



Environmental, Social and Governance Report



1 The Group encourages employees to take part in work-life balance activities and community service.

2 3 Staff members play an active role in community service.

The Group is committed to the long-term sustainability of its businesses and the communities with which it engages. We deliver quality products and services to our customers by managing our business prudently and diligently and executing management decisions via our hard-working and dedicated employees.

Stakeholder Engagement

Dialogue is maintained with stakeholders that include shareholders, customers, employees, suppliers, creditors, regulators and the public. We seek to balance the views and interests of these various stakeholders through constructive conversations with a view to charting a course for the long-term prosperity of the Company and the communities we touch.

Shareholders

The Company is committed to enhancing long-term shareholder value. The Group maintains frequent discussion with financial community members, such as analysts, fund managers and institutional investors, in order to increase the transparency of the Company.



4 We support community and charitable activities with cash donations and service sponsorship.



5 Children from the Families of Spinal Muscular Atrophy Charitable Trust have fun at a 3Experience Workshop.

Customers

Customer feedback plays a very important role in the operation of the Group. We deploy numerous mechanisms to gather customer comments and recommendations so as to improve our products and services. New technologies, such as social networking tools, are used to gather customer views.

Employees

Hard-working and dedicated employees are the backbone of a company. We treasure our loyal and industrious staff members who are able to take advantage of many career opportunities as the Group expands. In addition, the Group adopts non-discriminatory hiring and employment practices and strives to provide a safe and healthy workplace.

Vendors / suppliers

The Group has implemented a policy relating to vendors and suppliers selection taking into consideration best practices including quality of services and products, past performance, financial position and market share assessment.

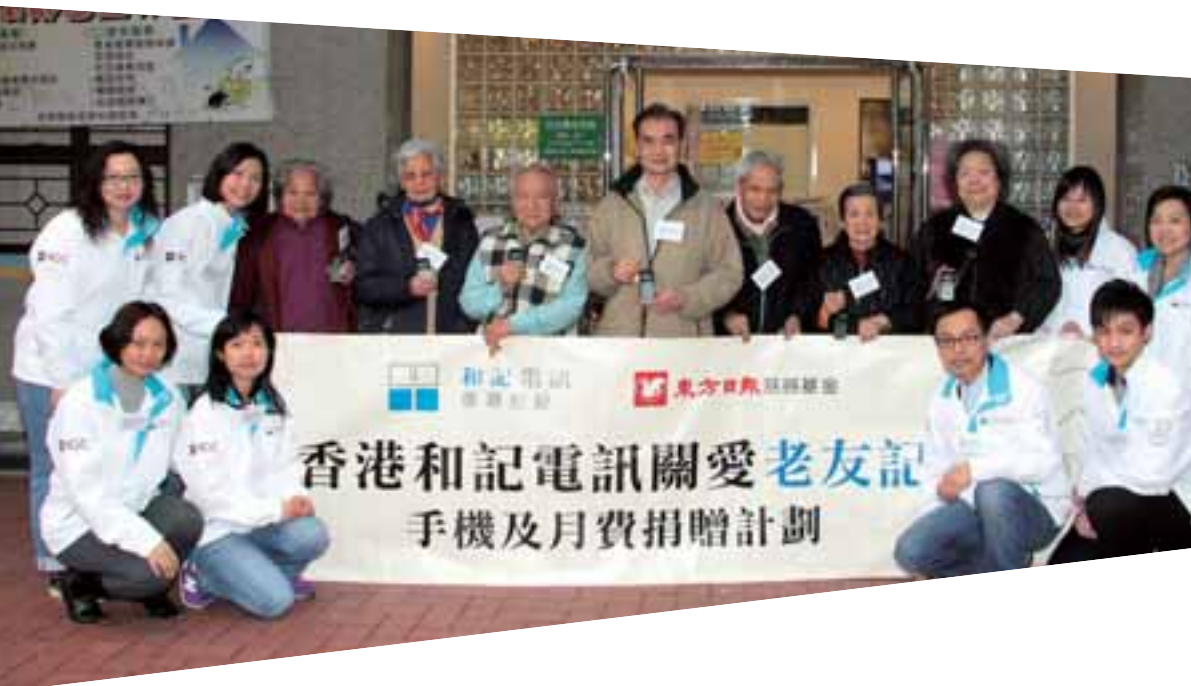
Government / public

We make strenuous efforts to ensure compliance with the laws and regulations of the jurisdictions in which we operate. The public at large is also an important stakeholder of the Company. A stable and prosperous community is important to the steady growth and long-term future prospects of the Group.

Workplace Quality

As of 31 December 2011, the Group employed 1,791 full-time staff members. Staff costs during the year ended 31 December 2011, including directors' emoluments, totalled HK\$646 million.

We believe the quality of our employees is crucial to maintaining a leadership position in the market. With this in mind, we seek to attract and retain talented individuals committed to achieving goals and objectives in a work environment that nurtures values such as fair play, respect and integrity. Compensation packages are competitive, and individuals are rewarded according to performance plus an annually-reviewed framework of salary, working conditions, bonuses and incentive systems. Benefits include medical cover, provident funds, retirement plans, long-service awards and a share option scheme.



1 Senior citizens are introduced to the world of mobile communications in which to experience user-friendly phones and service.



2 Our volunteer interacts with youngsters from the Hong Chi Association.

Heavy emphasis on career development translates into extensive and ongoing training, according to the need of the Group. We also encourage employees to take part in work-life balance activities and community service. During 2011, these included employee outings, sports events, community volunteering and charitable organisations support.

The Group is committed to providing a healthy and safe workplace for all employees. Health and safety considerations are incorporated into the design, operations and maintenance of the premises of the Group. The Group also engages with employees in order to address occupational health and safety issues in a positive manner.

Environmental Protection

The Group has been awarded a "RepuTex A" rating and was ranked 12th in environmental, social and governance performance (ESG) in RepuTex's Top 20 Hong Kong ratings.

As part of our long-term environmental strategy to reduce paper consumption, the Group continued a large-scale "Go Paperless" campaign to encourage customers to receive electronic billing information via email or Short Message Service ("SMS"). The campaign helped reduce the volume of paper bills and served to demonstrate our ongoing commitment to conducting business in an environmentally-sustainable and responsible manner.

Management of our office building involves use of Nanoflex reflectors for illumination, which helps reduce the number of lighting fixtures and power consumption. We also installed building management system software to control air-conditioning and the lighting system in order to achieve energy conservation. Recycling and use of eco-friendly stationery, plus a series of measures to save paper and energy, resulted in more efficient use of resources, as well as reduction of waste.

Operating Practices

Consumer interest protection

A high priority of the Group is to ensure our customers satisfaction experience when using our products and services. We have implemented strict data protection mechanisms to ensure confidentiality of our customers' data, and continually remind our employees of the importance of safety and protection where our customers are concerned. In addition to issuing guidelines and handbooks, the Group conducts regular customer-facing employee training to ensure customers' personal data is protected.



3 Children benefiting from the Meal-subsidy Plan organised by the Hong Chi Association enjoy reading with our volunteers.



4 Mobile phones are donated to charity organisations to help get the community better connected.

Anti-corruption

The Group takes its anti-corruption responsibilities very seriously. In 2011, we organised numerous Corporate Governance seminars to review good business practices, anti-corruption measures and guidelines, and operating practices and business ethics. All managers are expected to communicate and instill a culture of good corporate governance to their staff. In addition, we have updated several group policies, including those relating to anti-bribery and anti-corruption.

Serving the Community

We uphold a firm commitment to serving the community by organising charity programmes that support a vast range of social activities. In 2011, a donation of about HK\$500,000 was made to charitable organisations.

We took the initiative to organise 3Experience Workshops for children supported by the Families of Spinal Muscular Atrophy Charitable Trust. Our employees acted as hosts and introduced members of the Trust to the fun of mobile communications and the latest mobile devices.

Mobile phones were donated to charity organisations including the Hong Kong Red Cross, The Tung Wah Group of Hospitals, St James' Settlement, the Social Work Services Division of Caritas-Hong Kong and the Christian Nationals' Evangelism Commission Aged People Centre.

The Group supported the Meal-subsidy Plan organised by the Hong Chi Association by sponsoring students from underprivileged families with free lunch. Hong Kong Single Parents' Association members benefited from our cash donations to an adult education subvention scheme that provided members with re-training courses.

Throughout 2011, we supported social and charitable organisations in fundraising events, sports activities, health promotions and social welfare programmes - either in the form of cash donations, service sponsorship or provision of free publicity via SMS and bill inserts.