

# Corporate Social Responsibility



● Thanks to a 3 Italia programme, 11 hectares of woods at Milan's northern park was reforested.

● Port of Felixstowe helps the refurbishment of the Langer Primary School's library and participates in the opening of the latter.

With a portfolio of businesses that span across the globe, HWL works and plans diligently to build on our success to achieve long-term growth. Businesses are encouraged to innovate and individuals are given creative platforms to explore. At the same time, each business is managed prudently to ensure steady growth through sustainable business models.

Each of the Group's businesses work hard to build a strong foundation in its local market through delivering quality products and services, and through contribution to charitable activities and sponsorship initiatives to connect with the local communities.

## Giving Back to Society

Giving back to the community is an important element to being a responsible corporation. The Group serves local communities through volunteerism, charitable activities and sponsorship initiatives that span the spectrum to improve the overall standard of living for those around us. The following are some examples of the activities the Group was involved in last year.

### Environment

The Group seeks to improve the environment not only for future generations of mankind but also to ensure the survival of wildlife.

Husky announced a C\$1.625 million commitment over five years towards a biofuels research programme at the University of Manitoba. Husky's contribution will be used to establish the Husky Biofuel Research Fund to help the University of Manitoba create two research chairs in biofuels focusing on ethanol.

In Italy, to help offset carbon emissions, 3 Italia launched a handset "Re-generation campaign" that inaugurated 11 hectares of woods. 3 Italia also uses renewable energies for its power needs.

HK Electric donated over HK\$1 million to sponsor renewable energy projects at local schools in Hong Kong to encourage the study and application of renewable energy. HK Electric also donated HK\$125,000 to the World Wide Fund for Nature Hong Kong to support their work in environmental protection and education. In addition to financial contributions, HK Electric volunteers and family members also took part in weed-clearing, tree-planting and eco-tour projects to help promote environmental awareness in the community.

Combining technological innovation and environmental protection, HIT deployed electric rubber-tyred gantry cranes as part of an electrification programme that will reduce diesel emissions.

Other HPH subsidiaries are also very active in local environmental projects. For example, Lazaro Cardenas Terminal Porturia de Contenedores, a port in Mexico, supports "Save the Turtles", a programme to protect local turtles and their breeding grounds and educate the community about the dangers the animals face.

### Community

Volunteerism is encouraged across the Group and our employees have enthusiastically served the communities with their time, talents, and heart. The HWL Volunteer Team, formed by the Group's employees in Hong Kong, has contributed time and energy to help children and families lead a harmonious, healthy and happy life. Over the past year, HWL Volunteers have put on a range of activities for the community in conjunction with various social organisations.

This year, under the motto of the 3Hs - Harmony, Health and Happiness, HWL Volunteers brought youths from minority groups together with local children to visit the Olympic Equestrian facilities. The programme helped promote diversity and understanding for the

children as well as introducing them to the Olympic Sport that Hong Kong hosted. The Volunteer Team also initiated a programme with the Hospital Authority to serve terminally ill cancer patients and their families at several hospital's hospice centres.

Many businesses look for innovative ways to help their community. In Beijing, Great Wall Sheraton Hotel organised blood drives and a separate programme to donate bicycles to financially strapped schools and families. In Hong Kong, Metro Broadcast partnered with celebrities and artistes to sell cookies to raise funds for the elderly.

In Australia, 3 Australia volunteered at the Royal Institute for Deaf and Blind Children, helping organise a sports day and barbeque for the children, families and friends.

In Israel, some employees painted the homes of the elderly while others organised sporting activities for children recuperating from cancer.

TOM donated books to encourage children and youngsters to spend more time reading. TOM also held a charity book sale with the proceeds going to the reconstruction of an orphanage in Jin Tang County, the Mainland.

HK Electric donated over HK\$450,000 to 19 elderly service agencies in Hong Kong to promote life-long learning and volunteerism among retirees. Over 6,500 senior citizens benefited from the project. HK Electric also donated HK\$100,000 to the Music Concert for Youth.

Marionnaud France raised €112,000 on International Women's Day to help domestically abused women overcome their sufferings.

The Kowloon Hotel participated in the "School-Company Partnership" programme organised by Youth Entrepreneurs Development Council. Through group discussion, games and various activities, the programme introduced entrepreneurship to youngsters at the early stage of career planning and let them gain exposure to the business world.

Putting on a different hat, chefs and volunteers from Harbour Plaza North Point and the Hong Kong Rugby Team spent a sunny and sporty morning with children from Precious Blood Children's Home where the children were given tips to making Swan Cream Puff and a taste of rugby.

## Education

Education is the best way to invest in the future by nurturing talents for tomorrow.

HWL donated £564,000 to the Hutchison Chevening Scholarships that will fund 75 young postgraduates from Hong Kong and the Mainland to pursue their studies in British Universities. Over 420 scholars have benefited from the scheme since its inception.

HK Electric sponsored HK\$340,000 to the Centenary Trust Scholarship to provide financial assistance to secondary students in need. In Israel, Partner donated computers to schools and libraries around the country.

HPH, through its renowned Dock School Programme, continues the tradition of encouraging the educational development of the communities they operate in. The Korean, Ningbo and Xiamen ports were among the many who offered scholarships to local students to support their studies. Employees like those at the Port of Felixstowe, volunteered at their local schools. Other ports such as the Mexican and Guangxi ports helped by donating teaching equipment such as computers and servers so that students will have access to these important educational aids.

## Medical / Healthcare

The Group is keen to support initiatives that promote public health and medical research and development.

In the UK, Superdrug organised a fundraising ball "Out of this World", raising a total of over £300,000 for three charities including the Teenage Cancer Trust. 3 UK colleagues scaled the 5,895-metre high Mount Kilimanjaro, raising £12,000 for the Macmillan Cancer Foundation.

In Canada, Husky donated C\$500,000 to Husky Energy Easter Seals House, an accessible recreational facility for children with disabilities in St John's, Newfoundland and Labrador. The state-of-the-art facility will benefit more than 1,500 children. The donation was in addition to the C\$250,000 Husky Energy donated the year before.



- In addition to watching the Olympic Equestrian Games, volunteer programme "Go! Go! Go! Olympics" provides a series of equestrian related activities to integrate 60 students of different nationalities during the summer.

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- Participants busily prepare healthy dishes at HK Electric's "Healthy Eating and Smart Cooking Competition" under the Company's annual Smart Power Campaign in June 2008.

### Arts and Culture

Part of the support for the community is through donations to cultural events so that communities can have a better understanding of different countries and territories and their cultures.

In 2008, the Group contributed HK\$150,000 to the Le French May festival in Hong Kong to help promote art and cultural exchanges.

Hutchison Whampoa Property Group is very active in introducing different arts and cultural activities for residents and the local communities. These initiatives include Chinese opera, lion dance, arts education, fashion shows and even automobile shows.

HK Electric donated HK\$220,000 to community groups and rural Committees for various cultural projects including traditional festival celebrations and the Dragon Boat races.

### Sports

The Group is a firm supporter of sports development and encourages its employees to lead a healthy lifestyle. This year, the Mainland's capital hosted the world's biggest sporting event, the Beijing 2008 Olympic Games. The Group and its subsidiaries were pleased to support the Games and promote the Chinese cities' people and culture to people around the world. Headquartered in one of the co-host cities, Hong Kong, the Group also had the opportunity to initiate a variety of programmes to encourage the community's participation in sporting events and promote camaraderie and a healthy lifestyle.

The A S Watson Group Hong Kong Student Sports Awards honoured 802 primary, secondary and special school student athletes. The programme also brought student athletes to a preview tour of the Olympic Stadiums.

Following the Olympic Games, Hong Kong is gearing up for the next major sports event in the city. Watsons Water has thrown in its support of the 2009 East Asian Games as a diamond partner.

### Disaster Relief

The year 2008 was marked by several major natural disasters around the world. Our Group spared no time to respond to the catastrophes and show support to the colleagues, families and the communities that are affected by the crises. As time is critical in such circumstances, the Group responded with financial support or delivery of daily necessities in order to meet the most urgent needs of the victims.

In May, one of the deadliest earthquakes of all time hit the Sichuan province in the Mainland. The earthquake, measuring 8 on the Richter scale, killed over 60,000 people and left hundreds of thousands injured and millions homeless.

HWL, along with Cheung Kong Holdings and the Li Ka Shing Foundation, donated over RMB135 million to different projects to aid victims of the Sichuan earthquake and help with the rebuilding process. Among the programmes are financial aid for students affected by the quake. Many of the Group's businesses initiated fund-raising activities as a show of support for the people in Sichuan.

Cyclone Nargis hit southeast Myanmar on 9 May 2008 displacing 100,000 people. Through a matching programme by the HWL Volunteer Fund, the Group raised over HK\$450,000 for UNICEF's emergency efforts in Myanmar.



- HPH and Mexico's Union of Entrepreneurs for Technology in Education jointly open a computer lab for students in Ensenada, Mexico.



● Husky Energy Easter Seals House is named in recognition of Husky's donation of C\$750,000.



● A S Watson Group Hong Kong Student Sports awardees visit the National Stadium, the Aquatics Centre and the National Sport Training Centre in Beijing.

## Stakeholder Engagement

As a multi-national corporation operating with a diverse business portfolio, the Group and its operating companies hold dialogues with different stakeholders including shareholders, employees, suppliers, customers, regulators, academics and non-governmental organisations. In a difficult economic environment, we listen to the differing opinions of the stakeholders and seek a balance when planning the best way forward for the company and the communities we are in.

The Group understands that through constructive dialogue, we can all strive for a world that is better for future generations.

It is through engaging stakeholders and committing to the community, we believe we can make a positive impact to the world we live in and generate long-term value for our shareholders.

### Shareholders

The Group is committed to enhancing shareholder value through long-term planning and effective execution of approved plans. Management is tasked to be diligent in the allocation of the Group's resources and to minimise risk while maximizing returns in a prudent manner.

For transparency, the Group carries frequent conversations with the financial community including analysts, fund managers, and other investors.

### Suppliers

Upholding local and international laws and treating individuals with respect and dignity is the responsibility of all corporations. At the Head Office, we look to lead by example. We have instituted a policy that vendors and suppliers who wish to provide printing services, including the Annual Report, have to agree to a covenant based on the United Nations Global Compact. The principles include non-discriminatory hiring and employment practices, a safe and healthy

workplace, complying with environmental laws and prohibition of child labour. In Europe, A S Watson Group joined the Business Social Compliance Initiative which calls for, among other things, strict legal compliance of all applicable national laws, regulations, industry minimum standards and ILO and UN Conventions.

### Government

As the Group operates across a wide-spectrum of industries around the world, operating companies are not only compliant with the laws and regulations in the countries that they operate, they will, on occasion, work with local authorities and organisations to improve industry standards and trade practices.

### Customers

Customer feedback is important especially in the face of the changing economic situation. The Group's subsidiaries have numerous mechanisms to gather feedback from customers about their products and services.

Education programmes to help customers make informed choices not only benefit the customers, they help bring back return business. One of the Group's retailers, PARKNSHOP, pioneered "Farm Check", a barcode tracing system to track down vegetable to the farms they were grown, in addition to "Fishipedia", a resource for customers to find the perfect fish, an important ingredient to Chinese cuisine, Hygiene is a top priority as fish counter staff are examined by doctors and trained at PARKNSHOP's Fresh Check Food Hygiene Academy before qualifying as fresh food handlers.

The motto of the HWL Volunteer Team, "the 3HS - Harmony, Health and Happiness", encompasses the common themes of the myriad of community programmes the Group is involved in around the world. We are looking to promote harmony acceptance and celebrate differences. It is through constructive dialogues and interaction with the community that will help the Group grow and prosper.