

CORPORATE SOCIAL RESPONSIBILITY REPORT

Introduction

At Hopewell Holdings Limited, stimulating sustainable community growth is as important as promoting long-term business growth. We believe that a thriving community facilitates our continuous business success. This has driven us to devote significant resources every year to build a solid corporate social responsibility (CSR) program.

Our early efforts in carrying out CSR can be traced back to the late 1960s when we first started our urban renewal projects in Wanchai. In Mainland China, our infrastructure projects such as power stations and expressways have facilitated the economic growth of the Pearl River Delta. In recent years, environmental initiatives became an essential part of our CSR program. Increasing energy efficiency will continue to be a key area of our works in the environmental front. To promote the well-being of the community, we consider the ongoing communication with our stakeholders as vitally important. We will continue to listen to their views and work together with them to achieve a win-win scenario.

Highlights

With strong management commitment and active staff participation, we continued to achieve significant progress in CSR in the past year:

Facilitating community activities

Over 150 community and charitable events were held in our properties including Hopewell Centre, EMax and Panda Place.

Supporting the Hong Kong 2009 East Asian Games

We are the venue sponsor of three sports events, namely Bowling, Cue Sports and DanceSport, in the upcoming Hong Kong 2009 East Asian Games.

Good energy performance recognized

Hopewell Centre, the flagship property of the Group, was recognized for "Good Energy Performance" under the Energy Efficiency Registration Scheme for Buildings.

Joining the "Green Hong Kong • Carbon Audit" Campaign

We became a "Carbon Audit • Green Partner" and undertook to carry out activities in support of greenhouse gas emission reduction.

Promoting environmentally friendly power generation

Unit 1 and Unit 2 of the Heyuan Power Plant, one of the most efficient and environmentally friendly coal-fired power plants in Guangdong Province, have commenced commercial operation in January and August 2009 respectively.

Care for the Community

Facilitating community initiatives

Throughout the years, we have been facilitating the work of community and charitable organizations by offering venues in our various properties throughout Hong Kong without charge for community and fund-raising events. In the past year alone, we supported over 150 such events.

Consistent with our strong management commitment to CSR, we continued to support various community and charitable initiatives such as Walk for Millions and Corporate Challenge organized by the Community Chest, and charity walks like the PHAB Walk for Integration. Our staff members have played an indispensable role in our efforts in promoting community care. They have participated in an array of voluntary works such as visiting single elderly residents, organizing Christmas parties for mentally handicapped children and grassroots families, as well as participating in Flag Day sales.



Supporting local sports development

2009 marks an important year in local sports development as Hong Kong will host the largest East Asian Games (EAG) in history in terms of number of sports and athletes. We are proud to be the venue sponsor at HITEC in Kowloon Bay for three of the sports events, namely Bowling, Cue Sports and DanceSport this December. To help promote the Games, we sponsored the "Sports Talks cum Sports Demonstration & Participation" of "Promotion of Hong Kong Athletes' Readiness in Participating in the 5th EAG" held at HITEC in July 2009. In addition, Panda Hotel, a wholly owned subsidiary of Hopewell Holdings, will support the EAG by offering accommodation and catering service to athletes at competitive rates and has been selected as one of the official hotels of the EAG.

We supported the Hong Kong Athletes Career & Education Programme of the Sports Federation & Olympic Committee of Hong Kong, China and recruited an elite athlete in December 2008 to help implement our community programs with special focus on youth development and sports programs. This is a further step to strengthen our community involvement and also well demonstrates our support to career development of local athletes.



Enhancing traffic safety

Traffic safety on our two heavily used toll roads in Guangdong Province is our major concern and we achieved a significant milestone in January 2009 with the commencement of operation of an intelligent traffic management system installed by the GS Superhighway joint venture company in conjunction with the Traffic Management Department of Guangdong Provincial Public Security Bureau.

In addition, traffic safety is further enhanced with the collaboration with the traffic police, the close supervision of more than 100 traffic surveillance cameras along the road as well as the installation of global positioning system in GS Superhighway's patrol and rescue vehicles. We will continue our endeavours in facility upgrade and in close collaboration with local traffic police to ensure a safe driving environment for all road users.

Boosting Economic Development, Stimulating Community Growth

The Company has a long-standing tradition of promoting community growth through supporting economic development of the local community. Early urban renewal efforts had revitalized a run-down part of Queen's Road East in Wanchai, turning it into a major business area. Current projects such as The East and GardenEast also help boost local business activities. Looking ahead, the Hopewell Centre II Project and Lee Tung Street/McGregor Street Project are set to further enhance the revitalization of the district.

Realizing the significant benefits brought by facilitating people flow and logistics between Hong Kong and Mainland China, the Company has promoted, invested, designed and built the Shenzhen Railway Station Customs and Frontier Inspection Building (1985) and the Huanggang Cross Border Inspection Complex in Shenzhen (1991). The GS Superhighway (1994), the first and only expressway connecting Guangzhou, Dongguan, Shenzhen and Hong Kong, serves as a major artery in the PRD and brings significant economic value to the region. Other subsequent investment and construction projects in the region include the Shunde Roads (1993), Boca Tigris Bridge (1997) and Guangzhou East-South-West Ring Road (2000).

Since mid-1980s, the Company has been involved in the development of power plants in Guangdong Province. This greatly helps to relieve the problem of power shortage and fuel the economic development of the area. The Shajiao 'B' Power Station (1987), the first power station built by the Company in Mainland China, had a capacity amounting to about one quarter of total capacity of Guangdong power grid at that time, and played a leading role in the economic development of Guangdong Province at the beginning of the Open Door Policy. The 2x600MW Heyuan Power Plant, our most recent power project located in a less developed part of the Province, will again help support the economic development of the surrounding area.



Care for the Environment

Introducing energy saving initiatives in existing properties

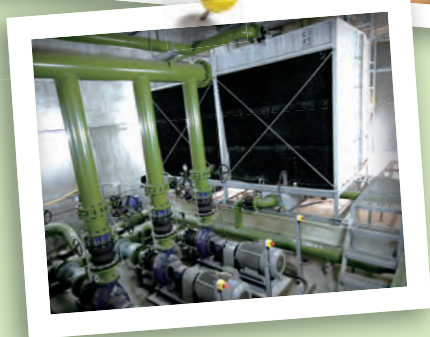
A rigorous approach was adopted in reviewing the energy consumption of our existing properties and identifying cost-effective measures to increase energy efficiency. For instance, extensive equipment upgrades have been carried out in Hopewell Centre in the past few years to increase energy efficiency, such as the implementation of water-cooled air-conditioning and upgrading of power factor of electrical systems. Other ongoing measures include installation of energy efficient lighting at common areas, car parks and offices of the Group, as well as the modernization of lift equipment to promote energy saving and improve riding comfort. To enhance environmental friendliness of the building, air handling units were retrofitted to improve air quality and motion sensors were installed for water tap to reduce water consumption.

In March 2009, Hopewell Centre was recognized for its “Good Energy Performance” under the Energy Efficiency Registration Scheme for Buildings launched by the Electrical & Mechanical Services Department. Less than 30 local private commercial buildings have been registered as buildings with “Good Energy Performance”. Hopewell Centre is among a handful few buildings completed in the early 1980s that have been recognized.



Incorporating environmentally friendly features in new property projects

In Hopewell New Town, our composite development project in Huadu, Guangzhou, solar heater water boilers were installed for row houses and swimming pool changing rooms. Energy saving lamps were also installed for most of the lightings in the development. In addition, we plan to adopt a wide range of energy saving building technologies and environmentally friendly design in the Liede Integrated Commercial Project, such as reflective glazing system to reduce energy consumption and water circulation system that maximizes the use of waste water. Furthermore, the greenery ratio will exceed 30% to enhance the environmental friendliness of the Project.



Reducing greenhouse gas emissions

Demonstrating our strong commitment to reducing greenhouse gas (GHG) emissions, we became a Carbon Audit • Green Partner in 2008 whereby we undertook to conduct carbon audit of our major properties and endeavour to cut GHG emissions by formulating and implementing emission reduction plans with measurable targets. We have already completed the carbon audit of Panda Place in early 2009 and extensive equipment upgrade, such as installation of water-cooled chillers and energy efficient luminaries, has also been carried out with the audit.

Adopting environmentally friendly facilities in power generation

The 2 x 600 MW Heyuan Power Plant is the first ultra-supercritical coal-fired power plant in Guangdong Province. With low coal and water consumption, the Power Plant is currently one of



the most efficient and environmentally friendly coal-fired power plants in the Province. Its overall thermal efficiency can reach 44.7% and the design coal consumption is about 50g/kwh lower than the average power plant coal consumption in Mainland China. Installed with fuel gas desulphurization (FGD) plant, the SO₂ removal efficiency of the Power Plant is as high as 95%. Low NOx burner is installed to minimize thermal NOx formation. Besides, evaporation and crystallization technologies are applied to minimize overall wastewater volume with zero discharge of wastewater as the target.

Promoting use of renewable energy

Apart from environmentally friendly coal-fired power plant, we are also actively developing our own technology for large-scale wind turbines, contributing to sustainable development. The demand for clean renewable electricity power will remain strong.

Care for the Employees

Strengthening talent development

Attracting bright talents and further developing them is vital to the Group's success. We believe that building on our employees' innate strengths is the best way to help them unleash their potential. On top of offering tuition reimbursement and on-the-job training, a variety of workshops, seminars and training programs have been offered this year. These include Insurance Training, Building Construction Ordinance Seminar, Customer Service Training, Security Supervisory Skills and Complaints Handling Workshops. Besides, soft skills workshops covering topics like presentation skills, time management, business etiquette and report writing skills have been organized for enhancing employees' personal effectiveness.



In July 2008, the Group recruited 5 high potential graduates under an 18-month Management Trainee Program. Our thoughtfully planned job rotations within our core-business units have equipped them with essential business knowledge and management skills. In addition, in-house and external training were provided to develop their core competencies. We also encouraged trainees to pursue studies for relevant professional qualifications and undergo self-development by offering financial subsidies.

Enhancing employee communication

We regularly use internal communication channels such as intranet and newsletter to disseminate information to our employees. Besides, we have conducted an opinion survey for property management employees to identify their development needs, and seek their feedback on facilities improvements. Monthly site visits and employee-management communications have also been done in business functions to facilitate cross-team communication and strengthen employee relations across all levels.

Reinforcing health and safety awareness

The health and safety of our employees are of paramount importance. We are vigilant in addressing workplace health, safety and environmental risks. For instance, management at HITEC consistently gathers opinions from the Safety Committee Meeting to monitor staff health and safety, as well as reduce the incidence of staff injury. To prevent influenza infection by immunization, flu injection program have been offered to our hospitality employees.

Promoting work-life balance

We believe work-life balance is an important factor in maintaining a productive, healthy and cohesive workforce. Throughout the year, different kinds of activities including football competition, outings, dinner gatherings, staff birthday parties as well as Christmas party were organized to create joyful moments and shared memories with everyone in the Group.



Our consistent efforts in fulfilling CSR were again recognized by the Hong Kong Council of Social Service in February 2009. Hopewell Real Estate Agency Limited was a new addition to Hopewell Holdings Limited and three other subsidiaries, namely Hopewell Highway Infrastructure Limited, Hopewell Property Management Company Limited and Panda Hotel, which were awarded the Caring Company Logo 2008/2009 in recognition of these five companies' active participation in community activities and good corporate citizenship.