

Corporate Citizenship



We fulfil corporate social responsibility and value it as the basis of the establishment, development and success of our businesses.

TO OUR SHAREHOLDERS,

After years of development, New World Group has grown and established diversified businesses, and contributed substantially to the economic and social development of Mainland China and Hong Kong. In addition to the Group's focus on business development, we fulfil corporate social responsibility and value it as the basis of the establishment, development and success of our businesses. Backed by our people-oriented corporate culture and core value, we strive not only to outperform our industry counterparts, but also become a true pioneer of corporate citizenship and achieve ongoing advancement.

Youngsters are innovators for the future social development, giving us hope for the future and driving a sustainable society. At New World Group, we hope to help them in establishment of positive values of life, goal-setting and leadership development via youth development activities. A few months ago, the Home Affairs Bureau appointed New World Facilities Management Company Limited, a wholly-owned subsidiary of New World Group, for the provision of management and operation services for Youth Square in Chai Wan. Leveraging our experience and expertise in facilities management and our passion for youth development, we aim at turning Youth Square into a platform devoted to youngsters by organizing various youth activities. Youth Square is expected to facilitate youth development by unleashing youngsters' potential and unlocking their passion. Moreover, we have continued to support youth programmes including youth arts project, social enterprise, summer internship programme, etc. and encourage youngsters to reach their untapped potential.

Caring about Mainland China's development, New World Group is devoted to promoting cultural exchange between Mainland China and Hong Kong. Particularly, the Group encourages youngsters to understand more about our mother country and widen their horizons. We have organized "New Youth New World" Summer Internship Programme for two consecutive years, supporting over a hundred of local university students to work in Mainland China each year, allowing them to experience work and life in the Mainland. We also supported Wu Zhi Qiao (Bridge to China) Charitable Foundation by sponsoring students and the Group's volunteers to build a footbridge named New World Wu Zhi Qiao

in Taibai village, Ganzu, improving the livelihood of the people in the remote area. Furthermore, we organized a Wenchuan Cultural Exchange Tour for Hong Kong youngsters, during which they had the opportunities to understand the economic development programmes in the wake of the devastating Wenchuan earthquake and the Qiang culture.

We strongly believe the Group's long-term success is dependent on sustainable development. To secure a better future for the global village and our next generation, we have endeavoured to implement green office policies, raise employee awareness of environmental concerns, and participate in green activities initiated by the government and green groups. We also tried our best in eliminating the impact of our businesses on the environment.

Internally, New World Group also adheres to its people-oriented principle. We recognize the importance of employee development by offering professional training for employees to unlock higher performance. We treasure management-employee communication and the building of team spirits. Moreover, we have contributed substantially to charities and volunteering, and successfully motivated the whole Group to participate in charitable events actively and serve the community wholeheartedly to give back to society. On the other hand, we value investor relations by providing a high level of transparency and ensuring shareholders' thorough understanding of the Group. We have always stayed in good communication with our investors.

Corporate citizenship is the core value of the Group, and represents the commitment of every member of our team to society and the environment. We pledge to create a better new world in the coming days by continuing to treasure our people-oriented management value, shoulder corporate social responsibility and innovate diversified contribution means.

Cheng Chi-Kong, Adrian
Executive Director

Hong Kong, 8 October 2009



Sharing Love and Care Building a Harmonious New World

NEW WORLD GROUP HAS ALWAYS BEEN COMMITTED TO PARTICIPATING IN COMMUNITY AFFAIRS AND CARING FOR THE PEOPLE IN NEED. AS A RESPONSIBLE CORPORATE CITIZEN, THE GROUP ALWAYS CARES FOR THE COMMUNITY WE SERVE AND RESPECTS THE ENVIRONMENT WE LIVE IN. THEREFORE, THE GROUP HAS ACTIVELY SUPPORTED VARIOUS COMMUNITY EVENTS, PROMOTED EXCHANGE BETWEEN HONG KONG AND MAINLAND CHINA, AND FORMED CORPORATE VOLUNTEER TEAMS TO PROVIDE SERVICES FOR THE NEEDY. THE GROUP HAS ALSO BEEN DEVOTED TO NURTURING PROFESSIONAL AND ENERGETIC STAFF WITH COMMITMENT AND PRIDE, AND TARGETED TO BUILD A BETTER SOCIETY THROUGH INNOVATION AND SUSTAINABLE GROWTH.

NWD AND MORE THAN 20 OF ITS GROUP COMPANIES HAVE BEEN DEVOTED TO CORPORATE SOCIAL RESPONSIBILITY AND AWARDED THE CARING COMPANY LOGO BY THE HONG KONG COUNCIL OF SOCIAL SERVICE, RECOGNIZING THEIR OUTSTANDING PERFORMANCE IN IMPLEMENTING CORPORATE SOCIAL SERVICES.

NURTURING ALL-ROUND DEVELOPMENT OF YOUNGSTERS

New World Group values local young people as an important asset and future leaders of our society. The Group has put great emphasis on nurturing young people and providing training and artistic creation opportunities for all-round youth development. We hope that the young people can unleash their full potential and develop professionalism for contribution to the society in the future.



PROVIDING MANAGEMENT AND OPERATION SERVICES FOR YOUTH SQUARE

New World Group understands the importance of providing a diverse development platform for youngsters and has been committed to promoting all-round youth development. New World Facilities Management Company Limited, a wholly-owned subsidiary of the Group, has been appointed by the Home Affairs Bureau to provide management and operation services for Youth Square in Chai Wan, on a non-profit making basis, starting from 23 April 2009. Youth Square, being the first of its kind, serves as the base of the youth development activities. It comprises an auditorium, multi-purpose halls, offices as well as retail shops, providing space and facilities for a variety of youth activities.

Moreover, Youth Square is equipped with a youth hostel, providing 150 rooms for accommodation of Hong Kong-Mainland and international exchange activities.

Since its commencement of services, Youth Square has offered a platform for diversified youth activities by organizing various activities, including "Organic Life Fair", "Youth Square Career Seminar", Anti-drug Concert and more.



Corporate Citizenship

“PEOPLE POWER IN A NEW WORLD” YOUTH ARTS PROJECT

New World Group has put great emphasis on nurturing arts development among young people, igniting their creativity and encouraging the integration of arts into daily life. Since 2008, New World Group has launched the “People Power in A New World” Youth Arts Project with China Young Leaders Foundation and Hong Kong Youth Arts Foundation, inviting primary and secondary school students to create artworks by bringing arts into daily life.

In 2009, the Group organized “People Power in A New World” Youth Arts Project for the second year. By working with “Road to Green — Striving for a Young New World” (“Road to Green”), a social enterprise set up by NWD and Tuen Mun Youths Association, we continued the project as “People Power in A New World” 2009 Recycled Clothing Sculpture Making Project, with a theme of collecting recycled clothes and promoting environmental protection. The project invited around 1,000 primary and secondary school students and trainees from “Road to Green” to collect unwanted clothes from their families and friends and turn the clothes into innovative fabric sculptures by using tying and knotting skills to promote clothes recycling and environmental protection. The Group hopes to ignite the creativity of the young people and foster their care to society through the project.



“ROAD TO GREEN — STRIVING FOR A YOUNG NEW WORLD” SOCIAL ENTERPRISE

New World Group has supported youth development work and encouraged young people to develop their potential and contribute to society in the future. Since 2008, the Group has joined hands with Tuen Mun Youths Association to set up a social enterprise, “Road to Green — Striving for a Young New World”, providing on-the-job training and job opportunities for low-skilled young people aged from 15 to 25 with a lack of working experience, and supporting them to rebuild confidence and reintegrate into society. In addition, the Group arranges visits for the trainees to its subsidiaries of different businesses to allow them to understand different business models and be well-prepared for their future. We also encourage the trainees to participate in various voluntary activities, including donating clothes, painting doors and visiting the elderly to foster care to society. As of September 2009, “Road to Green” has organized four intakes of training for a total of 73 youngsters aged from 17 to 20.



THE SCHOOL-COMPANY PARTNERSHIP

New World Group has been dedicated to nurturing the young generation as tomorrow's leaders. The Group participated in the "School-Company Partnership" programme organized by the Young Entrepreneurs Development Council, and was paired up with Tuen Mun Government Secondary School. The Group arranged company visits and career-oriented seminars for the students, and invited senior management to share their views and experience in various fields, such as Corporate Communication, Accounting & Finance and Training & Development to inspire the students, encouraging them to plan their own career path and be well-prepared for their career.



SUMMER INTERNSHIP PROGRAMME FOR THE SCHOOL OF HOTEL AND TOURISM MANAGEMENT

NWD's Hotel Division has shared its strong belief in the Group's corporate philosophy of people and youth development. This year, the Hotel Division joined hands with The School of Hotel and Tourism Management of The Chinese University of Hong Kong ("CUHK") in the Summer Internship Programme, offering internship opportunities in six hotels, including Grand Hyatt Hong Kong, Renaissance Harbour View Hotel in Hong Kong, New World Mayfair Hotel in Shanghai, New World Hotel Wuhan, Renaissance Kuala Lumpur Hotel as well as Hyatt Hotel and Casino Manila. The three-month Summer Internship Programme commenced in mid-May 2009 and the students had the opportunity to rotate in various departments within the property. The School of Hotel and Tourism Management of CUHK has been one of the most prestigious hospitality programmes in the Asia-Pacific region. By sponsoring the programme, NWD strongly believes that it can help provide a valuable opportunity for the students to excel their skill set and broaden their exposure outside school. It is also an illustration of the Group's continued dedication and commitment to the development of the hospitality industry in Hong Kong.



Corporate Citizenship

BRIDGING THE RELATIONS BETWEEN MAINLAND CHINA AND HONG KONG

Founded in Hong Kong, New World Group always concerns the development of Mainland China and actively promotes cultural exchange between the Mainland and Hong Kong. In addition to organizing disaster relief activities, the Group has encouraged local young people to learn about their home country and care about their motherland by arranging students to join internships and cultural exchange programmes in the Mainland.

“NEW YOUTH NEW WORLD” 2009 SUMMER INTERNSHIP PROGRAMME

New World Group has partnered with Hong Kong United Youth Association to launch “New Youth New World” Summer Internship Programmes since 2008. In 2009, the programme provided internship opportunities in Beijing, Shanghai and Dalian for about 150 Hong Kong university students. New World Group itself provided a total of 35 internship postings in Shanghai headquarters of New World Department Store, Beijing Chow Tai Fook Jewellery and New World Hotel Dalian. Apart from working, students were arranged to visit government departments and well-known corporations and interact with leaders from a broad spectrum of fields. The Group hopes that the students can grasp the golden opportunity to better equip themselves and be well-prepared for the future.



WENCHUAN CULTURAL EXCHANGE TOUR

New World Group has been devoted to the reconstruction and social and economic development in Mainland China in the wake of the Sichuan Earthquake in 2008. The Group provided timely response to the disaster by pledging supplies and a cash donation of around RMB80 million in total. Meanwhile, NWCL supported the Guangzhou Municipality by assisting the construction of Weizhou Town Waterworks in Wenchuan.

To encourage local youngsters to understand more about the development in our home country, New World Group jointly organized a Wenchuan Cultural Exchange Tour with NWCL, China Young Leaders Foundation and Roundtable Community in August 2009 to Wenchuan, Sichuan. A total of 14 Hong Kong tertiary students joined the tour. They were provided with opportunities to know more about the local Qiang culture, the progress of reconstruction works after the Sichuan earthquake and the preparation work of Wenchuan to develop into a tourism city.



THE BUILDING OF “NEW WORLD WU ZHI QIAO”

New World Group has been a long-term supporter of Wu Zhi Qiao (Bridge to China) Charitable Foundation (“WZQ”). The Group’s volunteer team participated in a bridge building programme for Taibai village in Gansu from 25 July to 2 August 2009, with around 80 teachers and students from Xian University of Architecture & Technology, The Hong Kong Polytechnic University, The Chinese University of Hong Kong, The University of Hong Kong and other overseas countries. They shared a common goal to allow local villagers to cross river safely and conveniently with a bridge instead of stones and tree trunks, and improve their livelihood substantially. After successful completion, the bridge was named as “New World Wu Zhi Qiao” and has started serving the villagers since 1 August 2009.



PROTECTING THE ENVIRONMENT FOR A GREENER SOCIETY

Environment protection is a most-concerned global issue today, and New World Group deeply understands the importance of protecting the environment. As a responsible corporate citizen, the Group has carried out internal green policies and actively supported and participated in various environmental protection activities organized by the government and the community, hoping to contribute more to environmental protection.



“6.21 DIM IT” CAMPAIGN

New World Group is committed to protecting the environment by supporting “6.21 Dim it” campaign organized by Friends of Earth (HK). 61 buildings under the Group, including HKCEC, New World Centre, Avenue of Star, Discovery Park Shopping Centre, and more, have signed the Dim It Charter, and promised to switch off outdoor neon signs or decorative lightings from midnight starting 21 June 2009 to save energy consumption and show their support to the reduction of light pollution. In addition, some of the buildings under the Group joined the lights-off activity organized by Friends of Earth (HK) on 21 June 2009 by switching off lights for two hours starting from 8pm, turning the Tsim Sha Tsui promenade into the biggest star station.

Furthermore, New World Group participated in the “Earth Hour 2009” lights off event organized by World Wild Fund for Nature by switching off all the exterior lighting and landscape lights for an hour to show its determination to protect the environment.

GREEN OFFICE

New World Group has actively supported environmental protection activities and successfully implemented “Green Office” along with its subsidiaries for energy saving and waste reduction. Last year, the Group organized various collections of goods for recycling, such as environmental bags, books, clothes, and more, and has successfully obtained the “Class of Excellence” Wastewi\$e Label from Hong Kong Awards for Environmental Excellence in recognition of its commitment to protecting the environment.

GREEN HONG KONG — CARBON AUDIT CAMPAIGN

New World Group is devoted to turning Hong Kong into a greener city and supporting various kinds of carbon reduction activities. In November 2006, the Group signed the “Clean Air Charter”, a joint effort of the Hong Kong General Chamber of Commerce and the Hong Kong Business Coalition on the Environment, and became one of the first “Carbon Audit — Green Partners” carried out by the Environmental Protection Department in July 2008. The Group promised to implement and promote carbon audit among its buildings, and launch relevant carbon reduction campaigns to help improve the air quality in Hong Kong.



Corporate Citizenship

SPREADING CARE IN THE COMMUNITY

As a responsible corporate citizen, New World Group has always supported various charitable activities. The Group has encouraged its subsidiaries to set up corporate volunteer teams to care for the needy in the community, foster friendship among staff and build team spirits. New World Group has actively supported various events organized by the Community Chest and has been awarded with “Merits of Awards” for years, recognizing our services and contribution to society.



MSF DAY

New World Group has participated in the “MSF Day” since 2006 and encouraged its staff members to support the event by donating one day’s income, just as volunteering for MSF’s worldwide medical aid work for one day. In 2009, the Group successfully raised a total amount of HK\$480,000, in which HK\$300,000 came from NWDS, making it the corporation raising the highest amount again. This was the third time for the Group to receive such an accolade in addition to its participation in 2006 and 2007.

CHARITABLE ACTIVITIES TO RAISE FUND FOR SICHUAN

New World Group has concerned the development of society and has been committed to building a harmonious society. Volunteers from the Group have joined forces with five disabled persons to participate in a wheelchair design and decoration competition and a fund raising wheelchair parade activity organized by Hong Kong Rehabilitation Power on 10 May 2009, aiming at raising fund for setting up a rehabilitation centre in Sichuan. The team demonstrated strong team spirits while decorating the wheelchair and parading along the Avenue of Stars in Tsim Sha Tsui. This helped disseminate the positive message of community inclusion.



VOLUNTEER TEAMS AT NEW WORLD GROUP

New World Group has always been devoted to spreading love and care to the community by encouraging its management and staff members to participate in voluntary services, give support to the people in need and understand the society they are living in. There are two volunteer teams in the Group, “NWCL Corporate Volunteer Team” comprising NWCL staff members and “NWS Volunteer Alliance” comprising NWS staff members. With more than 2,000 volunteers, the volunteer teams have provided community services for the needy in Hong Kong and Mainland China.



CARING FOR THE TEAM ENJOYING IN NEW WORLD

New World Group always takes talented professionals as our valuable assets and the key to drive the Group's growth and development in the fast-changing world. Therefore, the Group has invested heavily in training and endeavoured to create an ideal working environment to attract, develop and retain the talents by offering competitive employment package.

NURTURING PROFESSIONAL TEAM

As at 30 June 2009, New World Group had over 55,000 employees. The Group has endeavoured in providing staff training to unleash staff members' full potential and unlock higher staff performance. In August 2008, the Group launched its first two-year "Corporate Management Officer Training Programme" to nurture young talents for the Group. New World Group has also cooperated with Richard Ivey School of Business of The University of Western Ontario to launch the "New World Star Executive Development Programme", providing 15-month leadership training to our experienced executives, building up a strong professional team for the Group and enhancing overall management.

Moreover, the Group has arranged various kinds of internal staff training to enhance their skills in leadership, customer services, occupational safety, interpersonal communication, self-improvement, etc, to widen participants' horizons and enhance the efficiency and productivity of the Group. Meanwhile, the Group has provided staff with education subsidies to fully develop their working skills and knowledge. In order to assess employee performance effectively, the Group introduced a new Staff Performance Appraisal System to encourage more communication between staff and their supervisors so that the staff can achieve better performance.



CREATING AN OPEN COMMUNICATION PLATFORM

New World Group believes effective communication can help enhance the sense of belongings among its employees. Our staff members have been kept abreast of the latest development of the Group via monthly newsletter, intranet, email and staff magazine. The Group publishes up-to-date information, including the latest news, business developments, management interviews as well as employee sharing in its staff magazine, *New World • New Words*.

In addition, the Group has set up the "Speaking with Adrian" blog for Mr Adrian Cheng, Executive Director of New World Group, at which he shares his views on the Group's development and current affairs with staff, creating a bilateral and open communication platform.



HARMONIOUS WORKING ENVIRONMENT

New World Group cares about staff development and encourages its staff to live a balanced life. To encourage its staff to enjoy balance between family and work, the Group has actively supported the "Work-Life Balance" programme organized by The Chinese YMCA of Hong Kong.

In addition, the Group has set up a Sports and Recreation Committee in 2008 to organize various sports and recreational activities regularly, including spring dinner, Christmas party, birthday parties, fruit week, sports and recreational activities and company tours. The Group has invited staff members and their families to join the activities in order to build friendship among staff and create a harmonious working environment.



Corporate Citizenship

CARING ABOUT INVESTOR RELATIONS

New World Group values good investor relations and has been committed to maintaining effective communication with investors. We have always offered in a high level of transparency and strived to ensure shareholders' comprehensive and thorough understanding of the Group. We have actively participated in different forums and overseas road-shows, and conducted numerous site visits and meetings with the media and investment community for effective mutual communication.

New World Group understands the importance of maintaining effective communication with investors and has been committed to maintaining a high level of transparency for the Group's information. In order to enhance communication and provide the general public with up-to-date information, English, traditional Chinese and simplified Chinese versions of the corporate website have been available, allowing easy access and browsing by visually-disabled people and all those in need. Our website was awarded the Gold Prize in e-Inclusion Campaign 2008 organized by the Internet Professional Association. We have been committed to carrying on with our efforts to enhance the design, functionality and information transparency on our website in order to allow the general public and investors to obtain up-to-date information of the Group, including latest developments, share prices, financial performance, announcements, code of corporate governance, and more.

In addition, the Group believes that annual reports are the most important and effective channel to disseminate the Group's information. Therefore, it has put great effort in their design and disclosure of information so that our investors know more about the Group in a convenient way. Our annual reports have received awards in numerous international contests over the years. At the 2009 International ARC Awards, the widely recognized "Academy Awards of Annual Reports", FY2008 annual report of NWCL won the Silver Award for "Cover Photo/Design — Housing Related Products/Services" while FY2008 annual report of NWS clinched the Bronze Award for "Overall Annual Report — Conglomerate"

and Honours Award for "Overall Annual Report — Diversified Business". FY2008 annual report of NWDS was presented the Honours Awards for "Cover Photo/Design — Retail: Convenience & Department Store".

At the 22nd Annual International Mercury Awards, NWD won the Silver Award in "Annual Reports — Overall Presentation: Multi-industry"; NWS won the Bronze Award in "Annual Reports — Overall Presentation: Conglomerate"; NWCL won the Gold Awards in "Annual Report Covers — Graphics, Illustrations, Typographics" and "Annual Reports — Overall Presentation: Housing Development & Sales" and NWDS won the Bronze Award in "Annual Reports — Overall Presentation: Department Store".

Furthermore, at the 19th International Astrid Awards, NWD clinched the Bronze Award in "Covers: Annual Reports — Photography (People, Place, Products)"; NWCL won the Silver Award in "Photography: Landscape/Places" and "Annual Report — Overall Presentation — Corporations: Traditional Format Over 160 pages" categories and Bronze Award in "Photography: Annual Report" category and NWDS won the Bronze Award in "Covers: Annual Report — Artistic (Graphics/Illustrations)" category.

The marvelous performance of the Group's annual reports has proved that our effective dissemination of information to the public and maintenance of high level of transparency, equipping investors with thorough understanding of the Group's development and prospects.

