

Human Resources

As at the end of December 2009, the Group employed a total of 491 employees (2008: 419) for its headquarters in Hong Kong and its principal subsidiaries. The increase in number of employees was mainly from Hong Kong and acquisition projects during the year. Employees in overseas and mainland China increased to 94 (2008: 49 employees).

Human Resources Management

CITIC 1616 is an equal opportunity employer and adheres to the non-discriminatory employment practices and procedures in recognising and respecting individual's rights. Striving to administer a fair and consistent human resources management policy to the mutual benefit of its employees and the Group, it also upholds a high standard of business ethics and personal conduct of its employees. Every employee of the Group is required to strictly follow the Code of Conduct which covers the professional and technical standard of requirements in conducting business, and all heads of business units are charged with the responsibility of disseminating the Group's requirements to the people concerned.

Employee Compensation

CITIC 1616 aims to attract, retain and motivate employees who have the relevant skills, knowledge and competencies to develop, support and sustain the continued success of the Group. Employee's cash remuneration typically comprises a base salary and a variable compensation, mainly in the form of a performance-linked discretionary bonus which is based on the company's result and the individual's performance. Its compensation strategy is to cultivate a pay-for-performance culture to incentivize and reward

employee performance that will lead to a long-term enhancement of the overall caliber of the Group. On an annual basis, the Group review the cash compensation and benefit programmes provided for its employees to ensure that the total compensation is internally equitable, externally competitive, as well as in support of the Group's business strategy.

Remuneration Committee

The remuneration committee established on 16 March 2007. It comprises three independent non-executive directors and one non-executive director. Mr. Yang Xianzu is the Chairman of the remuneration committee.

The primary duties of the remuneration committee are to make recommendations to the Board on the Group's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration.

Retirement Benefits

For the Hong Kong employees, the Group has set up the Mandatory Provident Fund Scheme (the "MPF Scheme").



Employees of the Group's subsidiaries in mainland China and overseas are required to participate in retirement schemes administered and operated by the respective local authorities and contributions are made according to the local requirements.

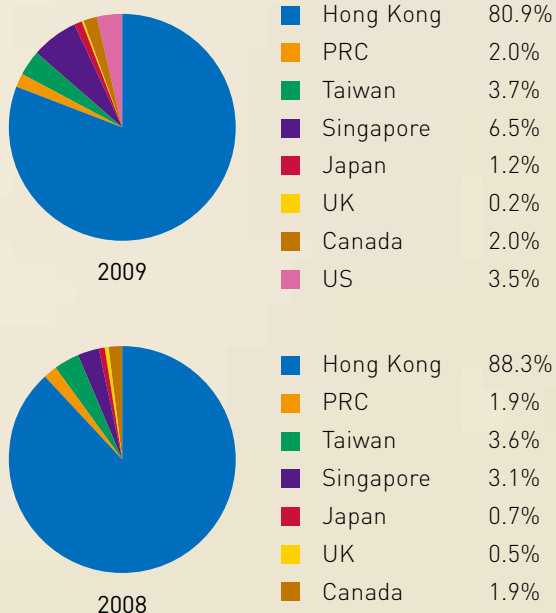
Training & Development

The Group provides training and/or sponsor outside training sessions for the employees who require special skills and professional qualifications for their duties. Newly recruited employees will attend an introduction course covering topics including the Group's introduction, general employment terms & conditions, benefits, employee obligations, and spirit of team work. The Group also subscribes to periodic magazines relating to the telecoms industry for its employees so that employees can keep abreast of technological developments in the telecoms industry.

The Group has adopted a sponsorship programme whereby employees may apply for a tuition sponsorship for studies relevant to their employment. The award of the sponsorship is at the sole discretion of the Group and the employee should comply with such conditions and terms imposed by the Group on the award of the sponsorship, including commitment to work for the Group for a pre-determined period after completion of the studies.

The Group encourages and promotes business sharing, knowledge exchange and skills transfer between employees of different subsidiaries. The training programme for management staff will be launched regularly at the headquarters as the Group has committed to have continuous enhancement on corporate governance.

Headcount by Territory



Total employees

491



Employee Relations



The Group aims at creating and maintaining a positive, harmonious and healthy working environment. There are different open channels for employees to voice out opinion and provide feedback. The Group has also held different employee activities to enhance mutual communication among different levels of employees and increase the sense of belonging.

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