

## Corporate Citizenship

### A. CHARITY INVOLVEMENTS

#### Loving support for UNICEF

Children are pillars of our community in future. The Group has been a committed supporter behind fundraising efforts by the United Nations Children's Fund (or "UNICEF").

During the Christmas season in 2006, Harbin Store co-organised with UNICEF *Childhood Dream Comes True*, a charity sales aimed at raising funds to finance basic education for children living in poverty regions in China. Having collected about 1,000 items of men's and women's apparel worth about RMB100,000 in total from major suppliers, Harbin Store set up special sales counters and offered the collection at attractive retail prices of RMB50, RMB100 and RMB150.

Customers could write down words of blessings for poor children on a "Heartwarming Message Board" specially mounted on site. The Group passed on all the blessings and the proceeds from the charity sales in a donation to UNICEF afterwards.

In addition, Beijing Shopping Mall held a meaningful event, *Fortune Comes to Wishing Well*, at the entrance square of the store from 30 December 2006 to 4 March 2007. Customers were invited to throw coins into the well as they made auspicious wishes. All coins collected were subsequently donated to a special UNICEF fund in aid of AIDS orphans.

#### MSF Day 2007

The Group has always been a staunch supporter of Medecins Sans Frontieres (or "MSF"). In 2007, we became a principal sponsor of the international organisation. When we urged support for MSF Day, the organisation's fundraising campaign kicking off on 27 May 2007, many staff members responded with donations in support of the meaningful function. The Group will continue to collaborate with the organisation on its international medical and humanitarian relief mission.





## B. CARE FOR STAFF

### Joining the staff in pursuit of harmonious living

In addition to upgrading staff performance through various training activities, the Group harbours deep concerns for employees' quality of living when they are off-duty.

In the period reported, all of our stores organised a variety of off-duty functions for the staff. These ranged from badminton competitions, outings, daylong sightseeing tours, skills tournaments and IQ quizzes to mountaineering activities and staff birthday parties. Through such activities, which promoted sharing of emotions, our staff could better enjoy their leisure hours free from daily hustle and bustle.

### Internships for current-year universities' graduates

The Group used to stress the grooming of future management talents at base levels. So, we have been recruiting annually bright current-year graduates from universities around China to join our half-year internship programmes since March 2005. With these programmes, comprehensive and richly detailed, we enable our interns to understand and master the management know-how for the department store business.

After completion of the internship, the interns would be subject to strict assessments and those who had put up excellent performances and shown promises for potential development would be officially posted to relevant positions at our stores around China. In FY 2007, the Group provided training for 98 interns.

### New World Department Store Management Academy

In 2005, the Group established New World Department Store Management Academy. Starting March next year, the academy offered a series of courses in retail operations and management in conjunction with Shanghai Jiao Tong University covering 23 areas in department store and retail management. Thirty-nine staff members from middle management had completed the full course by the end of 2006.

The Group was the first department store operator in the PRC to join hands with tertiary institutions in running management-training courses for veterans in department store and retail businesses.



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### C. GROUP HONOURS

#### The most trendsetting fashion commercial enterprise in China

In September 2006, both Shenyang Nanjing Street Branch Store and Harbin Store were awarded the Grand Prize in the “2005-2006 Huajun Annual Award of the Most Trendsetting Fashion Commercial Enterprises in China” (華潤2005-2006中國最具時尚影響力服裝商業企業年度大獎) presented by the organising committee of China (Dalian) International Garment and Textiles Fair (中國(大連)國際服裝紡織品博覽會).

The first China (Dalian) International Garment and Textiles Fair opened on 9 September 2006, with 150 department store businesses short-listed for awards and 30 apparel-related enterprises actually winning an award.



The judging panel consisted of representatives from businesses operating celebrated brands, from the consumers, the media and professionals in the industry. The criteria for award included outstanding business results, high concentration of fashionable brands, comfortable shopping environment, high management standard and popularity with consumers.



#### “Jing Ding Specialty Department Store” (金鼎百貨精品店)

In October 2006, Shanghai Huaihai Branch Store was assessed and honoured among the first batch of *Jing Ding Specialty Department Stores* by relevant organisations and specialists under the Ministry of Commerce, following recommendations by commercial authorities in Shanghai.

To be eligible for award, the department store must possess an operating floor area of over 10,000 square metres, a total annual sales of over RMB200 million, a sales profit rate of over 3%, and a percentage of Chinese and foreign brands in excess of 50% and 25%, respectively, of the product portfolio. Only 14 department stores in China were so honoured within the year and just three of them were located in Shanghai.

#### “Authorised Genuine Product” (正版正貨) and “Advanced Enterprise” (先進企業)

In February 2007, Wuxi Store became the first enterprise in Jiangsu Province to receive authorisation on a pledged pilot basis from the Intellectual Property Office of Jiangsu Province to carry the “Authorised Genuine





Product” label. The store also won designation as an “2006 Advanced Enterprise in Development of Service Industries in Chongan District of Wuxi” (無錫市崇安區2006年度服務業發展先進企業) and was awarded the “Advanced Enterprise” plaque and certificate.

## D. SOCIAL ACTIVITIES

### Calligraphy and paintings exhibition on Children’s Day

On Children’s Day 1 June 2007, Ningbo Store held an in-store exhibition of calligraphy and paintings by children parented by company staff. The exhibition attracted attendance from many parents who brought along their own children. About 80 pieces of works of art were on display that day. Colourful, riveting and full of childlike innocence, the works embodied boundless creativity from the children of Ningbo.