



CARING FOR THE FUTURE

We aim to build a better future together with the communities we serve. Our focus is on the sustainability of our projects and the environment as well as on individual needs and preferences. We take an active role in designing and implementing programmes that focus on enhancing social well-being, nurturing future leaders, and widening international horizons.



CORPORATE SOCIAL RESPONSIBILITIES

Shui On Land is a socially responsible and customer-centric company. Our projects and planning are based on corporate social responsibility (CSR) principles. By providing premium services and products, we are committed to building sustainable communities, creating a comfortable living environment for our customers and tenants.

Shui On Land fully complies with government regulations and urban development policies in the implementation of our projects. Our quality projects help generate high returns, being rented at a premium rate, which enables us to contribute more to community improvement and growth in the form of CSR programmes and government taxes. We improve individual's standard of living, enhance the community environment and assist our chosen cities to increase their competitiveness.

SOCIAL WELL-BEING HEALTH AND CARING

During the year, volunteers from the Dalian Tiandi project visited vulnerable children at Dalian's Children Village twice, bringing with them such items as books, clothes and stationery donated by our colleagues. This non-profitable organisation mainly serves those children whose parents are in prison.





We are committed to create a comfortable living environment via our projects and to care for the children via our volunteer programmes

Caring for the migrant workers was another priority of the year. Since 2006, the Health, Safety and Environment Committee of Wuhan Tiandi project has offered free medical consultations to over 5,000 migrant construction workers who have no national medical insurance. In 2009, around 500 construction workers received free consultations and we distributed around 200 packs of medicine as well as health care education leaflets. Further activities included a gala event with dancing, acrobatics and singing performances, basketball competitions, and movie nights.

On 8 August 2009, thousands of runners in Shanghai gathered at Jiangwan Sports Centre to participate in the "Healthy Running" campaign co-hosted by KIC. This 10-km race with the start/finish point at Jiangwan was part of the debut National Fitness Day series to commemorate the first anniversary of the Beijing Olympics.

We are discussing with the village committee ways to help residents with pre-employment skills training to meet Dalian Tiandi project's increasing demand for sophisticated labour.

EMPOWERING THE NEW GENERATION

The Group is committed to developing young talents for the long-term growth of our communities.

Following the establishment of the RMB30 million Huangnichuan Village New Village Development Fund in September 2007 through our associate Dalian Tiandi project, during the year we provided bursaries to over 330 primary to university students in Huangnichuan Village for a total amount of RMB137,000.

Under the RMB50 million IT Talents Foundation in Dalian established in 2008 by the joint donations of the Company and the Dalian government, we have provided various kinds of supports including bursaries, training and family subsidies to tertiary institution graduates and the working population in Dalian Tiandi.

In 2009, we sponsored nearly 400 outstanding university students from 23 mainland tertiary institutions by granting bursaries worth a total amount of RMB2 million. We also formed a network with over 100 software companies to arrange on-the-job-training for sponsored graduates in order to raise their competitiveness for employment. Such initiatives help nurture talents for the fast-growing IT industries in Dalian and are highly welcomed by the local community.

From 2005 to 2009, we have funded a total of RMB4.5 million scholarship to allow outstanding students of Fudan University to study at Yale University to broaden their horizons. In the summer of 2009, the fund supported

CORPORATE SOCIAL RESPONSIBILITIES

26 undergraduates for a six-week study tour in the US on subjects including Advanced English, Anthropology, Economics, Law, Biology, Art, and International Relations.

Since 2006, we have established bursaries totalling RMB800,000 for Hualongqiao district in Chongqing to support 170 year-one to year-four underprivileged university students to complete their courses.

SUPPORTING INTERNATIONAL EVENTS

The Group continues to partner with international organisations to promote sustainable urban development. In October, we signed a venue cooperative agreement with the Australian Football League (AFL) to host the first Australian football exhibition match in China at Jiangwan Stadium. We also sponsored three international DanceSport events in Shanghai organised by People's Government of Luwan District and the Shanghai Administration of Sports. These included the Shui On Cup IDSF Latin World Cup 2009 and the 19th China National DanceSport Championships.

PROMOTING HERITAGE AND CULTURAL EXCHANGE

The fostering of local heritage and international cultural exchange is at the heart of our regeneration programmes. In

2009 our Foshan project organised a Lingnan Culture Year campaign, which was launched in the Lingnan traditional festival "Passing Tongji Bridge" (行通濟) on Chinese Valentine's Day. The year-long programmes attract about a million participants and activities include the promotion of traditional handicraft, calligraphy and painting, and Cantonese opera.

The Wuhan Government of Jiang'an District, the UK's Bournemouth Borough Council Arts Development and Wuhan Tiandi project jointly organised the Wuhan Chinese-British Culture Week from 15 to 18 April. The Chinese-British Arts Exhibition attracted 3,500 visitors. British delegates and owners of The Riverview apartments joined together to plant trees for the "Wuhan Tiandi Chinese-British Friendship Forest".

Shui On Land also sponsored the First Outstanding Hong Kong People in Shanghai Programme organised by the Hong Kong Chamber of Commerce in China. This programme aims to recognise Hong Kong people in Shanghai who have excelled in professional activities and made significant contributions to the community. Five awardees were selected by the panel of judges, which included our Chairman Mr. Vincent H. S. LO.



The Group provides regular training programmes to develop our staff

NURTURING OUR PEOPLE

Among the objectives of our trainee programmes for the sustainable growth of the Group are the identification of high-calibre employees at an early stage and preparing them with custom-made programmes to take up management and leadership responsibilities.

MANAGEMENT CADET (MC) PROGRAMME

This fast-track development programme was established in 2002 for internal staff with at least three years of employment experience, focusing on their potential for taking up core management position in an accelerated time frame. As of 31 December 2009, there were 15 Management Cadets of which seven had completed the programme.

FUNCTIONAL EXECUTIVE (FE) PROGRAMME

Established in 2009, the Functional Executive Programme is designed to develop professionals and managers to eventually take on senior functional positions. A customised training programme will be designed for each Functional Executive. As of 31 December 2009, there were 12 Functional Executives.

MANAGEMENT TRAINEE (MT) PROGRAMME

Established in 1997, this programme aims to prepare fresh graduates to take up management positions. Under mentorship guidance, the trainees undergo a rigorous three-year training of personal development and management skills. The Group recruited two new members in 2009. As of 31 December 2009, there were 56 Management Trainees of which 40 had completed the programme.

GRADUATE TRAINEE (GT) PROGRAMME

Aiming to develop fresh graduates to take up relevant professional positions in the Group, this programme provides industry-specific training as well as teaching essential management techniques. Duration of the course varies for different professional streams. Throughout the programme, job rotation arrangements are made for each trainee and a six- to 12-month secondment to external professional institutions is also arranged where applicable. In 2009, in addition to the Project Management Graduate Trainees, the Group also recruited the first batch of Commercial, Legal, Human Resources, and IT Trainees. As of 31 December 2009, there were 53 Graduate Trainees of which 17 were newly recruited for our Shanghai, Chongqing, Wuhan and Foshan projects.

SUMMER INTERNSHIP PROGRAMME

Established in 2001, the programme provides four to eight weeks of summer internship opportunities for university students from both the Hong Kong SAR and the Chinese Mainland. A total of 45 students joined this summer internship programme in 2009, of which 24 applied for the "Green Path" to obtain fast access to the MT/GT recruitment process. Eventually 19 of the students successfully embarked on the "Green Path".

LEADERSHIP SHARING

As a service to our Shanghai communities, Shui On Academy co-hosted a "Solutions to Tomorrow" Leadership Conference in May with The Stephen M. Ross School of Business at the University of Michigan. The welcome speech was given by our Chairman Mr. Vincent H. S. LO, and the keynote address was given by Ms. Susan ASHFORD, Dean of Leadership at the University of Michigan. Over 10 industry leaders and renowned scholar panelists shared their views and experience on topics such as innovation, the impact of the financial crisis, and entrepreneurial leadership. More than 100 business leaders attended including Shui On Land's tenants, partners, and business communities as well as Ross alumni and Executive Education clients. This event was the first in a series planned to extend the Shui On Academy mandate beyond its internal educational role to the communities we build.

SHUI ON SEAGULL CLUB: ACTION DOES MAKE A DIFFERENCE

2009 was a fruitful year for the Shui On Seagull Club, the Group's employee volunteer organisation. Established in 2005, the Club has gone from strength to strength, organising a wide range of activities that directly benefit many people. Under the motto "Action to make a difference", the Club focuses on promoting education and caring for the underprivileged children.

RURAL EDUCATION

Over the past five years, dedicated volunteers from the Shui On Seagull Club have organised teaching for six primary schools in impoverished areas in Jiangxi and Anhui Provinces. The Club also helps the schools by providing software and hardware support for their work such as purchasing tables and chairs, repairing windows and upgrading sports facilities. By devoting their holidays to these activities, volunteers have helped develop students' sense of ethics, intelligence, physical health and artistic awareness through a series of sophisticated programmes. They also shared innovative educational methods with the students' teachers. Many other colleagues in the Group have donated computers, printers, books, stationery and toys to the children.

URBAN EDUCATION

Partnering with Junior Achievement, we help young people in the cities such as primary school children of migrant workers, secondary students who are finding their way, or university students who are seeking jobs. Our volunteers share their care, love, knowledge and experience with these students. During 2009, the Shui On Seagull Club organised several programmes for Shanghai Finance University's year-three and year-four students to obtain interview skills, as well as knowledge of correct attire and etiquette, thereby helping them to find jobs easier. Together with KIC, the Club also organised a weekend sports event at the Jiangwan



Charity cycling activity at Wuhan shows our commitment on environmental protection

Sports Centre for over 60 students from the Yolanda Hope School in Nanhui District in Shanghai, which provides education for poor students in the district.

DEBUT JOINT CHARITY WALK IN FIVE CITIES

In June, the Shui On Seagull Club organised the first joint 2009 Charity Walk in the five cities of Shanghai, Hangzhou, Chongqing, Wuhan and Foshan. Our Management also gave their support by joining in the Walk, which raised a total of RMB114,800 from over 1,800 supporters. The proceeds will be used for renovations and repairs in primary schools in Shanghai, Foshan and Chongqing, as well as for supporting five orphans in Wuhan and for a children leukemia fund in Hangzhou.

SUSTAINABLE DEVELOPMENT

As an experienced and responsible property developer, Shui On Land considers sustainability as the key to its long-term development.

RECOGNITION OF OUR SUSTAINABILITY INITIATIVES

We believe that resources should be used reasonably and with awareness to create a sustainable environment for the next generation. Since the establishment of the

Sustainable Development Committee in 2006, meetings have been regularly held to review progress in sustainable development at both the corporate and project levels; to lay down concrete implementation plans for the next phase; and to ensure that each task proceeds systematically in line with established goals.

We adhere to high standards of sustainable development in every phase of a development: from master-plan, architectural design, project and construction management, to sales and marketing and property management. We are committed to enhancing the development of each city's communal and economic environment where we have a presence. At the same time as enhancing our projects' returns, we focus on improvement of the environment as one of our key strategies to create a cleaner, more economical and safer ambience for living and working.

In line with this, we seek the highest certification of the U.S. Leadership in Energy and Environmental Design (LEED) of the U.S. Green Building Council wherever feasible and/or equivalent China based ratings when they are more appropriate for the nature of the project. Our efforts in sustainable development in 2009 achieved encouraging results and were well recognised by both local and international organisations.



Seagull Club's deliberated training programmes do help children to build up confidence



Dynamic training programmes to groom our leaders of tomorrow

Our achievements in sustainable development in 2009 at corporate and project levels:

Period	Name of award	Awarded project	Presented / organised by
January	LEED-Neighbourhood Development (ND) Pilot Version (Stage 2) Gold rating	Master-plan of Wuhan Tiandi	The U.S. Green Building Council (USGBC)
March	The American Institute of Architects San Francisco chapter – Honour Award for Urban Design 2009	Master-plan of Foshan Lingnan Tiandi	The American Institute of Architects San Francisco chapter
	MIPIM / Architectural Review Future Project Award 2009 – Regeneration and Master Planning Commended Project	Master-plan of Foshan Lingnan Tiandi	MIPIM/Architectural Review
	Pre-certification under LEED-Core & Shell (CS) Gold Level	Wuhan Tiandi	The U.S. Green Building Council (USGBC)
April	The American Institute of Architects – Honour Award for Regional & Urban Design 2009	Master-plan of Foshan Lingnan Tiandi	The American Institute of Architects
	The Grade-AA Certification of the Performance Assessment of Residential Buildings	The Riviera of Chongqing Tiandi	Chongqing Municipal Commission of Development
May	The Pioneering Company In Energy Saving And Emission Reduction 2008 in Luwan District	Shui On Land	Luwan District Government, Shanghai
December	LEED-Neighbourhood Development (ND) Pilot Version (Stage 2) Gold rating	Master-plan of Chongqing Tiandi	The U.S. Green Building Council (USGBC)
	Wuhan Excellence Residential Project Award & Technology Application and Architecture Energy Saving Award for the year 2007-2008	The Riverview (Lots A7, A9) of Wuhan Tiandi	Wuhan Real Estate Development Business Association

PIONEER ECO-FRIENDLY CUSTOMISATION APARTMENT INTRODUCED TO THE CHINESE MAINLAND

Committed to striving for excellence through innovation, the Group applies international advanced and quality design, construction techniques and material to project development. Through continuous studies and research, we seek and develop technology and resources that are most suitable for our project developments.

In 2009, Phase 3A of Rui Hung Xin Cheng (Lot 8) introduced pioneer customised apartments to the Chinese Mainland. Buyers can customise their own desired unit layouts to allow them to design their own dream homes. These innovatory apartments are a new initiative by Shui On Land to advance sustainable development. Clients are able to choose their unit layout, decoration and materials, even the location of the cable TV outlets, thereby minimising wastage and environmental pollution involved in further renovation.

At the same time, we are dedicated to studying new technologies for construction, energy-saving and environmental conservation when building customised apartments. For instance, to enable our customers to re-design their unit with maximum flexibility, we may offer lightweight partition walls, prefabricated bathroom modules and raised floors. All the materials we use meet and surpass the energy-saving standards set by the government.

“GREEN” PROCUREMENT POLICIES

In addition to demanding high standards for construction materials, we have established several strategic procurement partnerships for supplying wooden doors, flooring and air-conditioning. In line with the Group’s “green” policy, we have striven to meet the latest environmental standards in related products, such as using eco-friendly materials that have 3-10% less of volatile organic compound than usual. The Group uses energy-efficient air-conditioners that have achieved a 6-20% reduction in energy consumption.

INTELLIGENT RESOURCE MANAGEMENT

The intelligent utilisation of resources is another high priority. We use central heating and cooling systems, water pumps, and water recycling systems to save energy and water as well as to reduce emissions and waste. At the same time, during the project construction process, we recycle and re-use old building materials in order to fully utilise resources. For example, bricks and tiles dismantled from the former site of Foshan Lingnan Tiandi were preserved and re-used after special processing.

Feng Cheng Property Management Co., Ltd, our property management company, is dedicated to designing energy-saving and emission reduction measures for individual properties without compromising service standards, such as using energy-efficient bulbs and installing light sensor control systems to cut down electricity consumption. As compare with 2008, the electricity cost saving in Shui On Plaza and Corporate Avenue is RMB1.8 million in 2009.

The Group is also improving the building management system in certain existing buildings where energy performance is not yet optimal. The first trials of our new

regime were carried out in Corporate Avenue Phase 1 and Shanghai Xintiandi South Block Lot 112, with good results obtained in both energy optimisation and reduction of carbon emissions.

Experience Sharing to Advance Social Progress

The Group fully utilises all possible resources in its quest to construct buildings of the highest possible durability and eco-friendliness. We try best to use local construction materials to reduce energy consumption and emissions caused by transportation, central water recycling technology to minimise the loss of water from the land, and rainwater collection and irrigation systems to purify natural water by sophisticated land planning.

In addition to adopting “green” technology, we also actively share experience and discuss how to achieve sustainable development with industry practitioners and the public at large in order to promote community advancement. In March, Dalian Tiandi project took part in “New Buildings’ Solutions Summit China 2009” to share our experience with government leaders, major property developers and green experts. Dalian Tiandi project was also invited to participate in the US / China Green Tech Summit held in Beijing in November to promote innovative and practical solutions for a sustainable energy future. In September 2009, Shui On Land sponsored the “Greentech: A Call to Action” conference held in Shanghai, which was co-organised by American Chamber of Commerce in Shanghai and Asia Society. In October, Wuhan Tiandi launched an Eco-Living Style Show Suite to promote the project’s sustainable development features to local citizens.

FOSTERING A “GREEN” CULTURE

The Group actively promotes environmental conservation among colleagues, calling for their support to implement green principles in daily life to create a more secure and energy-efficient living and work environment. During the year, we launched a programme of “Green Office” activities to promote green measures and raise awareness in the work place. These initiatives included water-saving tips, an electricity-saving slogan campaign, a paper collection campaign and the recycling of used batteries. Due to these concerted efforts, paper consumption at Shanghai Headquarters (25/F & 26/F of Shui On Plaza) was lowered by 18% from 2008 to 2009, and the water consumption in Shui On Plaza was reduced by 11% over the same period.

Members of Shui On Seagull Club



SUSTAINABLE DEVELOPMENT INITIATIVES:

Corporate	Achievement/Target-Green Building Certification	Features
1. Shui On Land Ltd HQ – 26/F, Shui On Plaza	Achieved LEED-Commercial Interiors (CI) Silver Level	CO ₂ sensor to increase indoor air quality; daylight sensors; addition of task lights; water conserving sanitary fixtures.
2. Shui On Land Ltd HQ – 25/F, Shui On Plaza	Achieved LEED- Commercial Interiors (CI) Silver Level	
Projects – Master-planning Stage	Achievement/Target-Green Building Certification	Features
1. Wuhan	Achieved LEED-Neighbourhood Development (ND) Pilot Version (Stage 2) Gold rating	Energy, water and waste savings by mixing land uses, connecting to public transit systems; utilizing existing cultural and architectural characteristics, building at appropriate densities and orienting the development to maximize solar and wind access; district-wide infrastructure, including centralized heating and cooling, water source heat pumps, rainwater collection and recycling, and comprehensive green roof systems.
2. Chongqing	Achieved LEED-Neighbourhood Development (ND) Pilot Version (Stage 2) Gold rating	
3. Dalian	Target to achieve the highest feasible LEED-ND rating for Huangnichuan	Encourage use of public transit systems and appropriate development densities to preserve the unique natural environment; orient buildings to maximize natural wind ventilation to mitigate temperature extremes; use of solar and wind energy for solar hot water system and wind turbines, non-potable rainwater system, grey water recycling and green roof; carbon assessment for master plan, encourage low carbon life style.
4. Foshan	Target to achieve LEED-ND Gold rating	City core site selection with high existing development density and small pedestrian-friendly blocks; preservation and adaptive reuse of 22 heritage architecture sites and numerous historic buildings; integrated public transport systems; improved indoor air quality through building orientation and wind harvesting; high performance building fabric; reuse and recycling of project construction materials; use of solar energy and daylight, centralized air conditioning; green roof and green wall, rainwater recycling; carbon assessment for master-plan, encourage low carbon life style.
Projects – Stage of Development	Achievement/Target – Green Building Certification	Features
1. Xihu Tiandi, Hangzhou (Entertainment & Retail)	Achieved LEED-Core & Shell (CS) Pre-certification at Platinum Level	Natural ventilation; earth cooling; radiant cooling/heating; rain water collection & recycling; photo voltaic for indoor public and sign lighting system; green roof.
2. Wuhan Tiandi Lot A4, Wuhan (Entertainment & Retail)	Achieved LEED-Core & Shell (CS) Pre-certification at Gold Level	Outdoor radiant cooling/heating; outdoor spot cooling/heating; rain water collection & recycling; green roof; double Low-E coated window glazing; recycling and local material utilisation; natural ventilation; low-flow plumbing fixtures and water-saving sanitary fittings.
3. Wuhan Tiandi Lot A5, Wuhan (Office)	Registered for LEED-Core & Shell (CS) Pre-certification at Gold Level	Increased green ratio; high performance glass curtain wall; low flow plumbing fixtures and water-saving fittings; low emitting materials / finishes; high performance HVAC system.
4. Chongqing Tiandi Lot B3, Chongqing (Entertainment & Retail)	Achieved LEED-Core & Shell (CS) Pre-certification at Gold Level	Outdoor radiant cooling; water source heat pump; rainwater collection & recycling; double Low-E coated window glazing; recycling and local material utilisation; natural ventilation; low-flow plumbing fixtures and water-saving sanitary fittings.
5. Chongqing Tiandi Lot B-11, Chongqing (Office; Hotel & Retail)	Target to achieve LEED-Core & Shell (CS) Certification at Gold Level; Phase 1 achieved Pre-certification at Gold Level	High performance glass curtain wall; high efficiency HVAC system with variable primary flow system; CO ₂ sensors; daylight control; occupancy sensors; heat recovery; high performance lighting with low LPD; 40% reduction in potable water use.
6. Taipingqiao Lot 126/127, Shanghai (Office & Retail)	Lot 126 achieved LEED-Core & Shell (CS) Pre-certification at Gold Level. Lot 127 registered for Pre-certification	High efficiency HVAC system; improved indoor air quality with CO ₂ sensor; low-flow plumbing fixtures and water-saving sanitary fittings; high performance curtain wall with shading devices; light pollution reduction; low-emitting material (low VOC) finishes.
7. Rainbow City Lot 4, Shanghai (Residential & Retail)	Registered for Chinese Green Building 2 Star Certification	External wall insulation, grey water collection & recycling; photo voltaic for landscape lighting; water-saving landscape irrigation system; double Low-E coated glazing window with thermal break; water-saving sanitary fittings.
8. Rainbow City Lot 6, Shanghai (Residential & Retail)	Target to achieve Chinese Green Building 2 Star Certification	To be decided.
9. KIC Plaza Phase II, Shanghai (Office)	Registered for LEED-Core & Shell (CS) Pre-certification at Silver Level	Double Low-E coated glazing; low-emitting materials; improved indoor air quality with CO ₂ sensor; low-flow plumbing fixtures and water saving sanitary fittings.
10. KIC Lot 5-5/5-7/5-8, Shanghai (Office)	Registered for LEED-Core & Shell (CS) Pre-Certification at Gold Level	Double Low-E coated glazing; low emitting materials; low-flow plumbing fixtures and water-saving sanitary fittings; hybrid ventilation; daylight control & occupancy sensor; high performance chillers; heat recovery; rain water recovery.
11. KIC Village Phase II, Lot 7-7/7-9, Shanghai (Office & Residential)	Registered for Chinese Green Building 2 Star Certification	External wall insulation, rainwater collection & recycling; photo voltaic for landscape lighting; water-saving landscape irrigation system; double Low-E coated glazing window with thermal break; water-saving sanitary fittings.