearby regions and the international society, encouraging various social sectors to pay attention to the environmental issues through promotion of the environmental protection industry.

2013 Best Enterprise in Delivering Corporate Social Responsibility in China Water Industry

Participated in the Twelfth Water Industry Strategy Forum 2014 to exchange ideas with the water supply professionals in Mainland China.

In addition, Macao Water was awarded “2013 Best Enterprise in Delivering Corporate Social Responsibility in China Water Industry” by the organizer as a recognition and approval for the outstanding achievements of the company.



“10-year-together” Enterprise Care 2014



Jointly organized with Macau Special Olympics (MSO), the “10-year-together” Enterprise Care 2014 - MSO Summer Fun Swimming Competition provided a platform for the participants to show their talents, thereby fostering mutual co-operation and realizing the spirit of building a harmonious society.

Open Day

JUL

In order to respond to the “Marine & Water Day”, Macao Water held an Open Day in July. Through visit to the Ilha Verde Water Treatment Plant and participation in the game booths and workshops arranged by the organizer, the company aimed to give better understanding of the local water production and supply service to the public, letting them realize that every drop of water is valuable; every one of us is responsible for water conservation.



AUG

Granted Official Permission for Adjusting Water Resources Fee

Macao Water was granted official permission from the Macao SAR Government for increasing the water supply service fee by 5.59%, providing temporary financial relief for the operations.



Donation to Ludian, Yunnan

An earthquake of magnitude 6.5 in Ludian, Yunnan, caused heavy casualties and a large number of houses collapsed. After hearing the news, all employees of Macao Water expressed deep regret for the disaster, and the company decided to give a donation of MOP 50,000 via Red Cross Macau to support the rescue work in Yunnan, hoping to provide emergency relief for the victims.



SEP



HSE Week

The HSE Week of 2014 was given the title of “Loving & Caring” to bolster the HSE culture within the company, through a series of activities including parenting seminars, interesting games and occupational skills competitions.

CLG Visit to Changshu

To enhance the customers' awareness of the importance of internal water supply, Macao Water organized a team from its Customer Liaison Group (CLG) to pay a visit to Changshu, Jiangsu, in Oct for studying the management of the secondary water supply facilities in the city. Macao Water expects that the members of the CLG can exert their influence on the community to increase public awareness of proper maintenance of internal water supply facilities.

OCT



NOV

Business Cares Action Logo

Macao Water is a responsible corporate citizen, caring and giving support to the community. The company was awarded the “Business Cares Action Logo” in 2014 from the Youth Committee of Macao Chamber of Commerce and Associação de Jovens Empresários Chineses de Macau.



MSR III in Trial Operation

In 2014, Macao Water carried out the construction of MSR III with the normal water production suspended for 12 times. MSR III was completed smoothly at the end of the year according to its schedule, and came into trial operation in Dec.



DEC



Water Supply Service

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In 2014, total water consumption in Macao reached a record high of some 83.5 million cubic meters – an increase of nearly 6.4% versus a year ago. Therefore, we must increase our investment in water resources management, in order to continue a sustainable use of water resources.

Plan of Water Supply for Next 5 Years

Macao Water is proactive to fulfill the water supply concession contract, having submitted the plan of local water supply for the next five years to the Macao SAR Government in 2014. The plan makes projections as to local water demands for the next ten years, giving useful information for developing a blueprint of future water supply and constructing water supply facilities.

The capital investment proposed by the water supply plan for the period between 2015 and 2019 has been the largest ever. Currently, 91% of the local water production capacity has been set in the Macao Peninsula, and therefore, it is urgently necessary to construct a new water treatment plant in Seac Pai Van for a larger capacity of water supply to the Co-Tai area. Preparing for the future, Macao Water has proposed the emergency plan for the construction period of the fourth raw water pipeline to Macao, and pipe-laying plan for optimizing the water supply network in the new reclamation area. These initiatives aim to fully prepare Macao for regional development.

Expansion Project of Main Storage Reservoir Water Treatment Plant

Macao Water overcame many difficulties in the expansion project of Main Storage Reservoir Water Treatment Plant (MSR III), and completed the construction at the end of 2014. MSR III is an expansion of MSR II, integrating some of the equipment and systems of the two treatment plants, and it was necessary to suspend the water production in MSR II for the construction of MSR III. As a result, how to carry out the construction during suspension of water production while ensuring the water supply stability of the entire city was a big challenge to the technical team. Fortunately, the close cooperation between Macao Water and the contractor of the project –SUEZ Degrémont – led to success in the construction of MSR III while suspending the water production in MSR II for 12 times. The construction of MSR III neither made any impact on the water supply service, nor resulted in any accidents or water contamination incidents.

Upon completion, MSR III was put into trial operation in mid-December 2014. MSR III employs various advanced technologies for water treatment – the results of a series of quality and effectiveness tests show that the treated water produced by MSR III is of high quality, and the entire production process has met the expected requirements of energy and water consumption.



At present, the total capacity per day of water production in Macao is 330,000 cubic meters. After the official operation of MSR III, the capacity can be increased to 390,000 cubic meters, effectively alleviating the pressure of water supply from other water treatment plants. MSR III is ideally located - near the Co-Tai area of high water consumption as well as the two elevated treated water tanks in Guia – significantly conserving energy in the process of water delivery.

Water Supply Planning & Management

In 2014, due to the water production suspension for the construction of MSR III, Macao Water implemented its special plan of water supply to meet the water demands of the residents and ensure the stability of the water supply service. For example, to cope with the peak hours of water consumption in the morning, we delivered water from treatment plants to elevated treated water tanks at the night before when water consumption being low.

Thanks to the close cooperation between different departments of Macao Water and the contractor, Macao Water overcame many difficulties, and finally, the construction of MSR III was successfully completed. MSR III has been planned to come into operation in mid-2015, laying a solid foundation for the local development in the future.

Water Consumption in Macao (Demand & Supply)



Water Quality Testing

People are more and more concerned about water safety and have increasingly high standards for water quality; therefore, our monitoring and control are accordingly more and more rigorous. We continue to search for more accurate testing methods to expand the testing range and strengthen our testing capability. We strive to provide our customers with a safe and reliable water supply.

Strict Monitoring & Control on Water Quality

The staff members of the Laboratory & Research Centre of Macao Water analyse water quality daily. The analyzed water quality indicators exceed the required numbers, reaching over 90 parameters - the range that covers sensory indicators, chemical and toxic substances, microbes, algae, etc. Every year, the analyzed samples of water quality exceed 6,500, and the analysis generates more than 63,000 results. According to the standards for drinking water set in the Appendix I of the Regulations on Water Supply and Drainage, the qualified rate for the chemical parameters has reached 100% and 99.95% for the microbiological parameters.

To ensure the accuracy, the Centre pays much attention to the implementation of quality control within its management system. In 2014, the Centre implemented a total of 10 internal quality controls, and had participated in overseas capacity tests for four times – all of the testing results were to the satisfaction of the organizers. To meet the requirements of the China National Accreditation Service for Conformity Assessment (CNAS) for laboratory accreditation, the Centre renewed most of the quality documents, and continuously adhered to its quality policy of “continuous improvement”. In Mar 2014, the Centre passed the review of CNAS again, showing national accreditation for its testing capacity.

Ensuring Safety of Raw Water Supply to Macao

Focused on the contamination incidents happened to the raw water supplied to Macao, Macao Water set up its Water Safety Team in 2014. In addition, the Team jointly established a water testing team with Laboratory of Zhuhai and IACM Laboratory to carry out monitoring on contaminated water resources for ensuring water safety.

In 2014, the laboratory technicians successfully employed gas chromatography to test water odors, providing data for guidance in dosing activated carbon in the water treatment process, thereby effectively eliminating odors from the treated water. To address the problem of algal blooms in reservoirs, the Centre not only increased the frequency of its monitoring on microcystins, but also cooperated with The University of Macau to use the High Throughput Sequencing Technology to undertake in-depth studies into the reasons of the algal blooms. The High Throughput Sequencing Technology is a state-of-the-art technology, and has not yet been applied in the water supply industry.

Employing the quantitative real-time PCR method for detecting legionella bacteria is the Centre's own R & D project. Although the legionella bacterium is not one of our standard water quality parameters, it may possibly exist in the water-cooled air conditioning system or even the drinking water system - that can cause people suffering from respiratory infections. These initiatives are aimed at ensuring the safety of water supply in Macao.



Automation, Maintenance & IT Service

People are more and more concerned about water safety and have increasingly high standards for water quality; therefore, our monitoring and control are accordingly more and more rigorous. We continue to search for more accurate testing methods to expand the testing range and strengthen our testing capability. We strive to provide our customers with a safe and reliable water supply.

IT Service Upgrade

In 2014, Macao Water undertook system upgrades, modifications or trial operations for various departments to enhance their effectiveness –the relevant systems include the Customer Information System (CIS), Geographic Information System (GIS), Aquadvanced, Inspection System for Contracted Projects (using Tablet PCs) and Cashier System. In addition, Macao Water continued to strengthen its IT security, including renewal of its real-time HD physical monitoring devices within the company and replacement of its network firewall with the new generation one that provides superior network protection through intelligence aware security controls. These measures were designed to improve network safety and efficiency.

The Cashier System of the company had been using for over ten years; therefore, in 2014, the Information Services and Finance Departments of the company jointly developed an improved system. The new system comes with a simple and user-friendly interface, which allows close integration with the Customer Information System of the company for a more efficient transfer of information on a real-time basis. Due to its innovative design, the new system has improved the process of the internal information transfer between the Information Services and Finance Departments, saving significantly paper and time for document deliveries and enhancing the accuracy of such deliveries too.

The SEPBox electronic water bill delivery service was a new e-service officially launched by Macao Water at the end of Jun in 2014. Being customer-oriented, this new service has integrated the service philosophy of the company and the latest information technology.

The electronic water bill is an important extension of the overall customer service development of Macao Water, implementing online the entire billing process including bill production, delivery, payment and payment notification. Macao Water will make an e-version of its water bill, and send it via an automatic system to the inbox of the user's email according to the billing cycle. The electronic water bill is replacing the traditional paper bill and bill delivery; in addition, with the thoughtful designs of the QR code and mobile-web payment function, the e-bill is able to give the customer a more convenient, secure, environmentally-friendly and diversified service experience.



Industry-Academia-Research Cooperation to Promote Local Scientific Innovation

In 2014, Macao Water carried out a comprehensive capacity test for its water pumps according to their different pressure levels, water outflow amounts and energy consumption levels. Moreover, to further enhance capacity and conserve energy, the technical team conducted disintegration testing and maintenance for the low-effectiveness water pumps in MSR Water Treatment Plant I and Seac Pai Van Pumping Station.

Macao Water is proactively promoting the development of local scientific innovation. In 2013, the company signed an agreement with The University of Macau, to provide the 5th water pump in MSR I as the tested object for the research members of the University, to examine their self-studied and developed Power Compensation Device. Furthermore, Macao Water also shared its experiences of the industrial application of the Device with the research team, and put forward many constructive comments for further enhancing the practicality of the Device.

In Jul 2014, the Power Compensation Device was put into official operation, and it successfully achieved the expected results on the 5th water pump. Afterwards, the research team took out a patent on the Device in China, and the Device became the first static synchronous reactive power compensation device with capacitive impedance reaching the industrial-application level in the world.



Continuous Service Improvement

Macao Water launched the mobile phone version of its corporate website to the public in 2014. Users are now able to enter the website simply through their smart phone or tablet PC and the website will automatically switch to its mobile phone version. For those who would like to check their water bill and settle the payment, they simply need to enter the policy numbers of their water bill and download the bill online. In addition, the website is capable of providing information encompassing Macao Water's latest news, water quality reports, project notices, fees & charges plus various payment channels.

Macao Water became the first public utility company to cooperate with Macao Post to launch the SEPBox electronic water bill delivery service. SEPBox users could open their personal mailbox online or by using its phone app, enter the policy numbers on their water bill, and then apply for their own electronic water bill. After receiving their e-bill, the users could settle the payment online via the electronic payment platform.

When a customer has doubts on water meter reading, Macao Water will provide meter testing service for the customer in response to his/her requirement. Since the end of 2014, the entire meter testing process will be supervised by a government official to ensure a fair and open meter testing.

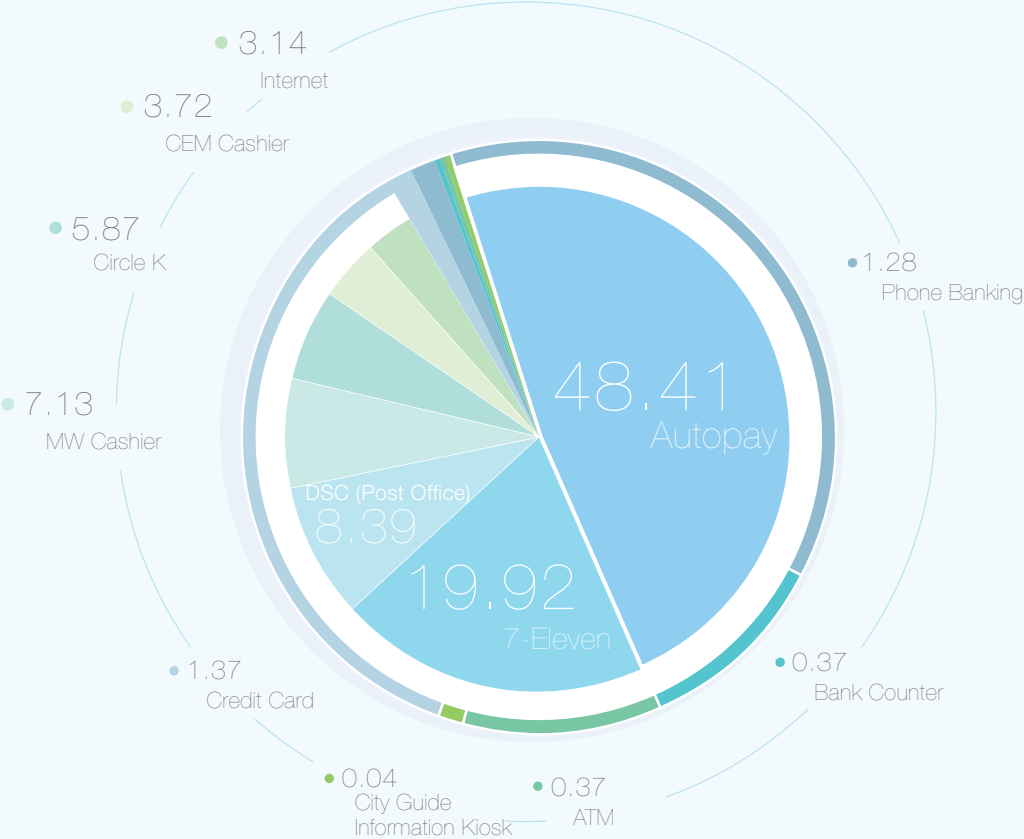
Gathering Views from Our Customers

As early as in 2000, Macao Water set up its Customer Liaison Group (CLG), and since then, the Group has been an important communication channel for the company to gather views and opinions from people from all walks of life. Due to the increasing public awareness of water quality, Macao Water proactively cooperated

with the Macao SAR Government to publish the Guidelines for Maintenance of Internal Water Supply System in 2014. The company organized its CLG members to visit Changshu, Jiangsu, to study the successful experiences of the construction and management of the city's tap water supply system.

“Serve and Care for our Customers” and “Engage and Respond to our Stakeholders” are the two important parts of the Macao Water Sustainable Development, and one of the action plans is the establishment of the Macao Water Focus Group (CLG). The Group held its first meeting in 2012, and provided an opportunity for the customers to realize the daily operations and the latest information of Macao Water. The meeting was an excellent communication platform for exchanging ideas and gathering opinions. In 2014, the Group held its third meeting with a total of 26 end-users, discussing various issues including water quality, secondary water supply and customer services.

Payment Analysis for Year 2014



Quality Objectives for Customer Services

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First Six Quality Objectives	Target	Average for Year 2014
Incorrect meter reading	< 0.15%	0.05%
Response to written enquiries within 10 working days	92%	100%
Call Centre calls answered within 10 seconds	85%	89.96%
Reply or issue quotation to customers within 15 days	85%	100%
Meter reconnection within 3 days	95%	100%
Rate of abandoned calls	<10%	3.85%

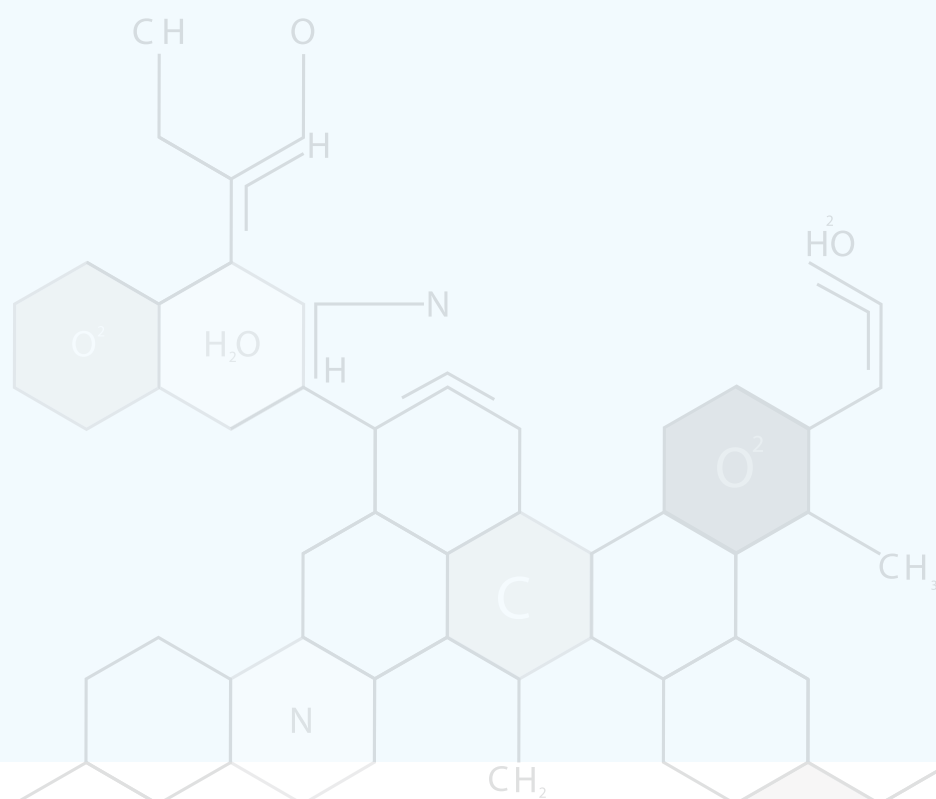


Consumption per Customer Type

Customer Type	Total Account		Metered Consumption	
	No.	%	m ³	%
Commercial & Industrial	26,914	11%	42,696,552	51%
Domestic	206,563	88%	35,266,309	42%
Government & Municipalities	2,026	1%	5,522,794	7%
Total	235,503	100%	83,485,655	100.00%

Consumption per Geographic Area

By Geographic Area	Total Account		Metered Consumption	
	No.	%	m ³	%
Macao Peninsula	186,928	79%	54,720,729	66%
Taipa	32,489	14%	12,173,818	15%
Coloane	15,628	7%	3,487,495	4%
Hengqin	103	0%	1,044,008	1%
Cotai	355	0%	12,059,605	14%
Total	235,503	100%	83,485,655	100%



Staff Training and Occupational Health & Safety

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To the end of 2014, Macao Water employed a total of 262 staff members, of whom more than 90% were local residents and over 45% were bachelor degree holders or above.

Macao Water has provided different types of training for the employees to improve their knowledge and management skills, and the company has sponsored some of the training courses that they applied by themselves. In 2014, the company offered a total of 9,311 training hours (148 training items) to the employees, with each receiving an average of 36 training hours per year. Other than management, skill-based training, occupational health and safety, Macao Water also cared about the parental needs of the staff, arranging a series of seminars in 2014 including talks entitled 'Fostering children's resilience' and 'Caring the growth of adolescents'.

To fulfill its commitment to serving the community, Macao Water began to arrange its staff members in 2014, to join the Water Supply Rescue Team Training organized by Macao Red Cross. Macao Water's employees were responsible for providing technical support of water supply in case of any emergency or disaster.

Macao Water is always supportive of its staff members to participate in recreation and leisure based courses/activities in their spare time for a healthy balance in their lives. Since 2008, the company has been sponsoring the employees a fixed amount of money on a yearly basis for joining leisure courses of their choice, including micro-film shooting, pottery, tea and coffee making training.

In 2014, Macao Water continued to fulfill its corporate social responsibilities - dedicating itself to nurturing talent, providing internships for local students, especially the students with special needs, helping the students to equip themselves with interpersonal skills and integrate successfully into the workplace. Besides, Macao Water continued to join the internship program organized by the International

Association for the Exchange of Students for Technical Experience (IAESTE) for the eighth consecutive year, giving an internship opportunity to a Portuguese postgraduate working in Operations, encouraging academic and cultural exchanges.

Innovation Creates Values

As one of the public utilities in Macao, Macao Water has been taking on its role as a responsible corporate citizen. In 2010, Macao Water set up its Innovation & Creativity Awards to encourage the staff members to improve the effectiveness, efficiency and competitiveness of the company by being innovative and creative.

The judging panel of the awards is composed of the members of the management team of Macao Water, including Executive Director Fan Xiaojun, Chief Financial Officer Kuan Sio Peng, Deputy General Managers Lam Kam Fai, Chu Wai Man and Lou Chong U. The judging criteria focus on the creativity, innovation and cost-effectiveness of the project, constituting 60% of the total score; the other 40% evaluates the feasibility and sustainability of the problem-solving methods plus whether the project has been clearly presented to the judging panel.

In order to improve the services provided by the company, the staff members of Macao Water are very supportive of the Innovation & Creativity Awards every year. In 2014, the judging panel received 20 entries, including projects to improve the water supply network and customer services. Most of the projects were completed on a team basis, and some of them were finished on a collaboration basis between different departments of the company. The Gold Prize of the year went to the cashier system jointly developed by Information Services and Finance departments. Since the previous system had been used for a long period time, the two departments took the initiative to develop a new system the year before. Well-designed to connect the backstage system, the new cashier system has been proved to be swifter and more effective - having greatly simplified the workflow.

Every year, the Innovation & Creativity Awards of Macao Water provide a platform for the staff to show their creativity and encourage them to put their innovative ideas into practice. Some of the projects have even obtained patent certification. The staff of Macao Water will continue their advocacy of being constantly innovative and creative, aiming to create more and more real values for the customers.

List of Innovation & Creativity Awards Winners 2014

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Awards	Project Titles	Original Planning and Design
Gold	Design & Development of Cashier System 2014	Hoi Chi Heng, Cui Jian Xing, Mak Vai Chi
Silver	Innovation in Development of Geographic Information System	Lei Chi Tou, Huang Li Juan
	Quantitative Real-time PCR Method for Legionella Bacteria Detection	Ip Se Oi, Kong Yi Jun
Bronze	Development of Data Input, Automatic Warning & Intelligent Page Arrangement for New SCADA	Lei Chi Tou, Li Yin
	SCADA Design & Development of Data Management Platform	Wong Weng Chap, Hoi Chi Heng
	Intelligent Network - Trend of Future Network Management	Lei Chi Tou, Leong Kai Hong
	Improvement on Billing System Process with Meter-reading Photos	Vu Lok Meng, Chio Un Hang



H&S Culture Laying a Solid Foundation of H&S for Macao Water

Due to the new recruits being unfamiliar with the work environment or lack of sufficient awareness of occupational safety, the H&S College of Macao Water started in 2014 to reinforce the new staff members with H&S training. Under the new arrangement, the new employees are required to attend a total of six classes of H&S training held by the HSE Chairman in every two weeks during their probation. The new arrangement aims to enhance the H&S awareness of the workforce. The H&S training of Macao Water includes:

1. HSE Committee
2. H&S College
3. H&S Planning
4. Risk Assessment
5. 10 Lifesaving Rules from SUEZ ENVIRONNEMENT
6. Occupational Health and Safety Rights of Employees

HSE Management Improvement

In 2014, the HSE Committee improved its HSE management system, which had been used for many years, including picturizing all construction requirements and potential risks into 16 icons. Whenever the project leader carrying out a risk assessment, he/she just needs to select the related icons of the involved potential risks, and in this way, a long winded description or definition of every single item can be avoided, significantly simplifying the risk assessment process.

In addition, the Committee will put up a mobile display panel in place for every construction site, clearly showing information like the risk icons, who is the project leader and which company is the contractor. Before construction, the project leader has to explain the safety precautions of the project to the contractor, letting the contractor realize the rights and responsibilities. In 2014, the Committee also set up rules for plant inspections, construction projects in plants and water supply network projects, and according to the rules, the Committee will arrange related staff members to inspect every construction site. After inspection, the Committee will undertake a review of the project, summarizing the main points and suggestions for improvement and then conveying them to departmental managers for follow-up actions.

Ensuring Driving Safety of Field Staff

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Macao Water has a large group of field staff, including meter-reading technicians who need to drive a motorcycle for work every day. To avoid any accident resulting from using a private vehicle which has a poor performance, the meter-reading technician is now required to drive a motorbike provided by Macao Water for work, and no passenger is allowed. This rule was set up in 2014 to ensure the work safety of the field staff of Macao Water.

In 2014, ratio between number of employees and customers was 1:899

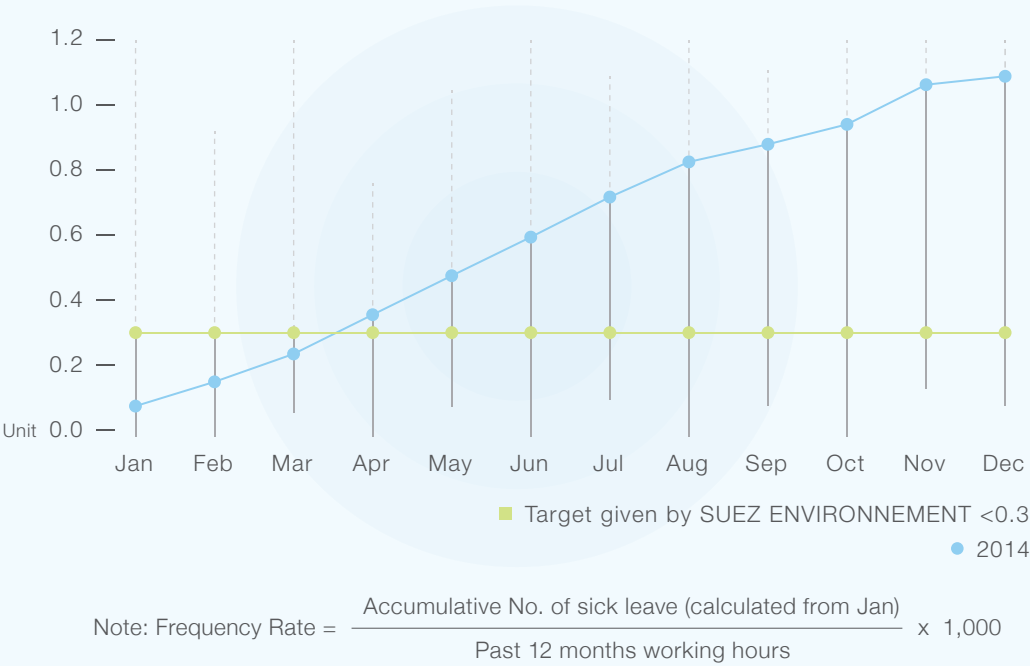
Year	Total Account	Headcount	Productivity
2014	235,503	262	899



Frequency Rate (12-month-avg)



Severity Rate (12-month-avg)



Corporate Care, Environmental Protection & Sustainable Development

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The problem of freshwater shortage is getting more and more serious in the world, therefore, arousing the public awareness of water conservation is considered necessary internationally. Macao Water has proactively promoted the significance of water resources to the community, thereby enhancing the residents' awareness of cherishing our precious clean water.

Water Conservation Promotion

As always, Macao Water has been supportive to the development of the local environmental industry. The company participated in the 2014 Macao International Environmental Co-operation Forum & Exhibition, once again, with the parent company - French-based SUEZ ENVIRONNEMENT - to encourage various social sectors to take note of water resources protection and other environmental issues. The participation was also an expression of the support of Macao Water for the Government's green policies and the development of the local environmental industry.

In order to respond to the "Marine & Water Day", Macao Water held an Open Day in July, having attracted hundreds of residents to take part in the event. Through visit to the Ilha Verde Water Treatment Plant and participation in the game booths and workshops arranged by the organizer, the company aimed to give better understanding of the local water production and supply service to the public, letting them realize that every drop of water is valuable.

In 2014, Macao Water received 46 groups (a total of 1,054 visitors) to visit the company, including education institutes, community associations, public and private organizations. Through a series of water saving education and promotion activities, Macao Water aimed to enhance the public awareness of water conservation and environmental protection.

Care for Disadvantaged Groups

Happened on 3 Aug in the district of Ludian city of Yunnan, an earthquake of magnitude 6.5 caused massive casualties and economic losses. Based on the principle of mutual assistance, Macao Water decided to give a donation of MOP 50,000 via Red Cross Macau to support the rescue work in Yunnan, hoping to provide emergency relief for the victims.

Invited by Chinawater.net, Macao Water participated in the Twelfth Water Industry Strategy Forum in Mar to discuss and exchange ideas with other water supply professionals in Mainland China on some water-related topics, such as the operations, service upgrade, current situations, competitions and challenges in the water supply industry. Dr Fan Xiaojun, Executive Director of Macao Water, was invited to join the forum and shared his experience with other participants.

Community Approval

Our long-lasting love and care to the community being appreciated was best demonstrated by receiving in 2014 the “2013 Best Enterprise in Delivering Corporate Social Responsibility in China Water Industry Award” from Chinawater.net, and the “2014 Business Cares Action Logo” from the Youth Committee of Macao Chamber of Commerce and Associação de Jovens Empresários Chineses de Macau.



Activities and Outgoing Visits

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Jan	<p>Visit to Legislators Chan Meng Kam, Si Ka Lon and Song Pek Kei</p> <p>Visit to Legislator Zheng Anting</p> <p>Annual Dinner of Macao Water 2014</p>
Feb	<p>Visit to Macau Daily News</p> <p>Visit to Va Kio Daily</p> <p>Visit to Macau Hotel Association</p> <p>Visit to Jornal Tribuna de Macau</p> <p>Visit to Macau Property Management Business Association</p> <p>Spring Festival Football Tournament for Civil Aviation Organizations 2014</p> <p>Visit to TDM-Teledifusão de Macau, S.A.</p> <p>Launching Ceremony for 80th Anniversary Celebration & Media Spring Luncheon 2014</p>
Mar	<p>Visit to Industrial Association of Macau</p>





Mar	<p>Visit to Macau Post Daily</p> <p>World Water Day Carnival</p> <p>MIECF 2014</p> <p>12th Water Industry Strategy Forum 2014</p>
Apr	<p>2th Training for Construction Projects of Water Supply Rescue Team of Macau Red Cross</p> <p>1st Meeting of 7th Macao Water CLG in 2014</p> <p>Flag Selling Day organized by MSO</p>
May	<p>Sports Tournament for Public Institutions 2014</p> <p>MSO Charity Soccer Game 2014</p> <p>10-Hour Famine held by World Vision Macau</p> <p>Little Environmental Vanguard Recognition Ceremony</p> <p>Love & Nursery Outing Day held by Association of Caring for School Age Children Macau</p> <p>World Challenge Day 2014</p>
Jun	<p>Energy Conservation Week 2014</p> <p>"10-year-together" Enterprise Care 2014 - MSO Summer Fun Swimming Competition</p> <p>Marine and Water Bureau Cup Football Tournament</p>
Jul	<p>Macao Water Open Day</p> <p>Macau Quality Life Exhibition</p> <p>Lohas Macau</p>
Aug	<p>Friendly Ping-pong Match between Teams from Guangdong, Hong Kong and Macao 2014</p> <p>Care Action Macau Charity Bowling Competition 2014</p> <p>Donation of MOP50,000 to Ludian</p> <p>International Forum on Corporate Social Responsibility 2014</p>



Oct	<p>Water Conservation Carnival</p> <p>7th Macao Water CLG Changshu Visit</p> <p>Family-Friendly Employers Awards Scheme</p> <p>Care Action Macau Charity Hiking & Long-distance Race</p>
Nov	<p>MOP40,000 Donation to Macao Walk for a Million</p> <p>MOP40,000 Donation to Tong Sin Tong's Door-to-door Fund Raising Campaign</p> <p>International Volunteer Day - Outstanding Volunteer Election 2014</p> <p>Vocational Skills Competition for People with Intellectual Disabilities 2014</p> <p>Business Cares Action Logo Presentation 2014 co-organized by Youth Committee of Macao Chamber of Commerce and Associação de Jovens Empresários Chineses de Macau</p>
Dec	<p>2nd Meeting of 7th Macao Water CLG in 2014</p> <p>Walk for a Million 2014</p>

Total: 46 events



In-coming Visits of Schools/Associations/Organizations

Jan	Colégio de Santa Rosa de Lima (SI) Shenzhen Shenshui Baoan Water Company Limited
Feb	Integrated Service Center for Newcomers to Macao (UGAMM) Pan Asia Water in South Korea Kwong Tai Middle School Hong Ieng Center of Fu Hong Charity Society
Mar	MASTV Faculty of Science and Technology, University of Macau Colégio de Santa Rosa de Lima (SI) Consultative Committee of IACM Portugal Environmental Protection Bureau ITOCHU Hong Kong Limited
Apr	Escola Luso-Chinesa da Taipa Environmental Ambassadors of University of Macau Baoding Sino French Water Supply Company Limited
May	Belilios Public School in Hong Kong Chan Sui Ki Perpetual Help College Foshan Shunde Water Company Chancheng Region Friendship Association (Macao)
Jun	Shanghai Chemical & Industrial Delegation Colegio De St.Rosa De Lima (SC)
Jul	SUEZ ENVIRONNEMENT (China) Colegio De St.Rosa De Lima (SC) Toi San Community Center of Macao Federation of Trade Unions Pak Wai Activity Center (UGAMM)



	<p>Precious Jade Center of Fu Hong Charity Society</p> <p>Institute for Tourism Studies, Macao</p> <p>Hou Kong Middle School</p> <p>Macau Special Olympics (MSO)</p> <p>Areia Preta Community Service Center (UGAMM)</p> <p>Ilha Verde Senior Center</p> <p>Senior Center of Women's General Association of Macau</p> <p>Lar de Nossa Senhora da Penha</p>	
Aug	<p>Happy Valley Center (UGAMM)</p> <p>Federation of Trade Unions of Guangxi Zhuang Autonomous Region</p> <p>Water Supplies Department of Hong Kong SAR Government</p> <p>Tianjin Huamiao Institute of Water Supply and Drainage Company Limited</p> <p>Exmoo News</p>	
Sep	<p>Water Conservancy Bureau of Bangkok, Thailand</p> <p>Guizhou Guian Water Supply Company Limited</p>	
Oct	<p>Sacred Heart Canossian College (English Section)</p> <p>Zhongshan Public Utilities Group Company Limited</p>	
Nov	<p>Welfare Office of SAFP</p> <p>Aliança de Povo de Instituição de Macau</p> <p>South Korea Water Resources Corporation</p>	
Dec	<p>Macao Customs</p> <p>Kyoto University in Japan</p> <p>Chengdu Sino French Water Supply Company Limited</p>	

Total: 46 associations and 1,054 visitors





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5. Report and Opinion of the Supervisory Board

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To the General Assembly of the Macao Water Supply Company Limited

Pursuant to the Commercial Code and the Company's statute, we have supervised the management and accompanied the business affairs of The Macao Water Supply Company Limited for the year ended 31 December 2014. We have obtained all the information and explanations we considered necessary. In our opinion, the report of the board of directors and the financial statements for the year are correct and complete, and present concisely and clearly the Company's business development, financial condition and result of operations for the year. We are not aware of any irregular instance or illegal act during the year.

We recommend that the report of the board of directors together with the proposed appropriations and the financial statements for the year be approved by the General Assembly.

Macao, 17th March 2015

Supervisory Board

Chairman : Cheng Ka Ki Joanna

Member : Tan Sabrina

Wu Chun Sang

6. INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS

TO THE DIRECTORS OF SOCIEDADE DE ABASTECIMENTO DE ÁGUAS
DE MACAU, S.A.

(incorporated in Macao with limited liability)

The attached summary financial statements of Sociedade de Abastecimento de Águas de Macau, S.A. (the "Company") for the year ended 31 December 2014 have been derived from the audited financial statements of the Company for the year ended on the same date. These summary financial statements, which comprise the balance sheet as at 31 December 2014 and the income statement for the year then ended, are the responsibility of the management. Our responsibility is to express an opinion solely to you, as a body, as to whether the summary financial statements are consistent, in all material respects, with the audited financial statements, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We have audited the financial statements of the Company for the year ended 31 December 2014 in accordance with Auditing Standards and Technical Standards on Auditing issued by the Government of the Macao Special Administrative Region and have issued an auditor's report with an unqualified opinion on these financial statements dated 11 March 2015.

The audited financial statements comprise the balance sheet as at 31 December 2014, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and explanatory notes.

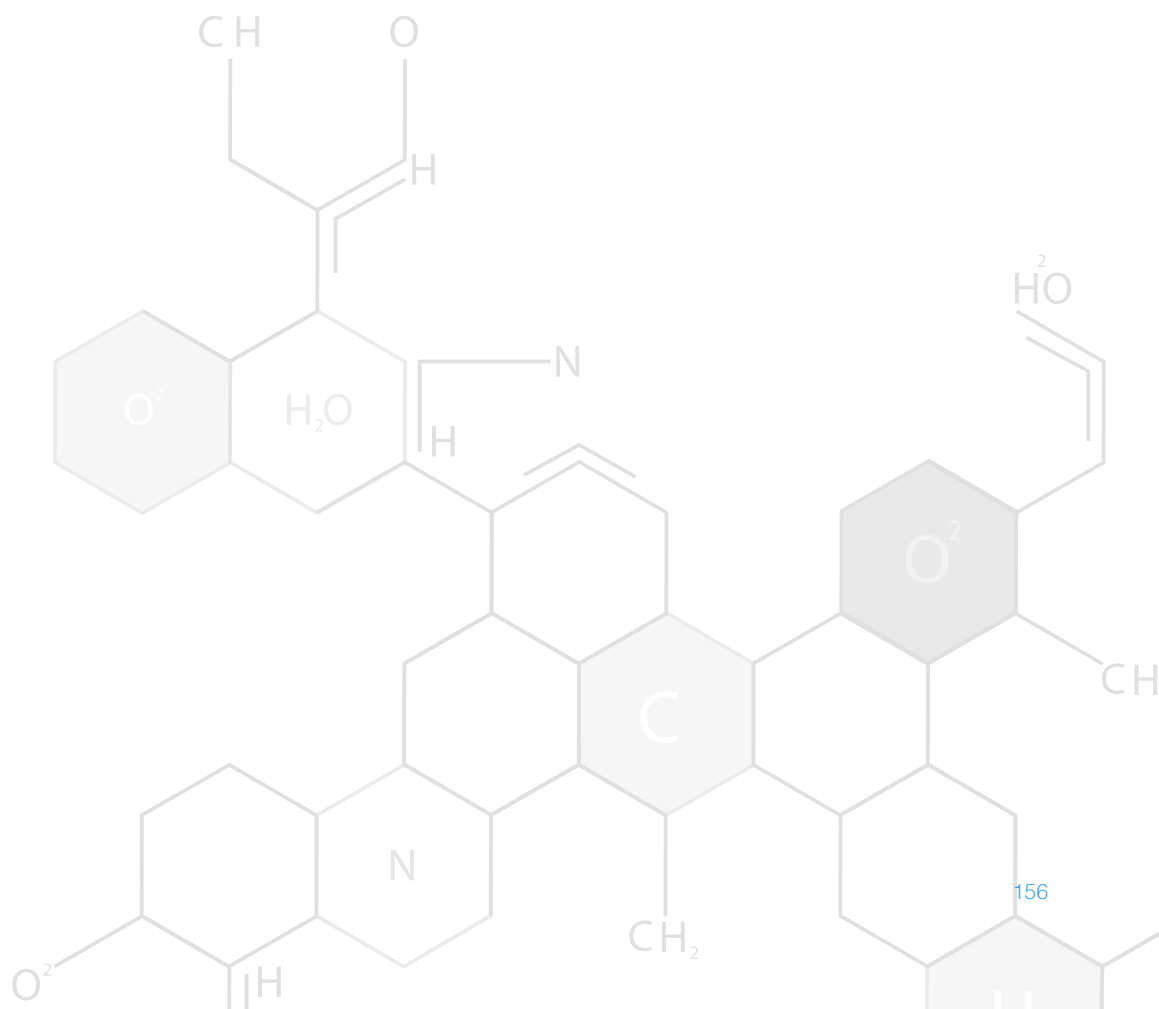
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In our opinion, the summary financial statements are consistent, in all material respects, with the audited financial statements.

For a better understanding of the financial position of the Company and its operating results and of the scope of our audit, the attached summary financial statements should be read in conjunction with the audited financial statements and the independent auditor's report thereon.

Cheung Pui Peng Grace
Registered Auditor
[PricewaterhouseCoopers](#)

Macao, 15 April 2015



7. INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2014

MOP

Revenues	464,386,238
Other Income	15,735,517
Cost of water supplies	(126,474,397)
Cost of installation	(24,502,903)
Power costs	(34,829,530)
Depreciation and amortisation	(59,887,166)
Repairs and maintenance	(20,380,874)
Employee benefit expenses	(97,724,705)
Other operating expenses	(45,309,326)
Operating profit	71,012,854
Finance costs - net	(2,171,293)
Profit before income tax	68,841,561
Income tax expense	(10,217,540)
Profit for the year	58,624,021

8. BALANCE SHEET

AS AT 31 DECEMBER 2014

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MOP		MOP	
ASSETS		EQUITY	
Non-current assets		Capital and reserves attributable to the Company's equity holders	
Property, plant and equipment	454,694,585	Share capital	76,500,000
Intangible assets	4,554,013	Legal reserve	19,125,000
	459,248,598	Retained earnings	85,557,211
		Total equity	181,182,211
Current assets			
Inventories	34,470,506	LIABILITIES	
Trade and other receivables	51,341,245	Non-current liabilities	
Amount due to a related company	3,015	Guarantee deposits received	49,361,174
Cash and cash equivalents	30,332,223	Bank borrowings	30,000,000
	116,146,989	Provision for repairs and renewals	16,333,061
		Provision for retirement and severance pay fund	68,826,505
		Deferred income tax liabilities	4,949,755
			169,470,495
		Current liabilities	
		Trade and other payables	153,756,540
		Income tax payable	11,751,341
		Bank borrowings	50,000,000
		Dividends payable	9,235,000
			224,742,881
		Total liabilities	394,213,376
Total assets	575,395,587	Total equity and liabilities	575,395,587

澳門自來水股份有限公司

Sociedade de Abastecimento de Águas de Macau, S.A.

The Macao Water Supply Company Limited

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