



Environmental, Social and Governance Report 2016



寶龍地產控股有限公司

POWERLONG REAL ESTATE HOLDINGS LIMITED
(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)
Stock code: 1238

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About This Report

“This Report is the first Environmental, Social and Governance report (this “Report”) of Powerlong Real Estate Holdings Limited (the “Company”) and its subsidiaries (collectively as the “Group” or “Powerlong”)

This Report complements our 2016 Annual Report where our financial results and corporate governance practices are outlined. It provides information to our stakeholders on the environmental and social performance and our plans and targets for the future. Unless otherwise mentioned, the information and data disclosure in this Report are from the Group.”

Reporting Period

This Report covers the period from 1 January 2016 to 31 December 2016 (the “Reporting Period”). The information presented in this Report provides the Company’s policies performance on environmental and social sustainable development.

Reporting Organizational Boundaries

This Report covers the environmental and social performance of the Group and the reporting organizational boundaries of this Report are based on the principle of operational control.

Reporting Guidelines

This Report is prepared in accordance with the “Environmental, Social and Governance Reporting Guide” in Appendix 27 to the Rules Governing the Listing of Securities and on the Stock Exchange of Hong Kong Limited (the “SEHK”).

Reporting Declaration

This Report lays emphasis on the process management, as well as its significance, balance and consistency. The Report makes a thorough introduction to the Group’s ideology and policy. The Group hereby ensures the reliability, authenticity, objectivity and timeliness of this Report. By publishing the Report, the Company looks forward to enhancing its communication and cooperation with all stakeholders and promoting the sustainable development of economy, society and environment.

The Preface

2016 was the first year of the Group's latest five-year plan. Amidst the complexity and fluctuation in the property market, the Group precisely comprehended market trend and achieved substantially in pushing ahead its strategic moves. Based on the operation ethos of "Strong Consensus, Quality Breakthrough, Effective Operation and Team Recomposition", the year of 2016 saw the grand opening of benchmark projects and record-high property sales and commercial operation, laying a solid foundation for the next phase of the Group's lead-forward development.

Contracted sales hit another record high for the year, reaching RMB17.6 billion or a year-on-year growth of 23.3% as compared to the year of 2015. On a cumulative basis for the entire year, the Group acquired 13 quality land parcels. As of 31 December 2016, the Group had 66 projects across China, and the total gross floor area ("GFA") of the Group's land bank was approximately 13.2 million square meters.

In 2016, the Group's business operation managed to highlight its core competitiveness, the Group recorded rental income and property management services income of RMB1.4 billion, representing an increase of 26.3% over last year. As of 31 December 2016, the number of shopping malls currently operated and managed by the Group reached a total of 31, allowing the Group to outperform other industry players in terms of quantity and area of projects. Having entered the commercial real estate industry for 13 years, Powerlong Plazas operated by the Group have been awarded "TOP 10 Brands of China Commercial Real Estate" for seven consecutive years.

In 2016, the Group consistently supported sustainable development of environment. As a Chinese real estate developer and urban complex operator, the Group not only ensure its strict compliance of relevant local and international environmental laws and regulations, but also considering green building as a substitute for general building development in construction development going forward. Tower 01-05, 20-02, Shanghai Qibao Powerlong City, opened in October 2016, was a 2-star certified in Green Building Design Label Certification, which offered a new way of real estate development.

In 2016, the Group continuously contributed to the development of community and society. The Group set up the "Powerlong Public Welfare Foundation" (the "Foundation") in October 2016. The Group also intends to inject capital of RMB 200 million in the Foundation which will be mainly used for social poverty alleviation and traditional culture poverty alleviation works. Later, "Powerlong Public Welfare Foundation" for the purpose of the "to Practice Social Responsibility, to Serve Community and Society", will contribute to charitable projects such as poverty alleviation, social care, culture and education, health care and environmental protection etc.

Facing new opportunities in 2017, the Group will continue to uphold the belief of "Credibility, Courtesy, Innovation, Enthusiasm", and the sustainable development philosophy of environment and society, to make the Group well-respected benchmarking player in the industry.

Group Introduction

About the Group

The Company was listed on the Main Board of the SEHK on 14 October 2009. The Group is committed to improving the living standard of the citizens and driving the urbanization progress in China. The Group owned and operated 66 real estate projects as at 31 December 2016. Powerlong Plaza which comprises of shopping malls, restaurants, leisure and other recreational facilities has created a unique business model, drawing extensive attention and recognition from the government and the public. Each project does not only promote the regional economic development, but also improves the retail facilities of the cities and creates job opportunities. The upgrade of people's living standard is a key driver for city quality improvement.

The successful development of the Group is also attributable to the innovative vision from the Chairman of the Company, Mr. Hoi Kin Hong. Mr. Hoi instilled his insights and visions at the beginning of the corporate development and drove the evolvement. The Group will continue to uphold the belief of "Creditability, Courtesy, Innovation, Enthusiasm" and build up an efficient and excellent team to create values for the society, customers, shareholders and its employees.

Business Overview

The Group's core business field involved property development, property investment, property management, hotel development and asset-light management project.

Property Development: As at 31 December 2016, the Group owned and operated 66 property development projects which are at different phases of development. The Group currently has 25 fully completed projects, and 41 under development and held for future development projects. In the future, keeping Shanghai as the core focus, the Group will also intensively explore other six cities including Suzhou, Hangzhou, Xiamen, Fuzhou, Nanjing and Ningbo to achieve sustainable development.

Property Investment: As at 31 December 2016, the Group held investment properties, mainly shopping malls, with total GFA of approximately 3,865,950 square meters. These shopping malls are mainly located at Shanghai Municipality; Zhenjiang, Yangzhou, Wuxi, Changzhou, Suqian and Yancheng in Jiangsu Province; Hangzhou in Zhejiang Province; Fuzhou, Jinjiang and Anxi in Fujian Province; Yantai (including Laishan and Penglai), Tai'an and Qingdao (including Chengyang, Licang and Jimo) in Shandong Province; Zhengzhou, Luoyang and Xinxiang in Henan Province; Bengbu in Anhui Province; and Chongqing Municipality.

Property Management: The Group provides after-sales property management services to the households of each project developed by the Group through its wholly-owned property management subsidiaries. Such services include maintenance of public utilities, cleaning of public area, gardening and landscaping, and other customer services.

Hotel Development: The Group continued to develop its hotel business as a source of long-term recurring income. It has the core businesses of international brand hotels and self-owned brand chain hotels. As at 31 December 2016, the Group owned 9 international brand hotels and 3 self-owned brand chain hotels.

Asset-light Management Project: As at 31 December 2016, the Group managed two asset-light management projects.

Company Concept

Corporate Mission: Contributing to Urban Prosperity and Creating New Values

Development Vision: Committed to becoming a respectful leading operator of city complexes in China

Corporate Philosophy: Honest, Modest, Innovative, Devoted.

Corporate Brand Slogan

宝龙与城市共成长
Integrate with the Growth of Cities

Product Brand Slogan

让生活更精彩
AMAZING
LIFE

“Three-wheel Drive”

- ★ Business Operation Expert
- ★ Quality Real Estate Expert
- ★ Asset Management Winner

Employee Care

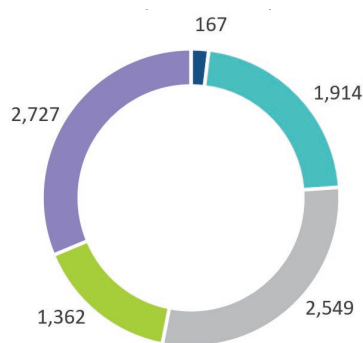
“The Group regards employee as the most precious asset, attaching great importance to working on attracting, developing and motivating talents. Powerlong builds a platform upon which all employees can utilize their potentials, and unleash their energy to the fullest extent. At the same time, the Group also elevates its employee care, incubates the sense of belongings on the ethos of “Shared Devotion, Pathway and Passion”, to create a happy and vivid atmosphere in the workplace.”

With reference and having considered the “Company Law of the People's Republic of China”, the “Labour Law the People's Republic of China”, “Law of the People’s republic of China on Employment Contracts” and other related regulations, the Group has formulated the “Human Resources Management System Compilation” taking into consideration of the Group’s factual situation and circumstance. This system provides detailed requirements on employee attendance, holidays, welfares, salary, employment and trainings. The Group requires both headquarters and all subsidiaries to strictly adhere to these requirements. During the Reporting Period, the Group did not receive any complaints about infringement of employee rights.

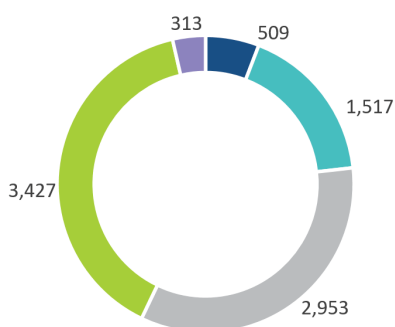
Employee Composition (As at 31 December 2016)



Gender		No.
Female		3,364
Male		5,355
Total		8,719



Education Level		No.
Master Degree and Above		167
Bachelor Degree		1,914
College Degree		2,549
Secondary School		1,362
Others		2,727
Total		8,719



Age Structure		No.
Above 51		509
41-50		1,517
31-40		2,953
21-30		3,427
Above 20		313
Total		8,719

Equal Employment Opportunity

The Group adheres to the "open recruitment, position competition, preferred hiring, allocation optimization " principle during its employee recruitment process. The Group has established an evaluation system in combination with its own situation to objectively assess candidates' suitability. Further, the Group places great importance to ensure that the Group will not hire those who, such as child and forced labour, who are prohibited to be hired by laws.

The Group has formulated viable recruitment process to ensure that the recruitment process is fair and open. From application to the employment department to the employer audit, and then from the recruitment information being published, to employees' interview and background investigation, till at last to the final approval, the Group ensures that detailed description and written statement are required for each step to maintain sufficient evidence and justice throughout the hiring process.



Welfares and Benefits

Guidelines for Salary Management

The Group has established "Guidelines for Salary Management" with the principle of "salary is consistent with post contribution", and in this way, employees could get different level of salary in accordance with the actual capability and achievement. The Group also published salary policy whilst keeping salary data confidential. After objectively formulated the salary policy, the Group focused on protecting employee's privacy.

Besides, the Group regularly organizes salary review on an annual basis. In addition to the general salary adjustment plan, the centres and departments determine individual compensation adjustments based on their ability, performance and incentives.

For the individual adjustment, the Group has implemented the principle of "salary matches position" including the salary of employees with changing positions.



 Guidelines for Welfare Management



For the employees above the level of associate director and frequently travel around, the Group bought traffic accident insurance for them. During special occasions, the Group also gives out birthday gifts, wedding gifts, birth gifts, condolences, and accommodation subsidies for visiting relatives and other special benefits to bring warmth and encouragement to employees.



The Group also attached importance to the health of its employees, arranged employees to conduct body check every year, and arranged canteen meals for employees. For the real estate company, the Group provides additional subsidies such as communication subsidies, housing subsidies, employee apartments and computer subsidies. Besides, the Group also organized various employee activities to enrich employees' life and formatted more diverse corporate culture.

The Group concerns about the real needs of employees, and regularly holds employee seminars to listen to the views of employee and helps employees to resolve problems they have encountered at work.

 Safety and Health

Considering safety and health of employees, according to “Law of the People's Republic of China on the Prevention and Control of Occupational Diseases” and “The Regulation on Work Safety License”, the Group formulated a series of principles on aspects such as offering safe working environment and preventing employees from occupational diseases. As for high risk working area like engineering and construction, more strict and detailed requirements for safety prevention and management are formulated to ensure employee’s safety in different aspects. During the Reporting Period, the Group has complied with all relevant laws and regulations in relation to work safety which has a material impact on the Group.



Policy for Safe Working Environment and Preventing Employees from Occupational Diseases

For the direction to prevent, control and eliminate occupational hazards, prevent and treat occupational diseases, protect employees' health and promote economic development, the Group formulated this policy with the principle of "Combination of prevention and treatment" to conduct classified and comprehensive management.



Policy for Occupational Health Management

Control occupational safety and health for employees from all aspects. The policy includes carrying out body check for new recruits and putting in place appropriate arrangement for employees who are occupational contraindications and allergy patients; carrying out regular health checks for registered employees who are exposed to toxic and hazardous substances; and conducting active treatment for confirmed patients with occupational diseases.



Policy for Engineering Management

Specific regulations on safety management are conducted. The general contractor is required to prepare safety construction plans under the safety disciplines of both the country and the project location, and also the contract requirements. All the plans shall be implemented after being approved by the supervisors and real estate company.



Safety and Civilization Construction Regulations

Enhance the safety awareness both from the general contractor and supervisor to ensure the safety of employees.

Training and Development

The Group has been committed to growing together with employees. The Group developed “training management system” to provide better opportunity and platform for employees who have willingness and ability to learn the knowledge and encourage them applying learned knowledge and skills to work practice to enhance personal performance and lead the team to grow.



Powerlong Business School

Powerlong Business School, as a personnel training and development institution of the Group, adheres to the "professional, practical and open" training concept and relies on the Group's rich experience on development, operation and management of commercial real estate, Powerlong Business School effectively integrates internal and external training resources to accelerate the training and development of the comprehensive ability of talents on both commercial real estate development and operational management aspects.

Powerlong Business School's vision is to become one of the most respected business universities in the commercial real estate industry. Powerlong Business School has also become one of the most important components of Powerlong brand, which has cultivated high-quality commercial real estate management talents for the rapid development of Powerlong, and provided systematic training solutions to the effective operation of full value of Powerlong commercial real estate.

For different profession and job level, Powerlong Business School carried out leadership and employees' professional training, and established specific training system at the same time. The content of specific training included corporate culture, new employee orientation, cross-department training and professional skill training, which made trainings comprehensive and targeted.



In accordance with ISO10015
International Training Management Standards

New Employee Orientation

To help new employee learn about the Group, and to faster integrate into the Group, and to enhance the sense of belonging of employees.



Cross-Department Training

To help employees better understand the Group's other key functional departments, and learn about correlation and coordination of different functional departments to strengthen employees' cross-departmental communication and collaboration awareness.



“Feilong Talents”

Aim to cultivate different level of talents that fulfill the core corporate culture by means of internal talents' identification and development.



Conduct specific training by means of collective training, internal rotation, tutor system, quality assessment, knowledge share and other forms.



“I am a Powerlonger”

The newly established company should conduct "I am a Powerlonger " training in a month after the basic department structure is completed, or the key management employees are in place. The training should be launched by the new company, and assisted by Powerlong Business School.



Case study

I am a Powerlonger

In order to ensure that Powerlong’s corporate culture can be quickly established in a new company, training plan for “I am a Powerlonger” was conducted in full swing in all newly established subsidiaries.

Content of the training is separated into 3 aspects including various Powerlong culture, Powerlong project and talent strategy. During the training, employees will clearly recognize Powerlong’s development process, project profile and talent concept, and this training will also enhance the sense of belonging of employees.

After the training, tutors would conduct satisfaction survey and summarize assessment report.

In addition to spreading of corporate culture and spirit, "I am a Powerlonger" training system also concerns about employees’ interested topics like introduction of personnel and welfare system, work instructions and the usage of operating instructions to offer actual help for employees.



培训效果评估表		培训日期	培训地点	培训对象
培训名称	“I am a Powerlonger”	7月	宝龙	宝龙员工
培训讲师	宝龙培训师 (姓名)			
培训时长	1天			
培训地点	宝龙培训中心			
培训对象	宝龙新员工			
培训目标	1. 了解宝龙企业文化、发展历程、项目概况、人才理念 2. 明确宝龙核心价值观、行为准则、规章制度 3. 掌握宝龙业务流程、岗位职责、工作标准 4. 增强宝龙员工的归属感和责任感			
培训效果	非常满意			
培训反馈	宝龙培训师 (姓名)			
培训总结	宝龙培训师 (姓名)			
培训日期	2016年7月			
培训地点	宝龙培训中心			

⊕ Anti-Corruption Policy

Employee Integrity and Self-discipline Regulation

Employee Self-discipline Commitment

Integrity and Law-abiding Commitment

Honesty and self-discipline are the basic code of professional conduct for every Powerlong employee.

In accordance with related national regulations and the Group's own situation, the Group formulated "Employee Integrity and Self-discipline Regulation", and the self-discipline training would be concluded at new employee orientation. All the employees above department manager level and the whole procurement and tendering department are required to sign "Employee Self-discipline

Commitment". Besides, suppliers and contractors of Powerlong should sign "Integrity and Law-abiding Commitment". Throughout all these measures, the Group would like to ensure all employees keep integrity and adhere to professional ethics.

Besides, the Group provides clear whistle blowing channel, and the specific department personnel would be assigned to carry out investigation and keep confidential for complainants and informants. Mutual supervision could be enhanced throughout these measures.

The Group are not aware of any material breach of laws and regulations pertaining to the prevention of bribery, blackmailing, fraud and money-laundering during the Reporting Period.

☀ Employee Life

The Group is committed to creating a large family for employees. Powerlong maintains the tradition of celebrating birthday for employees, organizing employees to participate in various family activities and establishing Happy Family Day. It is expected that behind every employee's small family, there is blessing and support from the Powerlong large family.

Besides, Powerlong held a variety of professional games to combine the training and activities, like engineering competition, financial competition, planning competition, speech competition and martial arts competition. Throughout different competitions, not only the professional ability of employees was improved, but also employees were allowed to spread imagination and release working pressure. Besides, employees from different branch companies have more opportunities to communicate and learn from each other.

👨👩👧 Happy Family Day



🎂 Birthday Party for Employees



Planning competition



Engineering competition



Martial arts competition



Financial competition



Product and Service

Product Quality

Real estate is the core business of the Group, and product quality is the most important part. The Group has identified “Quality Products” as its working direction. The Group will be committed to setting up the quality system, instilling the notion of quality into the Group’s gene, and making quality products a matter of habit. The Group aims to continuously uplift its brand image.

The Group also carried out quality accountability and incentive activities. Throughout rewards and punishments, not only the work enthusiasm were motivated, but also the mutual supervision and common progress were achieved. The Group also hired third party to conduct on-site inspection for quality, safety and environmental issues to ensure quality of products.

During the Reporting Period, the Group has complied with relevant laws and regulations in relation to product responsibility that have a significant impact on the Group.

01 Project Management Policy

To make detailed regulations from the beginning of the process, to the specific quality control and the final delivery inspection.



02 Project Quality Management Policy

The policy regulated the project management, enhanced the quality of buildings, and created Powerlong’s high quality image.

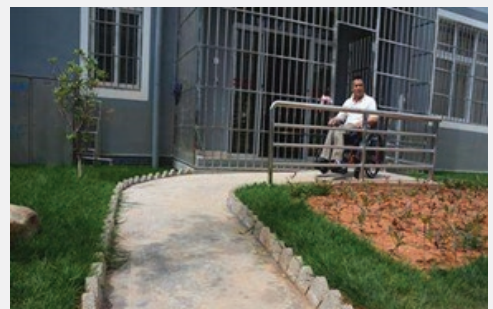
03 Audit Policy for Cut Corners

Throughout the policy, the Group would improve audit efficiency of cut corners, and allocate the responsibilities to contractors, subcontractors, supervisions and internal relevant person in charge.

Owners Care

Creating living environment with convenient facilities for property owners is the purpose of the Group's residential property management. In addition to enhancing the infrastructure to provide a better environment, Powerlong provided a wide range of activities for the owners in the name of Powerlong Community which also provided a platform for communication. From the view of owners’ health, Powerlong Community increased the proportion of green space, tested indoor air quality and water quality monitoring regularly.

In addition, the Powerlong Community also advocates owners to implement waste classification, recyclable resources collection and old clothing recycling. With these measures, the owners and the Powerlong Community gathered little bit goodwill and contributed to society.



Accessible channel offered at all access



Regular service inspection



Waste classification bins

Consumers Experience

For commercial properties, whether being a complex or hotel, service is the most important consideration. The Group has different management practice and ideology for dealers and consumers.

For dealers, Powerlong developed and strictly implemented the "Investment Audit System" to further standardize the management of the Group's investment system including pre-planning, business conditions approval, the signing of the contract and other links. It is expected, through more stringent and systematic screening of dealers, benign and fair competition could be created to ensure the brand quality of Powerlong and to bring a higher standard of experience to consumers.

Consumers have always been the most important service group of commercial properties, and Powerlong always put the consumers in the first place. In 2016, the Group started the "customer-oriented program", which analysed the real need of customers through customer consumption tracking research, satisfaction survey, and experiential services and make selective feedback to the development side to promote investment and improve operational efficiency.

The operation centre of the Commercial Group also conducted third-party investigations on the squares according to the actual situation and informed the squares of the investigation results. Based on the advice from consumers, the relevant departments were required to take corrective and preventive measures to improve the quality of services. In addition, the Group attached importance to the protection of consumers' privacy. All consumers' information is used only for contact with consumers themselves, and would not be disclosed to third parties or for any other purposes.

During the Reporting Period, the operation centre did not receive any complaint about violating customer privacy.

Consumers Activities

Besides adopting consumer satisfaction and opinion-oriented improvement, the Group's property management companies carried out a series of activities based on the necessity of consumers to increase the interaction among property management companies, dealers and consumers. These activities are popular with consumers and enthusiastic response was received.



Chef Competition



Feb 2016
“Lantern riddles”



Oct 2016
“Break through pumpkin garden”



Feb 2016
“Welcome to God of wealth”



July 2016
“Bean dough farm”



July 2016
“Watermelon music festival”



June 2016
“Million ocean ball in town”



Environment and Sustainability

“Powerlong, as a responsible listed company, referred to the concept of ISO14001 system to conduct environmental management. The Group gives priority to strictly adhere to national and local environmental standards and takes into consideration of the Group’s factual situation and circumstance to develop environmental policies. And then these policies are implemented and their efficiency is assessed, and the assessment results would be used to optimise policies and make further plans. With the circled ascending, the Group ensures the sustainable improvement of environmental performance.”

The Group strictly complies with the relevant environmental laws and regulations promulgated by national and local governments as below:

Environmental Protection Law of the People's Republic of China	Law of the People's Republic of China on Prevention and Control of Pollution from Environmental Noise
Law of the People's Republic of China on Appraising of Environment Impacts	Regulations on the Administration of Construction Project Environmental Protection



During the Reporting Period, the Group had not received any reports about violation of environmental laws and regulations and achieved the emission standards.

七宝宝龙城 荣耀西上海



Promote Energy Saving

For the property management aspect, the Group's property management companies developed environmental monitoring and operation plan based on actual situations, through increasing the proportion of greenery, developing domestic waste collection and management plan, classifying and recycling of hazardous and non-hazardous waste programs and establishing renewable resources such as the used clothes recycling plan.



Encourage Green Office

The Group responded positively to the national "energy saving" call to develop energy consumption reducing plan during the operation process. The Group advocates "green office" concept of work, some measures like posting energy-saving labels in the office area, using environmentally friendly paper and recyclable printing materials, adjusting air-conditioning temperature and turning off lights when leaving, etc..

These measures were not only aimed to achieve energy consumption reduction, but also to enhance employees' environmental awareness and to develop low-carbon lifestyle.



Develop Green Building

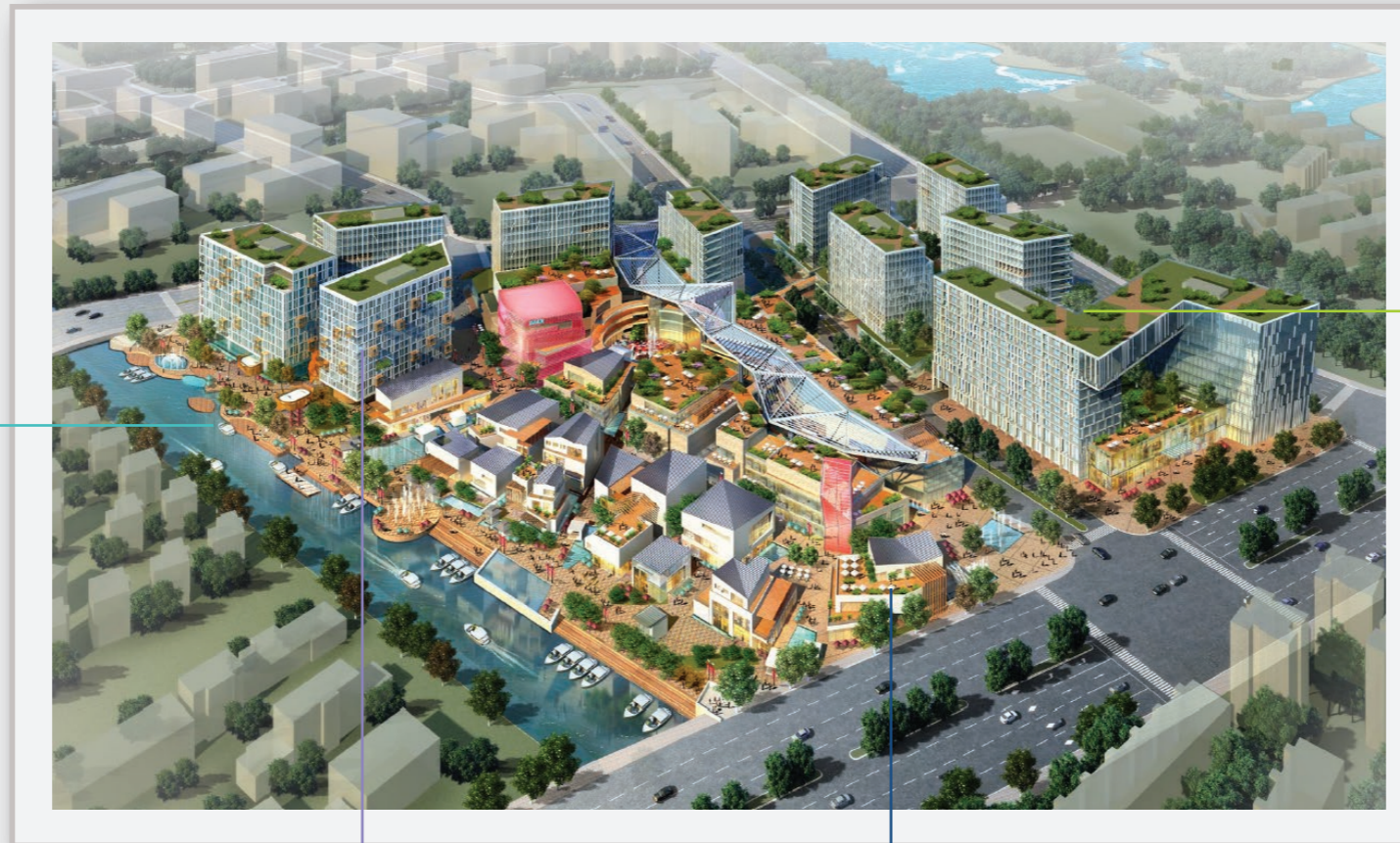
For the Group's property development, Powerlong focuses on providing consumers with more secure and comfortable living space. The Group realized that as a new trend in real estate development, green buildings are not only preferred in terms of energy saving and environmental protection, but its also provides a better performance in offering comfort and convenience living conditions. Powerlong encourages the development of green buildings, and hopes to offer the consumers better experience in green, comfort living conditions and healthy lifestyle in the long run.

 Practice for Green Building - Shanghai Qibao Powerlong City (“Qibao”)

Tower 01-05, 20-02, Shanghai Qibao Powerlong City, opened in October 2016, was 2-star certified in Green Building Design Label Certification, which achieved 65.41% of energy saving, 12% of hot water reuse and 10.88% of materials recycling by design. And this project offered a new way of real estate development.

 Water Efficiency

As for water saving, non-traditional water sources are adopted in Qibao for greenery watering and water features. All non-tradition water sources to be used shall be pre-treated to ensure safety and prevent adverse effects to human bodies and surroundings. Also, water efficient fittings and appliances are installed. Furthermore, water meters are designed and located on water supply terminals of different applications or units. The water monitoring results gained could provide a reliable data support for efficiency improvement of water use.



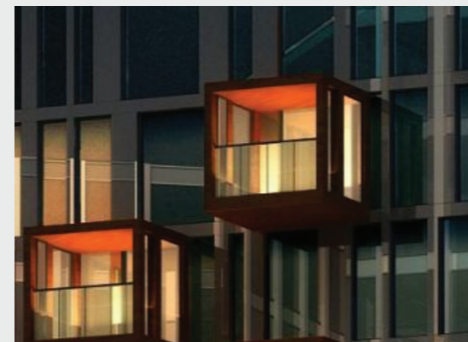
 Greenery

In terms of greenery, plants are adaptive to local climate and soil condition. This could achieve both planting adaptability and irrigation water reduction at one stroke. In addition, a 2,425 square meters of intensive greenery space is designed within the project site, which together with the 932 square meters of pervious paving area and 216 square meters of grass brick area along the pedestrian, would greatly contribute to conservation of soil and water, micro climate improvement and reduction of surface run-off.



 Recyclable Materials

Regarding the construction materials selection, 10,182 tons of recyclable construction materials are used, which is 10.88% of all building materials used in the project and contributes to the recycling of waste materials.



 Energy Efficiency

When considering energy saving, both EER (energy efficiency ratio) of cooling/heating source in A/C (air-conditioning) heating system and the boiler thermal efficiency of Qibao are one level higher than current requirements of building energy saving in Shanghai. Highly efficient appliance is installed in distribution system. In addition, localized lighting system, automatic control system and elevator group control are introduced in the subject building, leading to a reduction in energy consumption of building lighting and elevator operation.



Build Green Hotel

As one of the important industries of Powerlong, and a high carbon emission industry, the hotel companies have strictly abided by the existing environmental protection requirements during hotels' development and operation. The Group has also made clear guidelines on the aspects of energy management, actual energy consumption monitoring and water treatment.

Comply with national codes of practice as below (including but not limited to):

- Code for design of civil construction - heating, ventilation and air conditioning (GB50736-2012)
- National technical measures for design of civil construction – heating, ventilation and air condition (2009 Edition)
- National technical measures for design of civil construction special edition – energy conservation – heating, ventilation and air conditioning (2007 Edition)
- Design standard for energy efficiency of public buildings (GB50189-2015)
- Code for design of sound insulation of civil buildings (GB50118-2010)
- Environmental quality standard for noise (GB3096-2008)
- Indoor air quality standard (GB/T18883-2002)
- Emission standard of cooking fume (GB18483-2001)
- Specification for the environmental protection design of catering trade (DGJ08-110-2004)
- Hygienic standard for public place (GB9663-9673 GB16153)
- Standard for water saving design in civil building (GB50555-2010)
- Standard for lighting design of buildings (GB50034-2013)
- Technical code of energy consumed monitoring systems for large-scale public buildings (DG/TJ08-2068-2009)
- Ambient air quality standards (GB 3095-2012)
- Regulations on the administration of construction project environmental protection
- Environmental protection law of the People's Republic of China
- Integrated emission standard of air pollutants (GB 16297-1996)





Build Green Hotel

Powerlong not only focused on improving environmental technology, but also interacted with consumers, hoping to work with consumers to establish a lower carbon lifestyle. With the green hotel concept, hotels strived to explore environmental protection, and made the guests and the community recognized.

In terms of energy management, the engineering director is responsible for the energy management of the hotel to control and reduce the energy consumption and minimize negative environment impact to ensure a comfortable living condition. The energy management standard guidelines were divided into several sections including lighting, heating, cooling, freezing, domestic water quality and power distribution. Through this management, energy waste in hotels were greatly reduced.



Indoor of Radisson Blu Shanghai Pudong
Jinqiao

In terms of water treatment, Powerlong selected qualified water treatment company to sign water treatment contract. Through water treatment procedures, the water treatment company would ensure condensation water, circulating air conditioning water, boiler water and domestic water achieving the highest quality of water quality standards.



Outdoor of Radisson Exhibition Center
Shanghai

In terms of energy monitoring, the chief engineer is responsible for checking data every day to avoid extra energy consumption due to equipment anomalies. The chief engineer is also responsible for identifying the consistency between the financial bill and work log, and then filing all original data.



Swimming Pool of
Le Meridien Shanghai Minhang



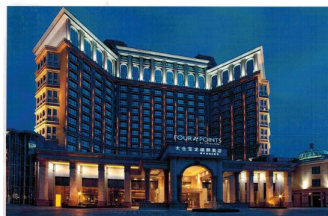
Energy Management Pioneer - Four Points by Sheraton Taicang

Located in the Taicang Economic Development Zone, the Four Points by Sheraton Taicang ("The Hotel") is an international luxury hotel with 437 rooms. While providing a convenient and comfortable service to our customers, The Hotel is also working on energy management to provide greener hotel services and save energy costs.



Electromechanical Management Services

To conserve energy more efficiently, in August 2016, The Hotel signed a six-year energy trusteeship contract with an energy management consulting company, pursuant to which the energy management consulting company would offer more professional energy-saving renovation and energy management services.



太仓宝龙福朋喜来登酒店
机电管家服务合同
(2016年8月)

Relying on continuous energy-saving renovation and facilities upgrading, The Hotel achieved a great energy costs saving compared with year of 2015. The specific data is presented as follows:

	Electricity (Kwh)	Gas (Litres)	Steam (Litres)
2016	3,692,609	124,215	4,693
2015	3,715,372	169,804	6,110



Green Renovation Action

In 2016, The Hotel carried out comprehensive renovation action for energy-saving. During the Reporting Period, all lighting fixtures at public area were replaced with energy-efficient lamps. All kitchen ranges were completely cleaned up to improve effective use of gas. The Hotel also conducted more scientific management method for air conditioning system, such as considering the number of customers and different range of time to justify the switch and intensity of air conditioning to refuse energy waste.



Energy-efficient Lamps
Renovation Plan

In the early 2016, SEE Conservation, China Urban Realty Association and real estate industry leaders jointly launched the "Green Supply Chain Action In The Real Estate Industry" ("Green Supply Chain"), Powerlong also actively participated in this action.

This action aims to reduce carbon emissions and pollutant emissions from the real estate industry, and improve the overall environmental management capabilities of the industry, and identify and minimize environmental risks, and promote sustainable development. The goals of this action are in line with the Group's environmental philosophy, therefore Powerlong jointly built an open platform for environmental information opening and promoted the improvement of relevant policies.



The Group has been developing and improving the supplier recommendation policy and storage standard from the year of 2014, which made the specific rules for suppliers for engineering, planning and operation. The rules mainly focused on professional qualification, company scale and other additional conditions of suppliers. After joining Green Supply Chain, the Group took the supplier's environmental management into considerations, and also cooperated with the industry to share the recommended suppliers' information for establishing and issuing a green purchase "white list" regularly.

In terms of hotel, the Group has continuously expanded green procurement list, and regards the producer's green certification as an important consideration for decoration materials suppliers. Up to now, the green products suppliers have been expanded, including carpets, wallpaper, furniture, wood flooring, wooden doors, quartz stone, brick, curtains and lamps and other 14 categories, which covered all kinds of decoration materials in hotel.

In the future, Powerlong will strive to work together with other industry leaders to improve the Green Industry Chain.

房地产业绿色供应链共同行动宣言

我们深刻意识到环境危机的改善需要系统性工作，房地产企业的采购行为经由产业链传导对环境改善可发挥积极的影响。房地产企业有责任联合起来，遵循公正、公信、审慎、渐进的原则建立绿色采购标准体系，推动房地产行业的绿色供应链管理；通过“绿色采购”带动上游供应商，在原材料开采、生产加工、终端消费各环节减少对环境的负面影响，提高资源效率，实现产业链的绿色升级，为终端消费者提供绿色健康环保的产品。

我们承诺：

1. 自愿加入房地产行业绿色供应链行动，并在“首批绿色采购方案”中至少实施一个方案，积极推动上游供应商对照执行，定期检索供应商环境表现并推动其改进。
2. 共同选择符合绿色采购标准的供应商，在条件成熟时发布绿色供应商榜单；对于不符合绿色标准的企业，联盟发布整改要求，并制定逐步淘汰计划。
3. 定期对外公告绿色供应链行动进展情况，并对公告内容真实性负责。
4. 积极参与房地产行业绿色供应链方案的探讨与实施，不断扩大绿色采购的范围，并持续推出新的绿色采购方案。
5. 与政府部门、非政府、非盈利机构紧密合作，积极推动国家政策支持，推动社会关注，实现社会效益与企业效益的平衡。

董事长（签名）：

单位名称：宝龙地产

年 月 日

Society Feedback

“As a corporate with city complex and residential development as its main commercial real estate business, Powerlong is inevitably duty-bound to the development of community with careful consideration.

During the Reporting Period, the Group has donated RMB70,027,000 for charity contribution and other donations.”



Powerlong Public Welfare Foundation

On 13th October 2016, the Group announced the establishment of Powerlong Public Welfare Foundation with intended capital injection of RMB200 million. The main purpose of the Powerlong Public Welfare Foundation is to fulfil social responsibility and serve the public community, which will be committed to fund poverty alleviation activities, social regardfulness, culture and education, medical and health services, environmental protection and other charitable programs. It is expected that the first capital injection will be utilized by the Foundation in next few years for social anti-poverty activities and poverty alleviation of traditional culture.

Targeted Poverty Alleviation

In the afternoon of 6th April 2016, the chairman of the board of directors of the Company, Mr. Hoi Kin Hong, who is also the member of the national committee of CPPCC, the deputy chairman of China Association of Industry and Commerce and a famous patriotic industrialist of Macao, donated RMB100 million to his hometown Xibian Village, which is located in Anhai Town, Jinjiang City, Fujian Province, for the beautiful countryside construction and other sustainable developments.

Mr. Hoi Kin Hong said that in order to respond to the major goal on building moderately prosperous society in 2020, RMB100 million will be donated to hometown for serving the motherland, responding to the call, appreciating society, nurturing the community and showing the emotion for hometown.

Community Building

Powerlong also completed certain construction works for the community. In order to standardize the management of cultural activities, play the full role of cultural construction, enrich the owners cultural life and promote the formation community culture with Powerlong characteristics, residential property companies specifically developed a "Instructions of carrying out community cultural activities." Among them, it clearly defined the division of labour responsibilities, work content and work standards, but also made the community activities carry out more smoothly.

In 2016, the residential property developed a monthly community culture program including Lantern Riddles, Arbor Day, Air Conditioning Cleaning and Elderly Health Knowledge Lecture and Charity Clinics. Through these actions, Powerlong strives to make contribution back to the community.

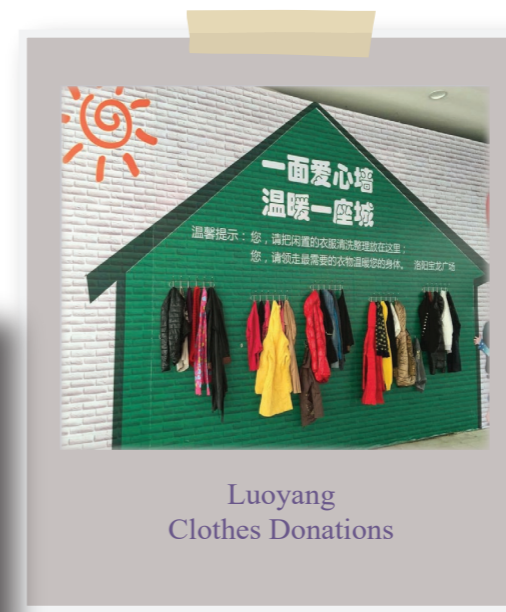
In the name of a complex development projects, the commercial property carried out a series of activities for community building. It is expected that through these activities, not only brought the help for community, but also showed Powerlong's appreciation to communities and determination to build a harmonious family.



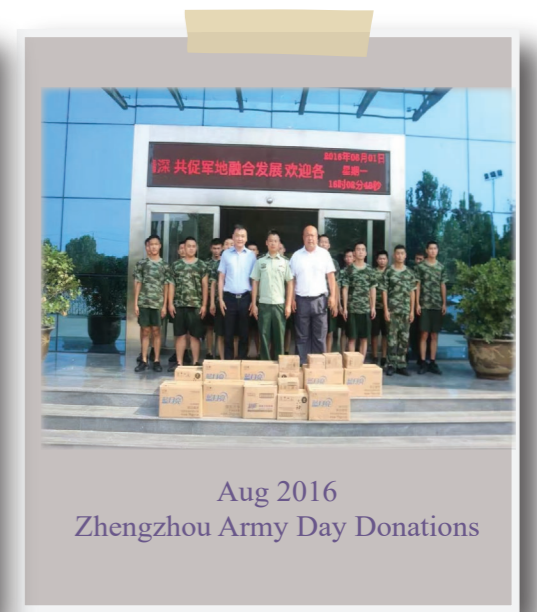
Feb 2016
Yancheng Lantern Riddles



Hangzhou
Nursing Home Visit



Luoyang
Clothes Donations



Aug 2016
Zhengzhou Army Day Donations



Mar 2016
Jinjiang Arbor Day



Luoyang Community Joint
Marriage Wall



Sep 2016
Chongqin Mid-Autumn Festival Visit

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Aspect A2: Use of Resources		
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Aspect B3: Development and Training		
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Aspect B4: Labour Standards		
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KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	P17
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General	Information relating to bribery, extortion, fraud and money laundering on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	P14
Aspect B8: Community Investment		
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Environmental, Social and Governance Report

P O W E R L O N G 2016

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