

Customer Service



First-class customer service is one of the cornerstones of the Group's success, and it is always working to lift levels of service to new heights in all aspects of its business.

REVIEW OF OPERATIONS Customer Service



Hong Yip Director and General Manager Alkin Kwong (left) accepts the Grand Prize in the 2002 Hong Kong Awards for Service: Productivity from former Secretary for Commerce, Industry and Technology Henry Tang.



Jimmy Wong (left), Managing Director of Kai Shing, accepts a Certificate of Merit in the 2003 HKMA Quality Awards from HKMA Chairman David Li.

The Group firmly believes that customers come first. It is always listening to its customers to find out their needs and deliver just the right service, in all aspects of its operations.

At the beginning of the SARS outbreak in Hong Kong, the Group implemented a range of preventive measures in its properties including cleaning and sterilizing airconditioning systems, frequent sterilization of public areas and installing self-service disinfectant stations. The Group also recruited 500 anti-SARS Ambassadors to help prevent the spread of the disease. These measures were successful in restoring confidence among residents, tenants and the general public. The Group's actions won it an Anti-SARS Achievement Award from Ming Pao Daily and Radio and Television Hong Kong, and it was the only commercial entity to win in the Corporate Organization Category.

In addition to the Group's anti-SARS award, its two member property management companies also won awards: Hong Yip took the Grand Prize in the Hong Kong Productivity Council's 2002 Hong Kong Awards for Service and Kai Shing won a Certificate of Merit in the Hong Kong Management Association's 2003 Quality Awards.

The Group is committed to helping retail tenants improve their business. Its ongoing Tenant Care Programme includes various seminars on sales and



The inter-departmental handover team works constantly to improve service, setting ever-higher quality standards.

marketing, and most recently, advice on rebuilding business in the wake of SARS.

Property handover quality is another major concern for the Group. Its inter-departmental handover team has been working towards ever better service and setting stricter quality guidelines and higher standards. The Group was the first in Hong Kong to use infrared scanning of external walls to check for construction defects this year. It also pioneered moisture testing of wooden doors and floorboards and testing windows for watertightness using high-pressure hoses. The handover team reinforces communication and co-ordination between departments, and before a property is handed over, teams from customer relations and estate management collaborate to increase the quality and efficiency of the handover process.

The SHKP Club works to offer the best service to its 180,000 members. It is dedicated to two-way communications, and continues to collect people's views on its operations and the Group's properties and shopping centres via Opinion Ambassadors and the Internet. Various departments within the Group then use this information to improve their services, which ensures that the Group stays current with market trends.

The Club keeps improving. It further enhanced its web site during the year under review, adding new content such as Home Tips and a separate section for shopping privileges. Property-related services include the Club's Show Flat Preview Loyalty Scheme and other buyer incentive programmes to complement the Group's property sales.

The Internet is another vehicle the Group uses to reach out to the public and disseminate the latest corporate news and information, thus maintaining a high degree of transparency. The Group's ongoing efforts to improve the content, design and functions of its Internet site have been recognized, with the site being named best corporate site among the financial magazine Euromoney's 2002 Best Companies in Hong Kong.



The SHKP Club is in its seventh year, with nearly 180,000 members



The Group holds regular seminars to help shopping centre tenants improve their business.

The Group's Internet site includes the SHKP Forum, an easy and convenient channel for exchanging views that enables the Group to hear what its customers are saying. The Group is still the only property developer in Hong Kong to offer such a service. A special team tracks the Forum and refers people's comments to the departments concerned. Many of the valuable comments received through the Forum have been adopted by the Group to improve the quality of its properties and services.

REVIEW OF OPERATIONS Environmental Protection and Promotion

Protection of the environment remains a high priority for the Group in all aspects of its operations, as part of its commitment to raising the quality of life for Hong Kong people. The Group continued its SHKP Environmentally Friendly Joint Action campaign for the second consecutive year during the period under review, mobilizing residents of its properties to help the environment.

Joint Action went well in 2002, with more than one million people taking part in over 6,000 activities and seminars held in properties under the Group's management. The original waste reduction target was surpassed. The campaign adopted energy saving as its prime objective in 2003, with Group members Hong Yip



The Group launched a series of programmes to encourage its residents to protect the environment.



The Parcville in Yuen Long is Hong Kong's first environmentallyfriendly estate and a showcase green project. Shown: Solar power illuminates the landscaped garden.

and Kai Shing enlisting over 200,000 households in more than 200 estates, as well as tenants of over 200 commercial and industrial buildings and shopping centres, to take part. The ongoing campaign aims to reduce energy consumption by ten per cent.

Kai Shing and Hong Yip achieved excellent results in environmentally-friendly property management. Kai Shing organized a programme called 300,000 Green Lives; a series of innovative green projects including Hong Kong's first index to monitor waste output and reduction in properties, environmentally-friendly treatment of sewage, recycling waste for sale and selling second-hand items on the Internet. Proceeds from recycling sales were donated to Oxfam Hong Kong. Hong Yip took part in a green property management scheme run by the Environmental Protection Committee and the Environmental Protection Department. About 80 staff members from 42 Hong Yip estates have been appointed Environmental Protection Ambassadors.

These concerted efforts by Kai Shing and Hong Yip won recognition from various sources. Kai Shing won three honours in the 2002 Eco-Business Awards: the overall Grand Award for Siu Lun Court, a Certificate of Merit for Green Property Management (Private Housing) for Hillsborough Court and a Certificate of Merit in the Green Office (SMEs) category for the Super e-Management Centre. Wonderland Villas under Hong Yip management won the Gold Award for Green Property Management (Private Housing). Estates run by Hong Yip and Kai Shing have also won numerous awards for cleanliness.

The year also saw completion of the Group's HK\$17 million Tsing Yi Nature Trails refurbishment project. The trails now offer members of the public a scenic, natural leisure spot away from the bustling city. Further showing a commitment to protecting the environment, the Group joined the Business Environment Council, and the Group, Kai Shing and Hong Yip signed the Health Charter, pledging to work with the public and various sectors to raise hygiene standards in Hong Kong.

REVIEW OF OPERATIONS Human Resources and Training

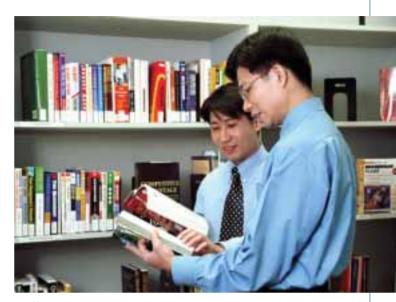
Training and development have always been the Group's top priorities, and it organized more than 300 courses for staff in the year under review. Employees from all levels filled over 10,000 places in classes on a variety of subjects including management skills and business strategy, customer service, language and communication, technical skills, personal development and quality management. The Group employs about 20,000 people, not including associated companies.

Because a strong management team is crucial to continued business success, the Group has a development programme for managerial staff to provide them with skills in leadership, strategic planning and finance. Managers also benefit from a variety of seminars in which overseas academics and experts from noted companies share practical experience.

The Group initiated a management trainee scheme in 2002 to develop a pool of young talent for continued business development. The scheme accepted its second intake of trainees in 2003. This is an 18-month programme encompassing all-round exposure through classroom training, on-the-job coaching, secondments in Hong Kong and the Mainland and project-based assignments.

The Group has been training shopping mall Customer Care Ambassadors for six years, to enhance service in its major malls, and mall tenants also benefit from special training for the Group's leasing staff. Another training programme coaches retail tenants on ways to improve business. These initiatives boost the competitiveness of the Group's malls by enhancing their attraction for tenants and the shopping public.

In-house English courses to upgrade staff language standards are tied to international benchmarks, and the Group set up an 'English Corner' in its intranet to offer staff extra learning resources. Staff are encouraged to improve their English through different channels, such as classroom training, on-line learning and self-study.



Staff training is important to the Group, and people are encouraged to practice life-long learning for self-improvement.

Staff at all levels wishing to take job-related courses offered by external institutions are eligible for the Group's support, for programmes ranging from short seminars to full degree courses. Training is followed up to ensure its effectiveness, with staff being monitored after attending courses to see how they apply their new skills in the workplace. The Group also strongly encourages self learning. It has a virtual 'e-Learning Campus' and training library with a wide range of material to offer employees an environment conducive to ongoing self study.

All these efforts earned the Group extensive recognition during the year under review. The Group won a tenth anniversary outstanding contribution award from the Hong Kong Employees Retraining Board (HKERB). Group members Kai Shing and Hong Yip also received the HKERB's certificate of outstanding performance and employers gold star award respectively. In addition, the Group and Kai Shing both received awards for excellence in training from the Hong Kong Management Association, and the local magazine Next named the Group number two among Hong Kong's best employers.

REVIEW OF OPERATIONS The Group and The Community

The Group takes its responsibilities as a good corporate citizen seriously, and it supports a wide range of charitable causes in Hong Kong and on the Mainland. Total charitable donations during the year under review amounted to HK\$70 million.



The Group's Health Squad maintains high standards of cleanliness in its shopping malls and office buildings.

During the year, the Group donated approximately HK\$2 million to Operation Unite and the Business Community Relief Fund for Victims of SARS and paid for SARS-prevention supplies for members of the public. In addition, the Group placed advertisements in 140 bus stops across Hong Kong to encourage and pay tribute to front-line medical workers. The Group also recruited 500 anti-SARS Ambassadors during the outbreak to reinforce its SARS-prevention measures. The Ambassadors have been renamed the Health Squad, and they continue working to make Hong Kong a cleaner city.

The Group took part in various job creation schemes during the year, including Modern Apprenticeship Mentorship Training organized by Breakthrough, the Youth Pre-Employment Training Programme run by the Labour Department and One Company – One Job backed by various chambers of commerce.



The SHKP Volunteer Team was established during the year to participate in charity work.

The SHKP Volunteer Team was established during the year under review to coordinate the volunteer efforts of SHKP staff and benefit the community. The Group is putting its expertise in construction and landscaping to use by helping create Hong Kong's first sensory garden at Haven of Hope Sunnyside School. The garden will offer the mentally-handicapped students at the school an area for therapy as well as recreation. The Group also helped the project's 'Buy a Bear to Show Your Care' charity sale, which was supported by hundreds of Volunteer Team members.

The Group offered support to many other charity events, for instance sponsoring and encouraging staff participation in the 2003 Community Chest Charity Marathon. It won the highest fund-raising honour in the Chest's Corporate Challenge for the eighth consecutive year. In addition, the Group continued funding the SHKP Fund for the Elderly, which helps needy seniors improve their standard of living.

Education is another area where the Group shows its concern. The Group donated money to the non-profit organization Summerbridge, which offers free English tuition to less affluent students, and it sponsored the American Field Service student exchange programme to allow youngsters from Hong Kong to study overseas. The Group continued to offer scholarships to MBA students at the Chinese University of Hong Kong, and maintained its support for the Northwest New Territories Elite Students Programme.

On the Mainland, the Group renewed the Sun Hung Kai Properties Award Scheme at Tsinghua University for the seventh consecutive year, to reward distinguished scholars and administrators at the university. The Group also supports other worthwhile causes on the Mainland, for example donating HK\$500,000 to the Huai River Flood Relief Campaign. Ongoing support for a wide range of community programmes and charitable causes has earned the Group and members Kai Shing and Hong Yip the honour of being named Caring Companies by the Hong Kong Council of Social Services.



The Group won the Community Chest's highest fund-raising honor for the eighth consecutive year. Shown: Group Vice Chairman & Managing Director Thomas Kwok (middle) and staff at the Corporate Challenge Charity Marathon.



The Group is helping Haven of Hope Sunnyside School build Hong Kong's first sensory garden for the mentally handicapped.