



Classmates in the Group Management Development Programme

EMPLOYEE DEVELOPMENT AND BENEFITS

The company has made significant progress during the year in developing the potential of its management team. Following the planning and assessment processes, the first intake of participants in the Group Management Development Programme (GMDP) began their 18-month-long course during 2003. As well as theory, the management executives have participated in practical exercises related to actual company initiatives and business objectives. This has given them a wider perspective not only of their own hotels and properties, but also of the company's overall business.

Staff retention through the provision of fulfilling career progression opportunities for talented employees is not limited solely to senior executives. The company takes the long-term view and has now introduced a parallel initiative, the Group Professional Development Programme, aimed at the middle management level. The first intake of candidates embarked on their programme in January 2004, following a similar format to the GMDP.

In line with the development of professional skills by providing academic and practical training, the company also believes in promoting from within its existing workforce where capable candidates exist. As the company develops its businesses, the opportunities to further careers within the group have become greater, and a key component of development is to arrange cross-exposure for promising staff in other operations and other cultures.

The company subscribes to retirement funds for employees in the owned businesses in the different jurisdictions in which it operates, complying with the statutory laws in each country. These schemes are variously mandatory or optional, with some staff choosing not to participate. Below is a summary of the current numbers of staff eligible to participate in these benefits.

	Hong Kong	Other Asia Pacific	United States of America	Total
Participating	1,705	1,513	745	3,963
Non-participating	-	63	409	472
	1,705	1,576	1,154	4,435

COMMUNITY RELATIONS

The company follows a corporate policy of supporting local organisations in the fields of education, medicine, developmental programmes for the disadvantaged, and the environment. In addition to monetary donations, staff are encouraged to participate in fund-raising events or in interaction with organisations that depend on committed volunteer workers.

A significant demonstration of this involvement was the ability of The Peninsula Hong Kong to raise HK\$4.3 million for five local charities through its 75th Anniversary Gala Charity Evening which drew funds from sponsorship, corporate and personal donations and live and silent auctions of donated prizes.

Beyond charity work, executives are also involved in furthering professional standards through visiting teaching posts in tertiary education, and contribute to business activities through participation in Chambers of Commerce, and government and professional advisory boards.



The culmination of fund-raising at The Peninsula Hong Kong's Charity Gala