



2008

Corporate Responsibility Report

“The Good Life”, held on 26th October 2008, was a creative fusion of family values, good designs, cutting-edge music and a green attitude. The event, which took place on Hysan Avenue and Sunning Road, aimed to generate positive thoughts at the time when many were affected by the economic environment.

An unprecedented Piu Sik procession in the heart of Causeway Bay was the highlight of the programme. This is a Chinese folk performance with costumed children sitting on stilts. The theme of this modernised Piu Sik was the celebration of the six senses of the human body, represented by eyes, ears, nose, tongue, body and mind.

We hope that “The Good Life” theme can bring home the message that simple things in life should be cherished. Even after the event, the spirit and Chinese name of the programme live on in a major morale-boosting community campaign involving the Hong Kong Council of Social Services, the Community Chest and a number of other charitable groups in 2009.

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Overview

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Hysan incorporates its community contributions into its daily business activities. These are complemented by the Company's hands-on involvement in community projects.

As a company that strives to be successful and responsible, Hysan takes pride in incorporating our community contributions into our everyday business activities. A major focus of our Corporate Responsibility Report 2008 is on how we make use of our resources in an effective and sustainable manner.

We mentioned in our main Annual Report that our future northern gateway at 500 Hennessy Road will be aiming for the highest environmental standards. We care about sustainability, however, not just in the future. In the sub-sections on "Energy Conservation" and "Waste Management", we highlight Hysan's present efforts to save resources, both for the Group and for the planet, through our normal business conducts. Sustainability also goes beyond "green" matters. Hysan's Health and Safety drive, including our cooperation on this front with our partners and contractors, are documented in the Corporate Responsibility Report, while the Group's latest on attracting, retaining and developing a strong workforce are recorded in the main Annual Report's "Human Resources" section. Last, but not least, is Hysan's community involvement and giving. The "Community" section reports on the Group taking the lead in a range of meaningful programmes.

For its Corporate Responsibility efforts, Hysan is now included as a constituent member of FTSE4Good, one of the best-known global indices for socially responsible investment. Hysan is proud to be recognised for its responsible achievements and hope our actions can set an example for others to follow.

Looking ahead, even under the challenging economic climate, we will continue our emphasis to contribute to the society through our daily business activities. We look forward to presenting our readers in the next Corporate Responsibility Report with more information on 500 Hennessy Road and how it plans to reshape Causeway Bay through its sustainable approach. We will also continue to give to the community through projects involving nothing less than our time, expertise and manpower.

Hysan’s Corporate Responsibility Policy

Our Policy, based on our corporate values, sets the framework for the way we manage our corporate responsibilities.

Maintain Highest Ethical Standards

We aim to maintain the highest ethical standards in the conduct of our business. We are committed to maintaining the highest standards of corporate governance.

Focus on Health and Safety

Health and safety issues are of fundamental concern to us.

Minimise Environmental Impact

We aim to minimise the impact of our activities on the environment.

Contribute to Communities

We make positive contributions to the communities in which we operate.

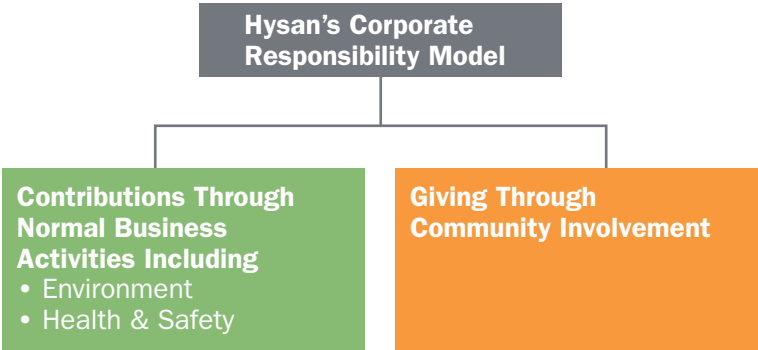
Encourage Partners to Set High Standards

We encourage our suppliers and contractors to embrace high standards similar to our own.

Respect Our Staff

We treat our staff with fairness and respect, and maintain a working environment to realise their full potential.

Hysan’s Corporate Responsibility Model





Environment

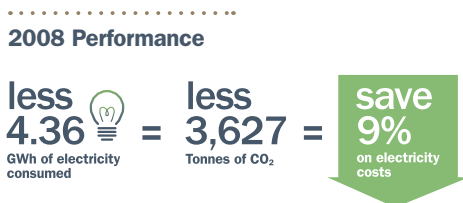
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Energy Conservation
Waste Management

Serving customers and generating shareholder returns work in tandem with our commitment to sustainability. We continually seek better energy efficiency and consciously reduce and recycle waste.

Energy Conservation

Hysan has been actively taking energy conservation into account in the context of our buildings' full life cycle maintenance programme. By doing so, the Company continues to make progress in its quest to save energy. In 2008, the Company's overall electricity costs were reduced by nine percent as compared to the previous year's figures. In fact, with our better electricity saving hardware in air-conditioning systems, as well as optimisation in lifts, ventilation and illumination operations management, Hysan is estimated to have made significant savings of 8.47 GWh of electricity, (equivalent to 11,786 tonnes of CO₂) since 2005.

In 2009, we will be reviewing the technical viability of upgrading our remaining commercial buildings' air-conditioning systems, and we will also be exploring further technical solutions and operational schedules optimisation for more energy savings.



Waste Management

Hysan has been a strong supporter of the Hong Kong Government's Wastewi\$e Programme since its inception and was awarded another full set of "Class of Excellence" Wastewi\$e labels for all our buildings in 2008. With the help of our supportive tenants and diligent staff members, Hysan's buildings have in fact recycled more than 3.8 million kilogrammes of waste paper and 20,000 kilogrammes of aluminium cans, plastic bottles and clothing, among other items, between 2003 and 2008.

Eco-friendly Cleaning Products

In 2008, Hysan also requested all contractors to use eco-friendly cleaning equipment and products within its portfolio of buildings. This measure ensures that the properties are hygienically maintained by using agents that create less harmful effects for the general environment. We also plan to expand our programme in using recycled products within our facilities.

As a property investment company, Hysan's health and safety risk profile is comparatively low. However, potential injury hazards from manual handling, slips, trips and falls for our frontline staff remain. During the year, Hysan undertook a phased assessment of our safety organisation and other safety-related issues. A range of risk areas were identified and action plans are being developed to attend to them. Improvement areas already addressed within 2008 included better warning signage, enhanced workers' personal protection in terms of training and hardware, and improvement in the provision of safety menus.

The Company is happy to see our work-related injury cases remain at a steady and low level, while efforts are being made to further improve on these figures through enhanced systems and better training.

On the property development front (500 Hennessy Road is Hysan's current project), we continued our drive to ensure partners and contractors achieve high safety standards similar to our own through pre-selection reviews and contractual requirements. Lessons learnt from past accidents involving contractors are incorporated into their safety plans and training. In this way, Hysan together with our partners strive to achieve as safe an environment as possible for all stakeholders. The cooperation between us and our contractor partner, Hsin Chong Construction (Asia) Limited, led to our 500 Hennessy Road project being the winner of three construction safety awards in 2008.

Health & Safety

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**Health and Safety
is a core element
of our Corporate
Responsibility Policy**





Community

Hysan's community involvement philosophy focuses on the importance of being a responsible member of the community, especially for the underprivileged members of our next generation. Hysan's participation in projects and events aims to expand young people's horizons and to promote the message of sustainability.

Hysan is keen to provide a community service platform which consolidates resources and efforts from different parties. Our activities in 2008 clearly demonstrate how we made best use of our platform to provide for those in need, be they near or far.



“The Good Life” continued where the 2007 “Music in the Green City” left off and turned Hysan Avenue into a spectacular carnival venue for a sun-kissed October afternoon. Skyhigh, a Tin Shui Wai-based creative talent development unit of St. James’ Settlement, brought traditional Piu Sik parade from Cheung Chau and crossed it with cutting-edge artistic performances. The creative fusion, which was co-organised by the Wan Chai District Council in celebration of family values and green attitudes, thrilled and uplifted thousands of onlookers.



Other notable Hysan initiatives benefitting local, national and international communities during the year were:

Youth Enhancement Scheme (YES)

The English-speaking life-skills programme for minority and local youngsters welcomed the University of Science and Technology's Business School students as mentors to strengthen the programme.

Art Tour

The performing arts tour was conducted by Chung Ying Theatre Company, the Hong Kong Academy for Performing Arts and Hysan. The event, staged for underprivileged school children, was the 2008 Best Practice Management Project Leadership Award winner.



Hysan Volunteer Team's Kite Making Day

Working with the Hong Kong Youth Arts Foundation, Hysan volunteers, together with our regular volunteer partners from the Jebson Group, inspired St. James' Settlement children with a session on kite-making and flying.

Sichuan Earthquake-related Sponsorship and Donations

Hysan helped bring a Chung Ying theatrical performance about the earthquake to a number of special education institutions in Hong Kong, encouraging the youngsters to understand civic issues at a heartfelt personal level. Hysan also matched funds donated by staff to earthquake victims within days of the devastation.

Fair Trade Workplace Society (FTWS)

Since we believe that the use of Fair Trade products in workplace settings can help the livelihood of primary producers in different corners of the world, Hysan became a founding member of the Hong Kong-based FTWS.

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