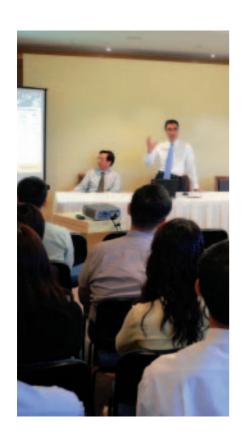
RESPECTING AND DEVELOPING OUR PEOPLE



OUR GUIDING PRINCIPLES

Hysan has a culture of being a caring employer, offering an environment showing respect for people. In recent years, we have strengthened the pay-for-performance approach and an increasing emphasis is placed on people development.

FOCUS IN 2005

The role of the Human Resources team is to act as the business partner of Hysan managers in implementing our people strategy. Considerable efforts are devoted to engaging our line managers and staff. Focus groups and meetings were held to obtain feedback on key Group systems, including performance management. Enhancement steps were made as a result, including refining the appraisal rating system within the established framework.

Communications, and cross-team communications in particular, was identified as an improvement area in a recent employee survey. After careful deliberation by senior management, the goal of open communications was defined and communicated to our staff as a target principle whereby the Group keeps staff abreast of key business developments and their underlying rationale; also obtaining staff feedback and ideas so as to build buy-in where appropriate. This approach has been carefully distinguished from seeking consensus, since we recognise that good, timely, but unpopular decisions must be made from time to time.

The involvement of different departments in cross-team projects has been effective in fostering a stronger team spirit. Communications workshops

and meetings were introduced for lines and supporting departments to provide two-way feedback. These efforts have not only fostered a stronger team spirit, they have also helped to identify effective ways to enhance business processes. These tools were positively received by lines and supporting departments alike and plans are in hand to roll out the same across the Group.

During the year, we launched an employee concern programme ("Idea Express") offering our staff the opportunity to write to the Managing Director via letter or email to ask any questions or to express any views or thoughts. This also encourages the giving of suggestions to improve Group operations and practices by offering awards.

On the training side, we recognise that we may not have the critical mass to run line-specific training programmes. Instead, we have developed and refined guidelines on tuition and external training reimbursement to support the drive for functional excellence.

WHAT TO DO MORE

Organisational alignment will be a main focus in the coming year, as the Group grows in terms of the range of activities undertaken and the intake of staff from a diverse background and functions. The Human Resources function will support top management in reinforcing our core values of responsible business behaviour, being accountable, professional and having high ethical standards. In general, we shall reinforce a culture based on principles and systems which is crucial to the Group's pursuit of further growth. We recognise that people development involves more than a full schedule of training activities. Plans are in place to offer development opportunities across various functions by employing a multi-tasking approach.