



恒基兆業地產有限公司
HENDERSON LAND DEVELOPMENT COMPANY LIMITED

Stock Code: 12

SUSTAINABILITY AND CSR REPORT 2016



ENVIRONMENTALLY AND SOCIALLY FOCUSED

Henderson Land's holistic approach to sustainability is achieved through innovation, investment, collaboration and engagement.



ABOUT THIS REPORT

Scope of Report

Henderson Land Development Company Limited ("Henderson Land" or "the Group") is pleased to present our third standalone annual Sustainability and CSR Report ("the Report").

Alongside the 2016 Annual Report highlighting our financial performance, the Report provides an overview of our sustainability initiatives and investments. Addressing stakeholders' interests in our environmental, social and economic impacts, the Report also presents our historic performance and future targets.

Henderson Land's sustainability activities were first documented in the Group's 2006 Annual Report. Since then, the Group has remained resolute in communicating our approach to sustainability with transparency and integrity. We also recognise how invaluable the Report is as an internal benchmark for measuring our continuous progress.

The Report provides an overview of the Group's policy and performance during the calendar year ended 31 December 2016. It lays out the sustainability

performance of Henderson Land's head office in Hong Kong and wholly-owned property management subsidiaries Goodwill Management Limited ("Goodwill"), Well Born Real Estate Management Limited ("Well Born") and Hang Yick Properties Management Limited ("Hang Yick"), and our wholly-owned construction subsidiary E Man Construction Company Limited ("E Man").

The Report covers the Group's Hong Kong operations which comprise a substantial proportion of our business, and our property management and construction subsidiaries which also have considerable impact on our environmental and social performance. The scope of the Report does not encompass companies in which Henderson Land does not have a controlling interest.

How We Report

In accordance with the Global Reporting Initiative's G4 Sustainability Reporting Guidelines ("the G4 Guidelines") and the Construction and Real Estate Sector Supplement, the Report adopts the "Core" framework of the G4 Guidelines. This is also supplemented by references

to the Environmental, Social and Governance Reporting Guide ("the ESG Reporting Guide") set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HKEX"). The Report preparation involved an independently managed stakeholder engagement and materiality assessment exercise.

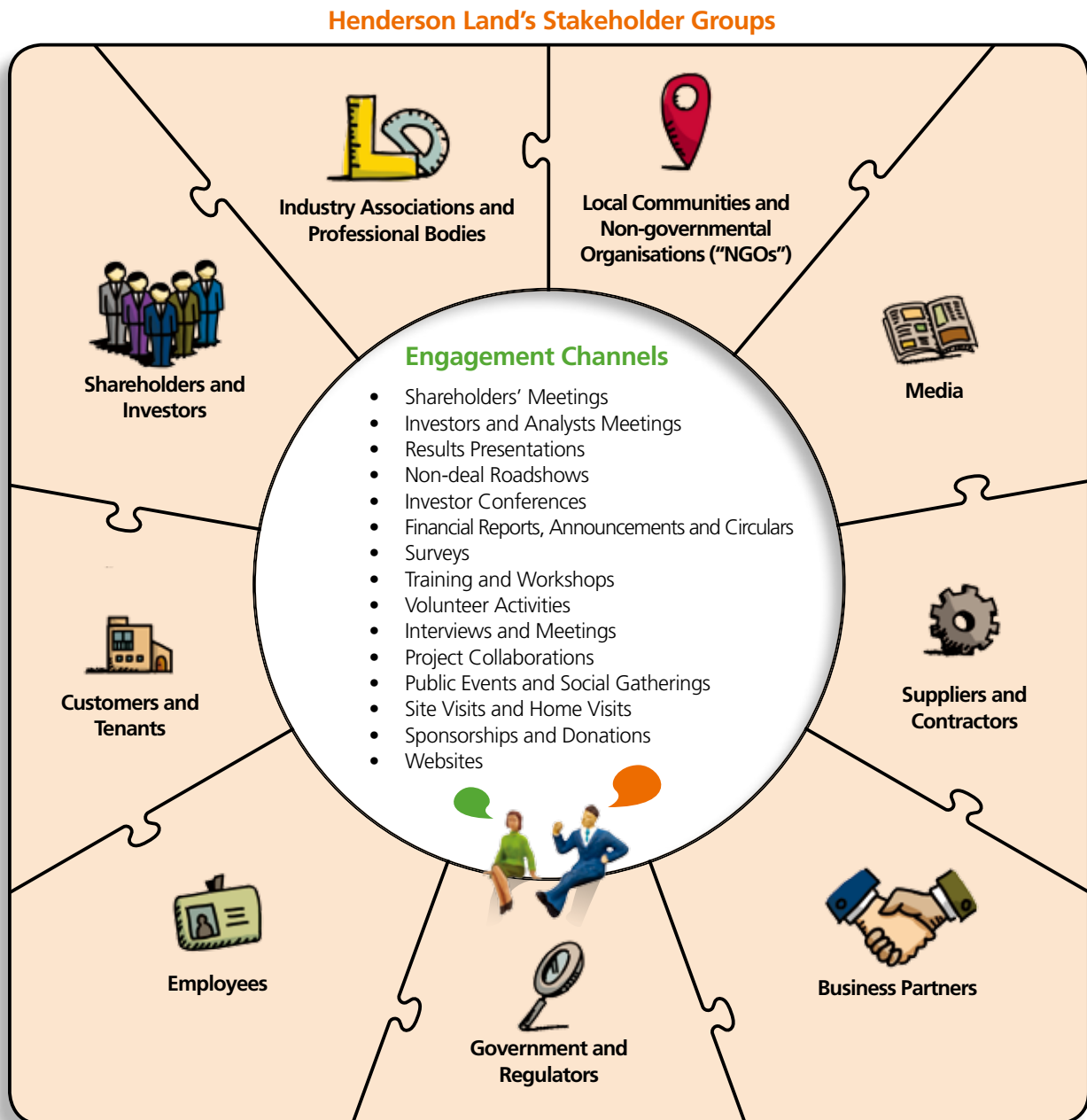
An electronic version of the Report is accessible via our website <http://www.hld.com/eng/csr/sustainability.shtml>. Please feel free to contact us at corpcomm@hld.com, regarding any enquiries and opinions about the Group's sustainability issues.

Stakeholder Engagement

The Report has been realised through engagements with our valued stakeholder groups. Feedback and input from our shareholders, customers, employees, suppliers and the community are collected through regular communication channels, which have provided effective platforms for Henderson Land to identify solutions, gaps and opportunities for improvement.

Regular Communication Channels

The following infographic provides an overview of our stakeholder groups and engagement channels:



Material Aspects and Boundary Setting

The G4 Guidelines articulate a range of Material Aspects for the reporting organisation to disclose its impacts on the environment, society and economy. The Material Aspects pertinent to the

organisation are dependent on the nature of its operations and stakeholders' interests. The Group sought the professional advice of an independent sustainability consultant to conduct the materiality assessment through desk-based research, media scans, peer benchmarking, stakeholder consultations and internal discussions.

In 2016, we conducted an anonymous online employee survey, encouraging staff to provide candid comments and feedback on the Group's CSR performance, which also served as an important internal employee engagement channel within the Group.

ABOUT THIS REPORT

The materiality assessment brought together the views of our major stakeholder groups on the content of our preceding report, current sustainability performance, and the sustainability risks and challenges in need of our attention. The primary criterion in the selection of stakeholders was the relevance of the party to our business and the property development sector. These stakeholders include employees, investors, professional service suppliers, tenants, contractors, and non-profit organisations.

The following describes the detailed process we undertook to determine the Material Aspects and the content of the Report:



Step 1: Identification

- Henderson Land considered sustainability issues of importance to its industry, and those that were reported on in its sustainability reports, to produce a broad list of potential material aspects

Step 2: Prioritisation

- Internal and external stakeholder groups assigned a rating of one (least important) to five (most important) for each of the shortlisted issues
- With professional guidance from the independent consultant, these sustainability issues were then mapped to the closest corresponding Material Aspects of the G4 Guidelines
- A peer benchmarking exercise was also conducted to assess relevance for each of these issues. The sustainability topics were then categorised into “High”, “Medium” or “Low” relevancy

Step 3: Validation

- The most critical Material Aspects were identified through the compilation of summary rankings from the stakeholder engagement and peer analysis. The final selection was then validated by senior Henderson Land executives to ensure the results of the materiality assessment were in accordance with potential business impact

In addition to the identification of sustainability issues, a number of recommendations arose from the stakeholder engagement exercise. The suggested recommendations and our responses are outlined below.

Stakeholders' suggestions	Action
1. Tables can be migrated from the main body of the Report to the Appendix. This will reduce word count and make the Report more engaging	A new section of Key Facts and Statistics is added as the Appendix section to enhance readability of the Report
2. More feature stories should be added to highlight social impacts, such as the green architectural features at the Group's projects	More case studies are included in this Report across various chapters
3. More infographics and key figures should be included	More infographics are included in this Report to highlight key figures

The materiality assessment identified 21 GRI Material Aspects. The following table lists the 21 Material Aspects and their impacts within and outside the Group. Respective material issues are represented by their corresponding GRI Material Aspects and Specific Standard Disclosures. The sections to follow will deal with the Group's policies, management approach and performance of each Material Aspect.

List of Material Issues and Corresponding Aspect Boundary

High priority issues	Impact location (Within/Outside of the Group)		Where impacts occur outside of the Group	Section in the Report where the issue is addressed
	Within	Outside		
Economic Performance	✓	✓	<ul style="list-style-type: none"> Customers and tenants Investors/ Analysts Suppliers and contractors 	About Our Group
Indirect Economic Impacts	✓	✓	<ul style="list-style-type: none"> Local communities Customers and tenants 	Our Community
Materials	✓	✓	<ul style="list-style-type: none"> Local communities and NGOs 	Our Environment
Energy	✓			Our Environment
Water	✓	✓	<ul style="list-style-type: none"> Local communities and NGOs 	Our Environment
Emissions	✓	✓	<ul style="list-style-type: none"> Local communities and NGOs 	Our Environment
Effluents and Waste	✓	✓	<ul style="list-style-type: none"> Local communities and NGOs 	Our Environment
Product and Services		✓	<ul style="list-style-type: none"> Local communities and NGOs Customers and tenants 	Our Environment; Our Value Chain and Customers
Compliance (Environment)	✓	✓	<ul style="list-style-type: none"> Government and regulators 	Our Environment
Land Degradation, Contamination, and Remediation	✓	✓	<ul style="list-style-type: none"> Local communities and NGOs Government and regulators 	Our Environment
Employment	✓			Our People
Occupational Health and Safety	✓			Our People
Training and Education	✓			Our People
Diversity and Equal Opportunity	✓			Our People
Non-discrimination (Human Rights)	✓			Our People
Local Communities		✓	<ul style="list-style-type: none"> Local communities and NGOs 	Our Community
Anti-corruption	✓	✓	<ul style="list-style-type: none"> Government and regulators 	Corporate Governance
Customer Health and Safety	✓	✓	<ul style="list-style-type: none"> Customers and tenants Suppliers and contractors 	Our Value Chain and Customers
Product and Service Labelling		✓	<ul style="list-style-type: none"> Customers and tenants Suppliers and contractors 	Our Value Chain and Customers
Customer Privacy	✓	✓	<ul style="list-style-type: none"> Customers and tenants Suppliers and contractors Government and regulators 	Our Value Chain and Customers
Compliance (Product Responsibility)	✓	✓	<ul style="list-style-type: none"> Government and regulators 	Our Value Chain and Customers

MESSAGE FROM MANAGEMENT

Contributing to the betterment of society is ingrained in our corporate culture and our employees make a real difference through their many volunteering and mentoring activities.



I am delighted to introduce the third standalone Sustainability and CSR Report of Henderson Land. In this report we highlight many of the Group's aims and achievements over the last year as we continued to place the principles of corporate social responsibility and sustainability at the heart of our business strategy. The report also takes into account feedback from our stakeholders, which is an important measure of how our products and services are perceived.

We believe it is our responsibility to create a better living environment for all and the Group continues to explore ways in which we can incorporate energy efficient technology and use our status as an established developer to influence the reduction of carbon emissions.

As we continue to pursue the building of vibrant and sustainable communities, the Group's Green Building Sub-Committee and Safety and Environmental Committee support our project development activities. The green strategies and policies formulated by these two committees provide guidance to our professional project management teams who work tirelessly to search for and integrate the latest recyclable and renewable materials, energy saving technologies, waste management systems, and water conservation measures into our developments.

Our people are Henderson Land's most valuable asset. Their dedication and hard work are the key to the Group's continued success as well as to our ability to deliver quality products and services for our customers. We are proud to be recognised as an employer of choice and will continue to provide a safe, healthy



and friendly working environment, while also prioritising training and development opportunities for our staff. Contributing to the betterment of society is ingrained in our corporate culture and our employees make a real difference through their many volunteering and mentoring activities.

Of course, the Group's prospects and success are closely linked to the prosperity of the local community, and this year saw the further evolution of our community investment initiatives which are targeted at issues including poverty alleviation and youth development.

As one of Hong Kong's pioneering developers of green buildings and sustainable building management systems, we pledge to continue to utilise our resources and explore innovative ideas to create lasting positive social, economic and environmental impacts for society. Looking to the year ahead, we will continue our holistic approach to sustainability through innovation, investment, collaboration and engagement.

LEE KA SHING

Vice Chairman

and Chairman of Corporate Social Responsibility Committee

ABOUT OUR GROUP

Corporate Profile

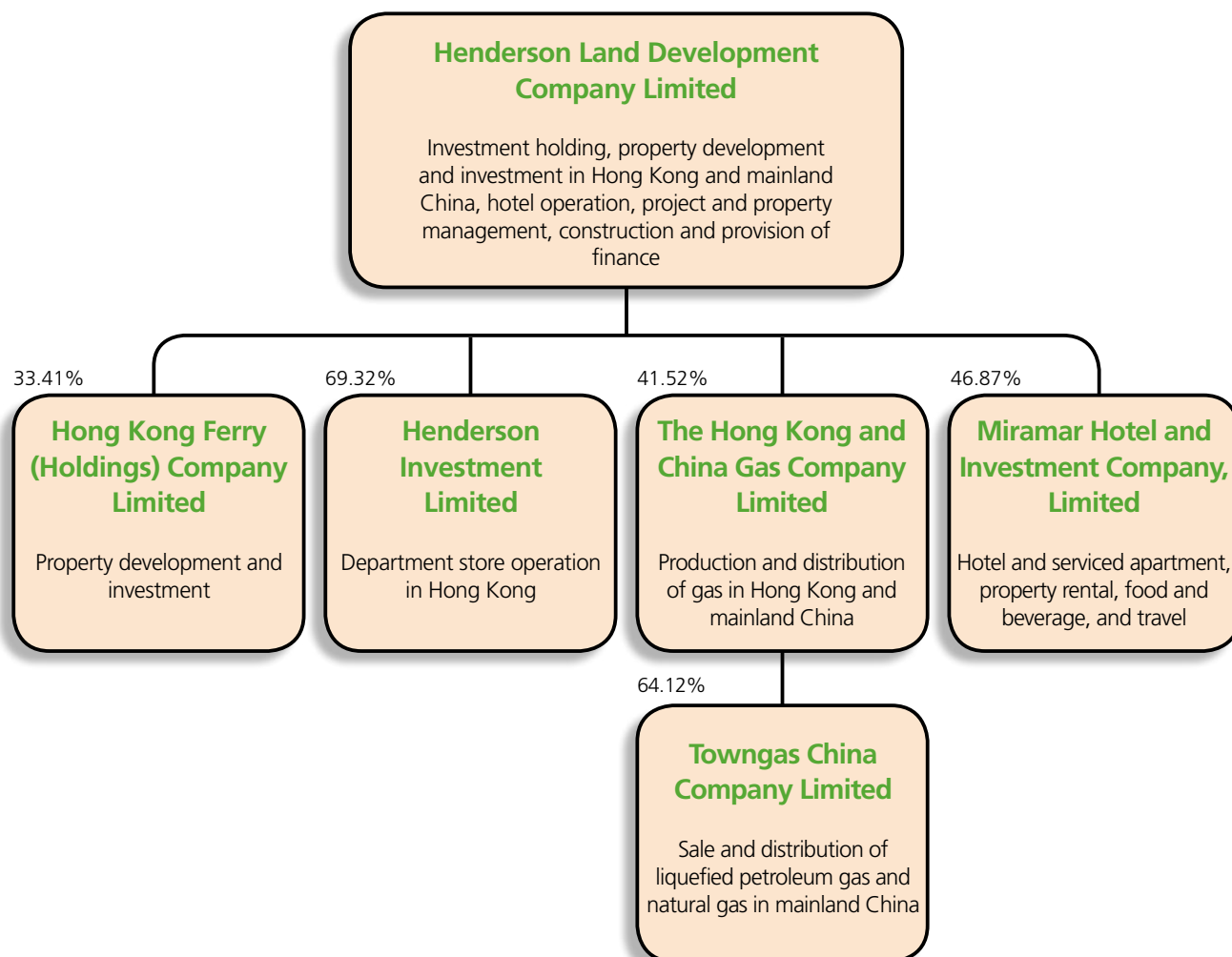
Founded in 1976 by our Chairman, Dr the Honourable Lee Shau Kee, GBM, and listed in Hong Kong since 1981, Henderson Land is a leading property developer in the Hong Kong and mainland China markets. Henderson Land has played a vital role in creating iconic landmarks across our markets such as with Hong Kong's International Finance Centre (ifc) and the World Financial Centre in Beijing. Exceptional residential developments such as 39 Conduit Road, The Gloucester and Double Cove in Hong Kong continue

to advance contemporary design and development excellence. Through the vertical integration of our operations, we continue to push for greater efficiency, quality, design, construction, and management, across our operations.

Our core business remains our property developments and property investments. Henderson Land also holds investments in the listed subsidiary, Henderson Investment Limited, and three listed associates, The Hong Kong and China Gas Company Limited ("HKCG"), which owns a stake in the listed subsidiary, Towngas China Company Limited;

Hong Kong Ferry (Holdings) Company Limited ("HKF"); and, Miramar Hotel and Investment Company, Limited ("Miramar").

We are committed to maximising the value that we bring our shareholders, customers and community through excellent product quality and service delivery. Sustainability is integral to this process as we set our focus on maximising long-term returns and growth while being mindful of our environmental impact.



Note: all attributable interests shown above were figures as at 31 December 2016.



Our Vision for Sustainability

As one of Hong Kong's leading property developers, we are committed to building a more prosperous and sustainable society. The Group strives to align its commercial objectives with sustainable growth, social prosperity and the well-being of our communities.

Our Vision

The Group aspires to remain a market leader by maximising long-term economic value while also creating positive social and environmental impacts.

Organisational Values

The Group's corporate sustainability strategy is derived from three goals that emulate Henderson Land's overall corporate vision and apply uniformly to all employees and directors and to all company activities.

Firstly, we seek to nurture a caring culture by investing in our people and their skills to help address the challenges that we face. The health and safety of all personnel linked to our operations is also an utmost priority.

Secondly, we focus on operational improvement to make the best use of our resources, thus generating mutual benefits for all our stakeholders. From waste reduction to energy saving measures, we prioritise efficiency in all our operations.

Thirdly, we endeavour to enrich our customers' lives by delivering aesthetic, innovative residential and commercial developments that integrate seamlessly with the natural and built environment to address the aspirations of modern sustainable living.

ABOUT OUR GROUP

Economic Performance

Property development, property investment and strategic investment in Hong Kong and mainland China form the three pillars of our business model. Our property development business sustains our profits and growth, while our property investment business and strategic investments yield a stable source of income generation.



Our Business Model

THREE PILLARS



Property Development

- Cost effective approach of land banking:
 - acquire old buildings for redevelopment in the urban areas
 - convert the land-use of New Territories land
- Property development business in Hong Kong is vertically integrated, enabling the design, development, construction, sales and management of development projects to be executed in an efficient manner
- Focus on large-scale residential developments in the second and third-tier cities in mainland China



Property Investment

- In Hong Kong:**
 - Substantial, balanced and diverse property investment portfolio:
 - mainly comprises offices and shopping arcades in prime locations
 - large-scale shopping malls in strategic locations above or adjacent to MTR stations
 - own a number of residential properties and industrial/ office buildings
- In mainland China:**
 - Own exceptionally well designed and quality large-scale commercial complexes situated in prime locations in first-tier cities in mainland China for rental purposes



Strategic Investment

- The Group is the largest shareholder of three listed associates:
 - Hong Kong and China Gas
 - Miramar Group
 - Hong Kong Ferry Group

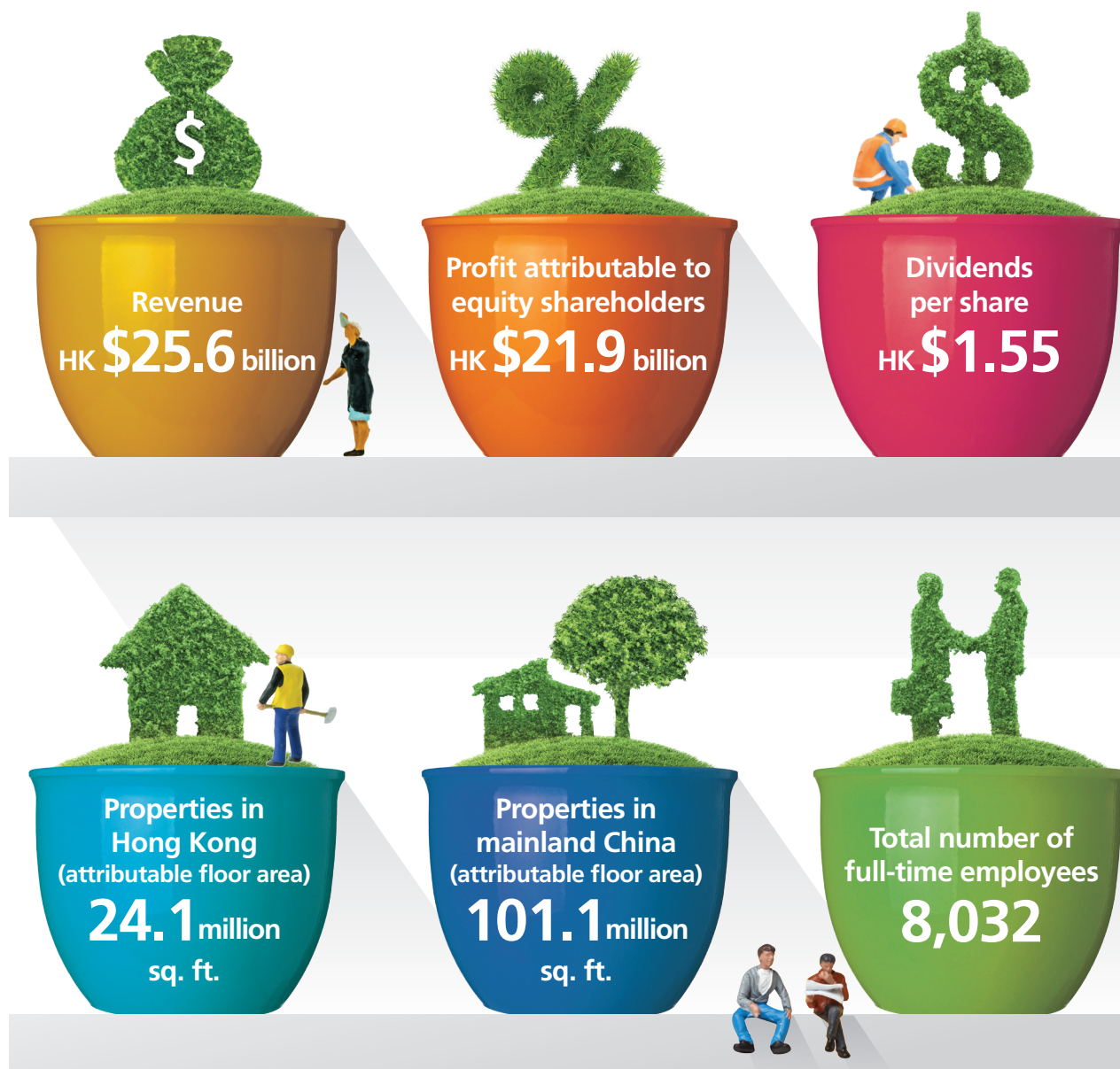
ABOUT OUR GROUP

2016 Financial Highlights

As at 31 December 2016, Henderson Land had a market capitalisation of

and the combined market capitalisation of Henderson Land and its listed subsidiary and associates, was

HK\$150 billion **HK\$350 billion**



For more information on our economic performance, please refer to our Annual Report 2016.
(http://www.hld.com/en/investor/annual_16.shtml)

Membership and Awards

The Group was delighted to be recognised with many awards and project accreditations in 2016. Our teams of professionals are instrumental in maintaining high environmental standards across all our projects. Henderson Land and its executives are active members of industry professional bodies and external environmental charters. We remain committed to increasing cooperation across the sector and continue to share expertise and promote best practice through various channels. More details can be found on pages 56 to 59 of the Report.

To date, we have achieved

**10 LEED, 18 BEAM, 23 BEAM Plus,
4 China Green Building Design Label and
1 WELL project accreditations**

for our projects, comprising 16 office and commercial developments, 23 residential developments and one hotel property.



CORPORATE GOVERNANCE



Governance Structure

Robust corporate governance practices and procedures are important in guiding the Group to carry out its business in a professional and ethical way. Under the leadership of our Board of Directors, we take every possible measure to ensure that our business is conducted in accordance with all applicable rules and regulations, codes and standards and lives up to our high standards of accountability and transparency.

Our Board sets the direction of the Group's business strategy and overall management of our business activities. The Board has five committees, namely the Standing Committee, the Audit Committee, the Remuneration Committee, the Nomination Committee, and the Corporate Governance Committee. The Corporate Governance Committee consists of three independent non-executive directors and is the Group's highest governance body responsible for

developing, reviewing and monitoring Henderson Land's corporate governance policies and practices in compliance with the law and regulations. The Audit Committee assesses the effectiveness of the Group's risk management and internal control systems.

Several Directors and department heads are invited to sit on the Corporate Social Responsibility Committee which is chaired by the Group's Vice Chairman, Mr Lee Ka Shing, to oversee issues relating to sustainability and corporate social responsibility.

The management team is responsible for day-to-day management, administration and operations of the Group under the guidance of the Board of Directors. Further information on the composition of the Group's Board of Directors and related details can be found in the Corporate Governance Report on pages 88 to 103 of the Group's Annual Report 2016.

Anti-corruption

Henderson Land adheres to stringent anti-corruption policies as outlined in our Code of Conduct. It is mandatory for all employees to act professionally and comply with policies on conflicts of interest, intellectual property rights, privacy and confidentiality of information, bribery, corruption, and equal opportunity.

In addition, seminars are held to provide members of staff with updates on regulations and to strengthen their awareness of ethical practices.

Employees are encouraged to communicate any concerns or opinions on the Group's operations to the Vice Chairman through a direct email link.

During the year, there were no incidents of corruption reported within the Group.

CSR Policy

The Group firmly believes in fulfilling our social responsibility in the development of the local community and has a dedicated CSR Policy to explain our approach. It outlines our commitment to strive for best practice and go beyond minimum regulatory requirements in areas such as workplace quality, environmental protection, operating practices and community involvement, amongst others. The Policy also explains our commitments to maintaining open and transparent dialogue with our stakeholders and ultimately maximising the economic, social and environmental benefits that we deliver to the community.

The CSR Policy commits the Group to:

- Meeting all applicable legal and regulatory requirements on corporate social responsibility ("CSR") matters
- Pursuing good practices of CSR in its operations
- Implementing policies relating to workplace quality, environmental protection, operating practices and community involvement
- Minimising the Group's potential environmental impact
- Providing a safe and healthy working environment to all employees and site staff in compliance with the applicable legal requirements
- Supporting meaningful community-oriented activities in partnership with our employees, community bodies, society and government
- Encouraging our staff to be proactive in CSR and providing training to them
- Promoting CSR awareness among consultants and contractors
- Engaging our stakeholders in the CSR process
- Monitoring and improving the performance in CSR

Risk Management

Assessing the effectiveness of the Group's risk management and internal control systems is the highest priority of the Audit Committee. The Committee adopts a proactive approach to investigate any activities within its terms of reference. A Risk Management Policy at the Group level helps to maintain risks at acceptable levels by providing direction and tools for risk identification, analysis and management.

Our Audit Department also conducts audits of the Group's major activities to ensure that risk management functions are in place and operating effectively. The

Audit Department reports directly to the Audit Committee with their findings.

The Group has adopted a holistic approach to risk management that considers various aspects of our business and operations. Risks which are of a long term nature, such as those caused by climate change and in our supply chain, are closely monitored. Green building practices such as greywater recycling and rainwater harvesting for fountains are applied to new projects. Building services systems with higher energy efficiency are installed to save electricity consumption and reduce our carbon footprint. Henderson Land also works with our suppliers to minimise pollution

at construction sites using innovative methods and devices.

To lower the risk posed by talent turnover, in addition to competitive benefits, training and a clear progression path, Henderson Land strives to provide a friendly working environment for our employees, including setting up lactation rooms for breastfeeding mothers, and providing free lunch and fruits for staff so that they can leisurely bond while enjoying a balanced and nutritious diet.

Further details on how we address each of the risks mentioned above can be found within the relevant sections of the Report.

OUR ENVIRONMENT



GHG emission intensity
decreased by
9%*



Energy consumption
intensity decreased by
8.9%*



1,483,000+ kg
of waste recycled at our
properties managed by
Goodwill

*compared to 2015 baseline

As a major property developer, Henderson Land strives to be environmentally sustainable in the development and management of our property portfolio in Hong Kong and mainland China. To minimise environmental impacts during the development, we prioritise resource efficiency, incorporate green building designs in our developments and promote environmentally sustainable practices to our stakeholders.

We have an Environmental Policy in place to encourage environmental protection in our decision making process, management and organisational culture. It applies to every stage of our business operations and across our supply chain, covering environmental aspects such as green building labelling, resource efficiency, green purchasing and environmental education. For further details, the Policy can be accessed online at: <http://www.hld.com/en/csr/envpolicy.shtml>.

Our Environmental Committees

The Group's two environment-related committees support our green building development and manage the safety and environmental risks at our construction sites.

Green Building Sub-Committee

The Green Building Sub-Committee comprises representatives from different departments. Its aim is to support the development of projects to achieve green building goals, facilitate knowledge sharing and set corporate green building standards. The Sub-Committee helps to disseminate green building best practice and build capacity as it organises knowledge sharing sessions with green building professionals from the Group

and other organisations. Staff are also encouraged to become accredited BEAM Professionals.

Safety and Environmental Committee

The Safety and Environmental Committee focuses on minimising safety risks and improving environmental performance at our construction sites. All safety and environmental measures are closely monitored.

Material Use and Waste Management

To reduce our environmental impact, the Group closely monitors the materials that we use in our construction and operations. Henderson Land employs an environmentally friendly approach that accommodates both the design concepts and the selection of materials. We also use recyclable and renewable materials

and other green alternatives in our projects to conserve resources wherever it is feasible.

To minimise waste, the Group ensures that recycling is used where possible, and that any other waste is disposed of in a manner that is environmentally responsible. Our construction sites incorporate a waste management system that comprises sorting, recycling

and proper disposal of construction or demolition materials. More details can be found on pages 59 to 60 of our report.

At the Group's leasing properties, our management subsidiary Goodwill collects, labels and stores recyclable waste for handling by its contractors on a regular basis. It also ensures that the contractors dispose of non-reusable or non-recyclable waste properly.

Recycled Materials at Properties Managed by Goodwill in 2016



Paper
1,442,000+ kg



Plastic
16,600+ kg



Metal
25,000+ kg

Policies and Strategies to Guide Sustainable Material Use and Waste Management

At new property projects	At the Group's offices	At the property management subsidiaries
<ul style="list-style-type: none"> • Avoid the use of virgin forest products • Apply modular and standardised designs to reduce waste • Source construction materials from the nearby regions wherever feasible 	<ul style="list-style-type: none"> • Adopt the policy of reduce, recycle and reuse where possible • Recycle waste paper and used toner cartridges • Implement paperless systems 	<ul style="list-style-type: none"> • Adopt a green purchasing policy • Implement ISO 14001 Environmental Management System • Install food composting machines at properties to treat food waste to reduce the burden on public landfills

OUR ENVIRONMENT

Energy Saving and Emissions Reduction

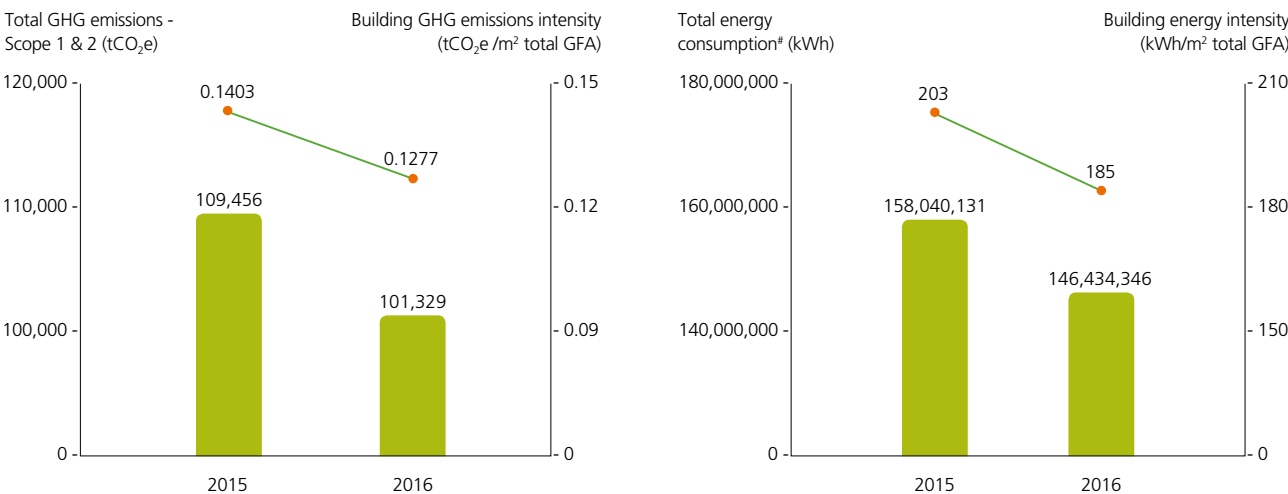
With the effects of climate change increasing across the globe, national governments have been responding by implementing stringent legislation and carbon reduction targets. Henderson Land is committed to being part of the collective effort to reduce Hong

Kong's overall greenhouse gas footprint by adopting different energy saving strategies and initiatives in our operations and development projects.

For the Group's property management subsidiaries, the environmental protection policy stipulated in the Integrated Management System provides direction in promoting energy savings. A

Green Committee is set up to review and promote energy saving opportunities. Well Born and Hang Yick have obtained ISO 14001 certification for some of the properties they manage. At these properties, internal and external audits are conducted in accordance with the stipulated standards.

GHG Emissions* and Energy Consumption of our Headquarters and Properties Managed by Goodwill[^]



* Please refer to page 61 in Key Facts and Statistics for the breakdown of GHG emissions

[^] The data is confined to our offices at Two ifc, AIA Tower and 33 properties managed by Goodwill in 2016 (2015: 32 properties)

[#] The scope of this data includes electricity, fuel and town gas consumption of headquarters and properties managed by Goodwill



Strategies and Initiatives of Energy Saving and Emissions Reduction

At new property projects	At the Group's offices
<ul style="list-style-type: none"> • Include green building features in the planning and design stages of development, for example: <ul style="list-style-type: none"> - Use of tinted or double window glazing - Energy efficient building services installations - Sophisticated home automation systems • Use T5 lighting, LED bulbs, and highly efficient air conditioning equipment at construction sites 	<ul style="list-style-type: none"> • Install 49 sets of video conferencing systems in our offices in Hong Kong and mainland China to reduce greenhouse gas emissions produced by business travel
At residential properties managed by Well Born and Hang Yick	At commercial properties managed by Goodwill
<p>The following energy saving measures were taken:</p> <ul style="list-style-type: none"> • Use T5 fluorescent tubes and LED lights where applicable • Install motion sensors, carbon dioxide sensors and timers to control the lighting and air conditioning system • Divide Estate Common Areas into different zones for better arrangement of lighting and air conditioning • Participate in various external competitions and events, such as "Power Smart" Energy Saving Contest, "No Air-con Night" and "Earth Hour" to promote energy saving to our residents 	<ul style="list-style-type: none"> • Monitor energy and water consumption of properties on a regular basis • Develop and implement Environmental Instructions (EI) which cover emissions in accordance with the requirements of ISO 14001 Environmental Management System • Review the operating time of facilities such as lifts and escalators on a regular basis • Monitor the efficiency of building facilities such as chiller plants on a regular basis

For more green building practices of the Group's development projects, please refer to pages 22 to 25 of this Report for green building case studies.

OUR ENVIRONMENT



Water Conservation and Management

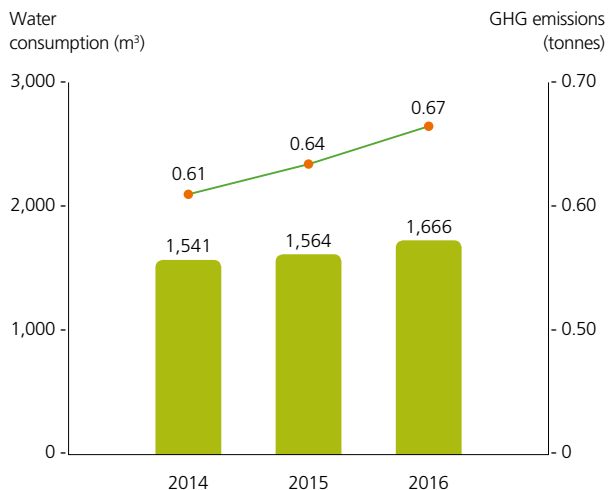
Water conservation is increasingly becoming a global issue. Henderson Land is contributing to this effort by incorporating water saving features in new development projects to reduce domestic and commercial water consumption. As an integral part of our ongoing efforts, we plan to use more

water saving devices at our new property projects, with the aim of achieving an estimated aggregate annual saving of 20% compared with the BEAM Plus baseline.

On our construction sites, we aim to conserve water and ensure the proper discharge of any wastewater, while at some of our projects, rainwater is collected for car-washing purposes.

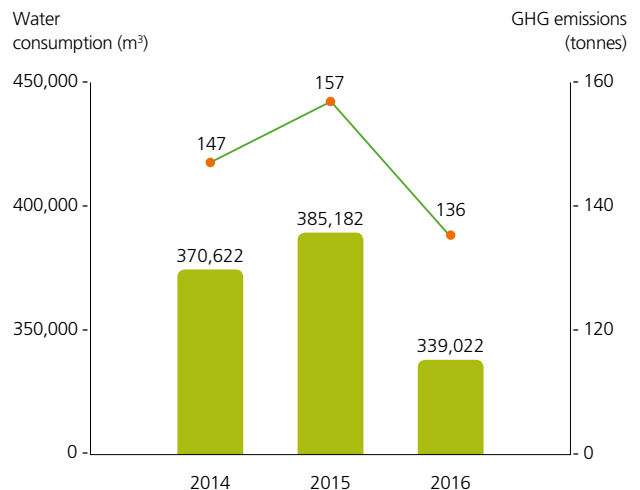
In order to ensure the quality of the water used by tenants and residents, our property management subsidiaries carry out regular cleansing of communal freshwater and flushing water tanks at properties that they manage in accordance with the applicable regulations and guidelines. Other measures such as replacing automated faucets have been adopted to minimise wastage and runoff.

Water Consumption and Corresponding GHG Emissions[^] of our Headquarters



[^] Indirect emissions from water consumption at our offices at Two ifc and AIA Tower

Water Consumption and Corresponding GHG Emissions[^] of Properties Managed by Goodwill



[^] Indirect emissions from water consumption managed by Goodwill (2016: 33 properties; 2015: 32 properties; 2014: 27 properties)

Green Product and Services

Henderson Land is dedicated to the continued delivery of sustainable products and services to our customers. With innovative sustainable designs and approaches adopted for our new projects, the Group is able to help reduce our carbon, water and energy footprints, and provide a healthy environment for our customers.

Strategies and Approach

Strategies to develop greener product offerings are based on thorough multi-

stakeholder engagements. This ensures a holistic consideration of the issues surrounding all our projects such as the ecological value in accordance with all applicable laws and guidelines. We also tackle likely issues from the design stage by seeking advice from NGOs and experts. This approach allows for the development of the most appropriate mitigation measures.

Our subsidiary, Goodwill, has complied with the ISO 9001 and ISO 14001 Integrated Management System Manual and implemented rigorous environmental management policies. During the reporting period, there were no incidents of non-compliance with laws regarding the provision and use of products and services.

Building a Green Future

The urban built environment offers great potential for green design and features. Passive design strategies use ambient energy sources such as natural ventilation and lighting, while active designs intervene in systems that require purchased energy such as HVAC systems. Henderson Land is always searching for the optimal integration of passive and active design strategies at all stages of a project.



Case Study

Green Buildings in Action

This case study features two of our latest development projects, which are testimony to the Group's green vision.

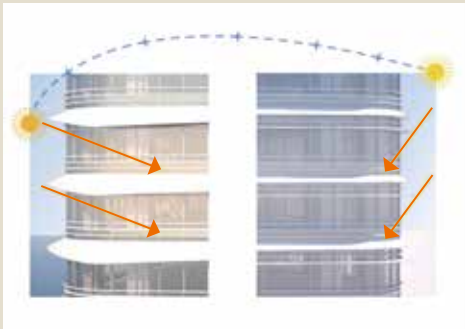
18 King Wah Road project

18 King Wah Road is a 25-storey smart office building designed to provide a green, intelligent and healthy work environment to occupants. An impressive set of accreditations have been awarded, including the LEED Platinum Pre-certification, BEAM Plus Provisional Platinum, China Green Building Design Label 3-star rating, WELL Gold Level Pre-certification and the Hong Kong Green Building Council Green Building Award.



- **BIM-enabled Intelligent Building Management System (iBMS)**
This web-based smart system controls and monitors the climate-responsive, passive and active building systems. It includes the Weather Information Totem to gather on-site weather information for building users to make informed decisions in controlling the indoor workplace environment through the motorised windows and motorised blinds.

- **WELL Building Standard**
18 King Wah Road is one of the first few Hong Kong buildings being awarded with this newly established holistic health performance verification standard for the built environment addressing human behaviour, building design and operations, while achieving the Gold Level Pre-certification. It focuses on seven factors of the building that enhance occupants' health: air, water, nourishment, light, fitness, comfort and mind.



- **Solar Responsive Façade**
The external shading changes angle and shape along the façade according to the sun's position and path, shielding indoor spaces from harsh sunlight and reducing solar heat gain. Light shelves are also constructed to diffuse direct sunlight into deeper areas in the offices.

- **Landscape and Air Ventilation Corridor**
The curved building surface and the setbacks from the building boundary enhance air ventilation in the neighbourhood. Landscape at street level links up with the future promenade and provides an urban oasis for workers to exercise and relax.

Case Study

Green Buildings in Action

15 Middle Road project

Another remarkable development, the 15 Middle Road project has fully integrated our SEED ethos. This encourages salubrious design that promotes four main aspects:

- **S**ocial well-being
- **E**nergy efficient systems
- **E**volving building control utilising intelligent design
- **D**epuration systems that benefit the environment of the development as well as its neighbourhood

• **High Performance Façade and Self-shading**

The façade of the building is designed to reduce glare impact to its surroundings and reduce heat transfer. A self-shading design is incorporated to reduce direct solar heat gain, which reduces the energy required for cooling.



(artist's impression)

• **30% Greenery**

The project has a high greenery ratio that increases green spaces in the neighbourhood and enhances the natural environment at the pedestrian level.



• **Solar Desiccant System**

This system utilises heat energy collected by solar thermal panels on the rooftop to regulate the temperature and humidity of the building. It is designed to offset 2% of the building total energy consumption and CO₂ emission on site.

• **Water Recycling Sytem**

Rainwater is harvested through the rooftop and stored in an 18.5m³ rainwater collection tank using a filtration system that filters and treats the harvested rainwater, reducing 99% of irrigation water. Cool condensed water from the air conditioning system is also recycled.

• **Naturally Ventilated Car Park**

The car park is naturally ventilated and promotes cross ventilation which is effective in providing fresh air and removing pollutants. This design reduces over 70% of exhaust fan energy.



(artist's impression)

OUR ENVIRONMENT

Environmental Mitigation

Apart from implementing efficient energy and water consumption measures, Henderson Land prioritises the environmental health of our land and the surrounding neighbourhood. During the stages of design, construction and property management, continuous assessment and mitigation measures are conducted.

The Group minimises air and water pollution by adhering to individual plans for Environmental Management, Waste Management and Indoor Air Quality Management at our construction sites. Noise pollution has also been mitigated by complying with the recommended criteria in the Hong Kong Planning Standards and Guideline.

Environmental mitigation also comes in the form of greening measures. Planting

trees beautifies our environment, purifies our air and enhances our ecology.

Land Remediation

Henderson Land is continually seeking opportunities to improve Hong Kong's overall built environment. This includes the remediation of degraded lands. Where necessary, the Group takes swift action to mitigate against dangerous slopes, as well as deterioration in soil, or water quality within its land reserve.

Case Study

She Shan Tsuen Slopes Improvement Works

The Group acquired a parcel of land at She Shan Tsuen in Tai Po in 2005. At the time, the slopes on the land required severe remediation works due to a mass of construction and demolition materials that had been left there by the previous owner. After taking possession of the land, the Group worked conscientiously to find the best solution to rectify the condition of the slopes and proposed various plans to related government departments. After many rounds of amendments in response to the comments and feedback from government departments, Henderson Land's work plan was finally approved by the Buildings Department in late 2015.

We have engaged our experienced contractor and professional consultant to improve the slopes while minimising potential impacts on the surrounding environment and nearby residents. You can follow our progress at: <https://www.facebook.com/ssttaipo/>.



1	Site Preparation	<ul style="list-style-type: none">• Site survey and precautionary measures e.g. fencing, site entrance notices, wheel washing facilities, drainage and filter systems, and site surveillance system
2	Slopes Stabilisation	<ul style="list-style-type: none">• Removal of the construction and demolition materials• Compaction works
3	Post-work	<ul style="list-style-type: none">• Hydro-seeding and site clearance

Case Study

Blessing Farm Scheme

To support sustainable farming in Hong Kong, the Group is collaborating with Blessing Farm, a social enterprise, through the provision of a parcel of land at Fanling in the New Territories at fully subsidised rent for use as an organic farm. Launched in 2014, the Scheme was earmarked for an initial period of three years and has been extended for another two-year term until 2018. Blessing Farm has made good use of the approximately 180,000 sq. ft. of land before land use conversion and has brought many people together to experience the enjoyment of organic farming.

Aims of the Blessing Farm Scheme

- To promote sustainable farming and advanced farming technology in Hong Kong
- To alleviate poverty, we donate crops to Home Market, a poverty relief social enterprise which sells goods at a subsidised price to low-income households
- To offer meaningful engagements for students and retired individuals, who are recruited as volunteers



6,000+ kg

organic vegetables provided to
Home Market since 2014

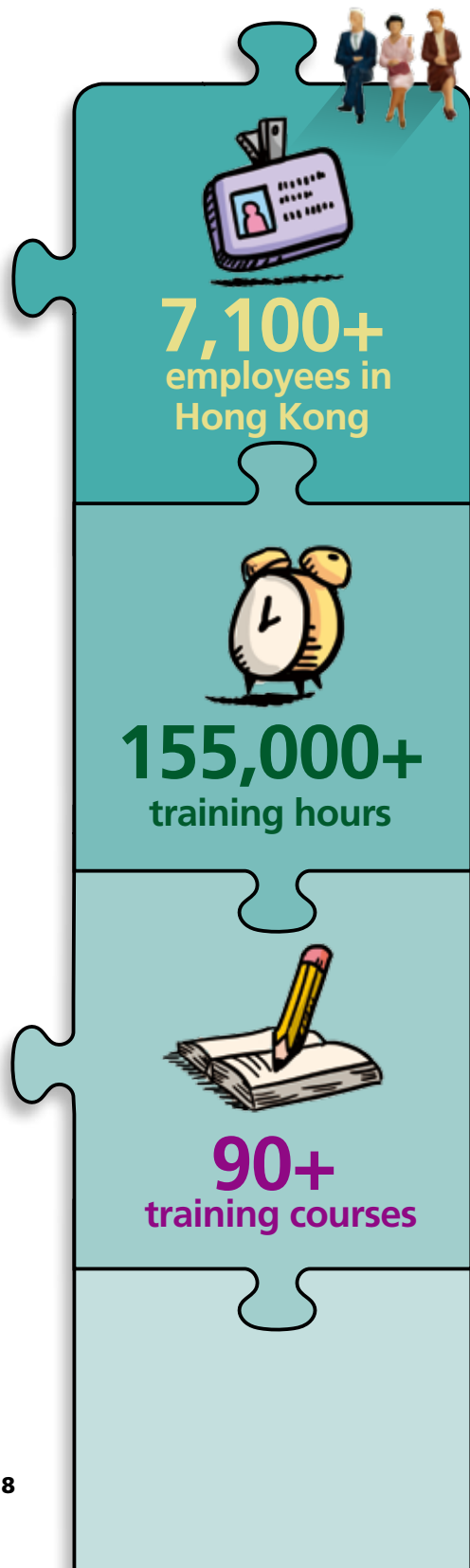


12,000+

families and individuals benefitted
from the organic vegetables provided
to Home Market since 2014

OUR PEOPLE

The Group's human resources are our most valuable asset and remain key to the long-term prosperity of our business. Recruiting and retaining talent is vital in order for us to stay competitive. We strive to provide a safe, healthy, and friendly working environment for all employees and site staff by conducting thorough training and development and adhering to comprehensive policies on welfare and benefits, equal opportunity and diversity.



Employment and Employee Welfare

The Group provides competitive remuneration and benefits to our full-time employees. Medical care and retirement schemes are complemented by daily free-of-charge nutritious lunches and refreshments. Family-friendly policies have been adopted such as providing lactation support to breastfeeding employees, paid paternity leave and marriage leave. Additional benefits for our staff include travel outings and use of the Group's cottage on a rental basis. They are also encouraged to participate in workshops with external professionals such as health classes, mental agility sessions, gymnastics and organic farming.

Weekly departmental meetings and periodical staff surveys are held to provide a platform for employees to express their opinions, while enabling the Group to review employee welfare and satisfaction.





Case Study

Breastfeeding Friendly Workplace

Henderson Land respects the personal and family commitments of its employees. The Group was proud to be awarded a certificate by UNICEF in 2016 for promoting a Breastfeeding Friendly Workplace after two lactation rooms were established and brought into service at the Group's offices.

These rooms provide a friendly environment for breastfeeding mothers and are furnished with chairs and small tables, offering a comfortable and private space. In addition, designated refrigerators are also provided. To facilitate the use of the rooms, the Group has developed a written policy and a user-friendly online booking system enabling employees to enjoy two lactation breaks per day during office hours.



Equal Opportunity and Diversity

Henderson Land's diverse workforce reflects the requirements of contemporary business for talents with a valuable mix of different perspectives, skills, experience and knowledge. At the senior management level, our board diversity policy sets out the Group's approach to the selection of candidates taking into account an extensive range of characteristics including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. Such equal opportunity and non-discrimination practices also underscore the culture we seek to engender in our daily office environment.

A confidential feedback system is open to all employees to express any opinions or concerns regarding discrimination via the Group's intranet or direct email to the Vice Chairman. Throughout the reporting year, there were no incidents of discrimination.

Training and Development

The continual education and development of our employees is a priority for Henderson Land. The Group provides a range of internal training programmes, talks and seminars that strengthen employees' relevant skills and enhance their job competencies and professional development. This year, training courses covered a wide range of subjects including language skills,

management skills, computer skills and commerce seminars. The programmes offered are subject to periodic review and adjusted accordingly to reflect employee feedback.

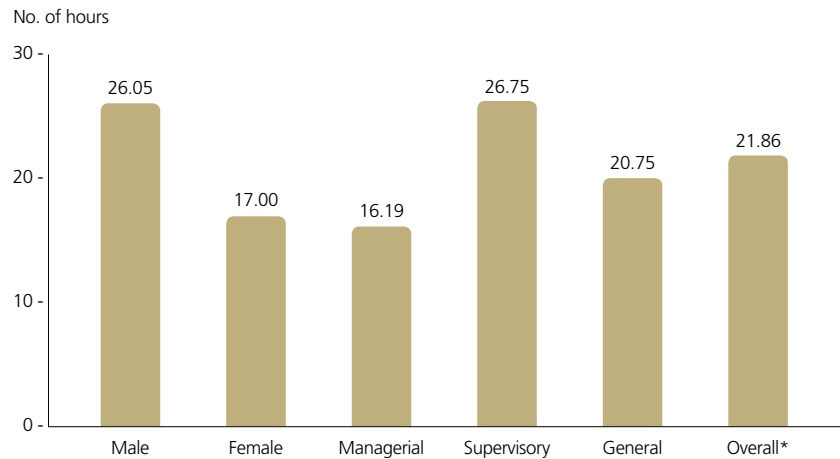
Employees obtaining pertinent external academic or professional qualifications are also entitled to fee subsidies and examination leave, with examples including continuing development programmes such as the BEAM Professionals accreditation. Many of our Project Management Department staff are members of professional institutes. In addition, the Construction Department is also intent on enhancing the professional development of our junior staff by sponsoring apprentice training programmes under the schemes managed by the Hong Kong Institute of Engineers.

OUR PEOPLE

To further the exchange of international and local best practice and knowledge, our Board of Directors are encouraged to attend external talks and seminars, and are updated on the latest legal and regulatory issues on a monthly basis by the Company Secretarial Department.

During the reporting year, a total of approximately 155,000 hours of employee training activities were delivered, consisting of 92 internal training courses as well as external and subsidised courses. In accordance with the Group's long-term strategic plans for staff development, the Human Resources Department is intent on formulating a systematic annual training and development plan.

Average Training Hours per Employee by Employee Category



* The "Overall" number comprises all full-time and part-time employees of the Group in Hong Kong including those working at our headquarters, construction, property management and other subsidiaries



Health and Safety

Minimising work-related accidents and providing a safe and secure working environment for all employees and site workers is of paramount importance to the Group. Meticulous measures were taken to ensure that the accident rate for the reporting year has remained well below the 2016 accident rate target of not exceeding 10 in 1,000 workers.

Henderson Land has a dedicated Occupational Health and Safety ("OHS") Committee to supervise and implement sound site safety management. The Chairman of the Committee and division heads meet with site staff every three months to discuss the latest safety matters. Moreover, bi-annual independent safety audits at each of our construction companies and sites ensure that we meet the high safety standards that we set ourselves.

All staff at our construction subsidiaries are provided with adequate shelter, rest periods, ventilation facilities and potable water. Toolbox talks are carried out to provide safety training to workers at construction sites. Courses on OHS and First Aid are offered to all and a care programme to familiarise new workers with all procedures is undertaken. To further raise awareness amongst frontline staff, an internal competition, "Occupational Safety and Health Quiz", is organised every year.

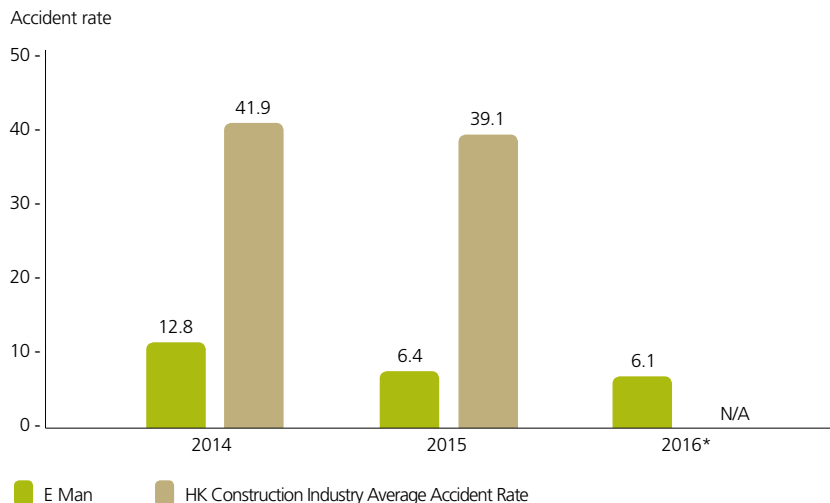
Our subsidiaries, Well Born and Hang Yick, take notable measures to promote workplace health and safety. At least five workplace visits are conducted each month, and six OHS activities are held each year to improve conditions at the workplace. Well Born and Hang Yick also joined the OSH Star Enterprise Charter under the Hong Kong Occupational Safety and Health Council.

The Site Safety Subgroup

To take on an interdisciplinary approach to site safety assurance, professionals such as architects, engineers, surveyors and safety officers, are brought together into the Group's Site Safety Subgroup. The Subgroup conducts weekly inspections to stay up-to-date with the latest safety concerns. Should any issues arise, they are immediately rectified, while findings that require further consultation are discussed with the Project Management, Engineering and Construction Departments.



Accident Rate per 1,000 Workers per Annum in Construction



*Industry average accident rate in 2016 is not available as of the publication date of the Report

Throughout the reporting year, the Site Safety Subgroup carried out 107 safety inspections of the Group's superstructure, substructure, demolition, and alteration and addition projects. A total of 749 safety findings were made, which addressed critical safety matters relating to activities such as fire safety, bamboo scaffolding, lifting operations, material handling with risks of falling objects, flame cutting and welding, installation of curtain walls, excavation and bored piling.

OUR VALUE CHAIN AND CUSTOMERS

Supply Chain Management

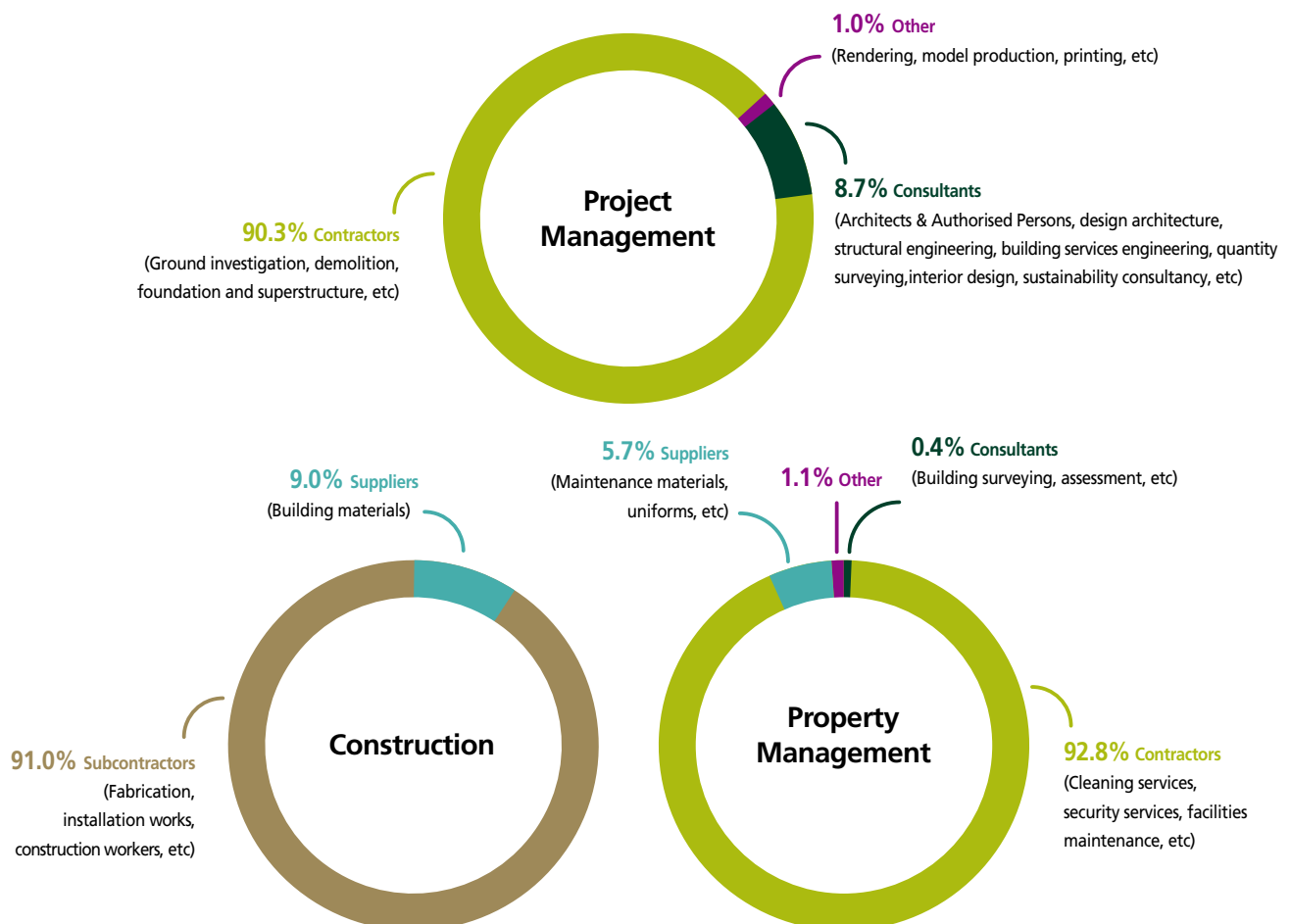
As a leading property group, Henderson Land endeavours to exert a positive influence on all the stakeholders in our supply chain. We strive to improve our overall environmental, social and governance performance by incorporating best practice in our supply chain management processes. Our approach includes local procurement to reduce carbon emissions arising from the transportation of materials and products, as well as targeting the creation of economic value in the local community.





Henderson Land works with a supply chain that comprises over 2,700 suppliers, which represented an expenditure of about HK\$6 billion for the reporting year. Architects, surveyors, technical consultants, designers and contractors are among the principal stakeholders in our supply chain.

Expenditure on Different Types of Suppliers for Project Management, Construction and Property Management



OUR VALUE CHAIN AND CUSTOMERS



To enhance sustainability performance, it is imperative that our suppliers are aligned to the Group's goals. Henderson Land's social, environmental and occupational health and safety requirements and standards are clearly stipulated during the tendering and procurement process. The Audit Department, through close inter-departmental dialogue, monitors the process and ensures that it is standardised, fair and transparent.

To ensure we deliver consistently high quality products, the Group maintains a list of consultants and contractors who possess relevant professional qualifications and accreditation. Our Construction Department also maintains an internal subcontractor register and requires that all subcontractors are

registered via the Construction Industry Council's Subcontractor Registration Scheme.

Advocating local procurement is one of the chief ways we improve our sustainability performance in supply chain management. Not only does it contribute to a lower carbon footprint, it also sustains local economic activity and the development of local talent. We nurture long-term relationships with our suppliers, particularly those who also prioritise sustainability performance.

Customer Health and Safety

The health and safety of all occupants in our properties is important to the

Group. For all Henderson Land projects, we have appointed Authorised Persons, Registered Structural Engineers and Registered Contractors to ensure compliance with all applicable legislation including the Building Ordinance, Regulations and Codes of Practice, Places of Public Entertainment Ordinance, and Hotel and Guesthouse Accommodation Ordinance. There were no cases of non-compliance during the reporting year. Moreover, all of the Group's projects comply with the criteria recommended in the Hong Kong Planning Standards and Guidelines, which provide a benchmark for project management decisions that will work for the greater good of our society by facilitating social and economic development.

Prefabrication has been adopted as a means for better product quality control and more efficient construction processes.

The Group's 18 King Wah Road project is one of the first few projects in Hong Kong to receive the WELL Building Gold Level Pre-certification. The WELL Building Standard is a newly established holistic health performance verification system for

the built environment which measures, certifies and monitors the performance of building features that impact health and well-being by taking into account seven factors: air, water, nourishment, light, fitness, comfort and mind.

At Well Born and Hang Yick, quarterly safety inspections for buildings and estates were conducted to ensure product safety under the OHSAS

18001 Occupational Health and Safety Management System. An achievement rate of 100% had been attained in 2016.

In order to improve accessibility for people with different needs, Goodwill is installing barrier-free facilities in many of our shopping malls. These facilities include:



Braille lift buttons



Ramp access



Tactile guide path



Tactile Signage / Map



Disabled washrooms



Barriers free routes



Emergency call bells in washrooms



Voice synthesiser in lift



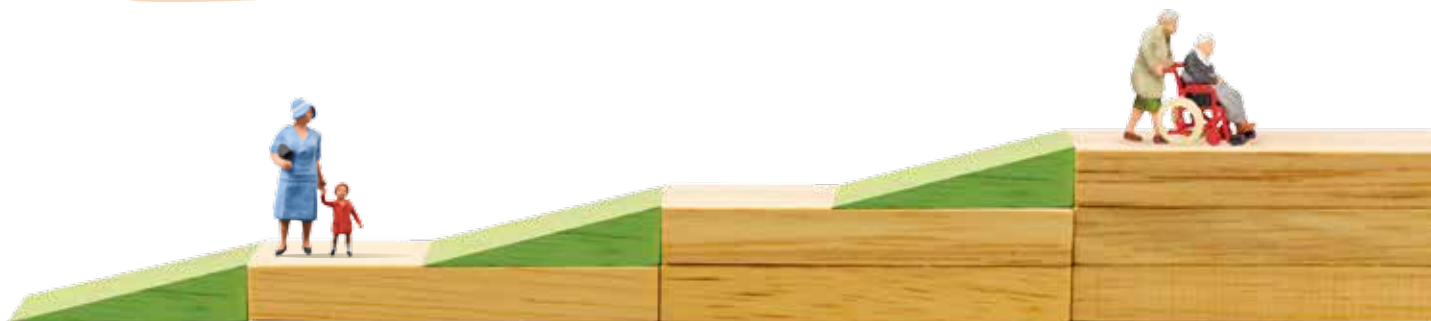
New concierge counter incorporated with low level counter top for the disabled



Graphics and signage affixed on glass panels and entrance doors to alert elderly and disabled people and enhance public safety



"Guide dogs welcome" stickers are placed at prominent areas in our properties to inform the public



OUR VALUE CHAIN AND CUSTOMERS

Customer Satisfaction

The Group is committed to delivering superior customer services in both property sales and property management. A Customer Services Code of Conduct is in place to ensure service quality. We solicit feedback on our customer service through questionnaires which are submitted after product delivery completion. We also collect customer feedback via an on-site staff communications hotline and a customer service email link. Our Property Management Team carries out periodic surveys to

determine the customer satisfaction levels of our tenants and property owners.

Henderson Land recognises that property ownership is a life time investment for many people and our Customer Services Section serves customers of residential housing projects at four stages during the development process. In the Product Development stage, customer feedback regarding designs for their projects is collected and conveyed to the project management team. During the Building Inspection stage, we ensure our products

meet customers' needs and expectations. The Product Delivery stage is where properties are introduced to customers and checked for defects. Feedback on customer service is collected via on-site questionnaires and through a staff communications hotline. In the After-Sales stage, Customer Services staff are stationed at newly built properties for over a year to provide assistance and they also monitor maintenance works within the warranty period.

Results of Customer Satisfaction Survey

	Goodwill	Hang Yick	Well Born
Overall customer satisfaction	97.1%	99.5%	98.2%



Products and Service Labelling

The Group aims to present our product offerings transparently, enabling our customers to make informed decisions based on accurate descriptions and assessments. In guiding the Group's practices, we adhere to the Residential Properties (First-hand Sales) Ordinance which sets out obligations regarding the transparent disclosure of all marketing and sales activities and materials.

The Group's senior executives monitor and approve product information to make sure it is accurate. Consultants and other professionals are also commissioned to review all brochures, show-flats and advertising materials to ensure compliance with the Ordinance. We have also developed an internal

operational manual and training modules to equip staff from various departments with knowledge on sales and marketing legislation.

Customer Privacy

Henderson Land is committed to upholding the security of our customers' data and their legal right to privacy is protected by policies that comply with all requirements of the Personal Data (Privacy) Ordinance. We clarify this pledge to customers in a Privacy Policy and Personal Information Collection Statement which notes that all customer data collected by Henderson Land is for the sole purpose of business development and customer relationship management. It makes explicit references to the parties entitled to access this data, such as subsidiaries of the Group.

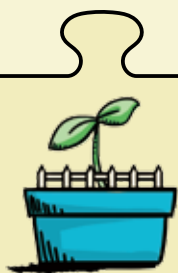
Customers are also able to exercise their right to data access by contacting our Personal Data Privacy Officer.

To ensure good data handling practices, staff are well-informed regarding relevant regulations through training seminars and programmes. Henderson Land also takes a proactive stance to prevent external infiltration. When crypto malware became a threat to Hong Kong businesses, all staff underwent mandatory IT security tests, which allowed the identification of any weaknesses or vulnerabilities within the Group's departments.

During the reporting year, there were no verified complaints received concerning breaches of customer privacy and disclosure of customer data.



OUR COMMUNITY



30,000+
youths and
underprivileged
benefitted



90+
community
programmes
supported



2,600+ kg
of organic
vegetables donated for
underprivileged



The Group believes that our responsibilities go far beyond direct economic contribution and recognises the impact that we have on society, both through our operations and community investment initiatives. Our approach to community investment and engagement has been formalised in our Corporate Social Responsibility Policy, which is available on our company website <http://www.hld.com/en/csr/csrpolicy.shtml>.

The Group also continues to forge close partnerships with our employees, community bodies, society, and government to address the needs of the community. We have supported a number of community programmes for many years, providing financial assistance as well as dedicated manpower and the personal involvement of our senior executives. In 2016, Henderson Land continued to drive and support a broad spectrum of community programmes that are making positive changes in society and building a sustainable future for generations to come. More than 90 programmes received our support and participation, and the Group's corporate volunteer team initiated and implemented 19 service activities.



Community Initiatives

During 2016 Henderson Land again pursued a broad range of community initiatives. Our involvement targeted issues such as poverty relief and environmental education, as well as promoting arts and culture, and youth development.

Poverty Relief		
Initiative/ Beneficiary	Support in 2016	Accumulative Social Impact
Blessing Farm	Provided sponsorship to support the Farm, which supplied over 2,600kg organic vegetables to Home Market—a not-for-profit convenience chain store for donating or selling at significantly discounted prices to the underprivileged	Through supporting Blessing Farm, the Group has collectively donated over 5,900kg organic farm-produced vegetables to the underprivileged since 2014, nourishing more than 12,000 people
Commission on Poverty "Future Stars" Programme – Upward Mobility Booster Project	Supported four youth engagement programmes of respective NGO partners by providing financial sponsorship, career orientation and workplace induction	The project has assisted around 670 youngsters in total since 2014, inspiring them to pursue clear goals and aiding their mobility up the social ladder
Commission on Poverty "Future Stars" Programme – Upward Mobility Scholarship	Provided scholarships to underprivileged students who have shown potential through continuous progress in academic performance and personal development	Over 530 scholarships have been awarded since 2014, providing a means for the financially unstable to continue on with their studies
Warmth Giving Project	Distributed winter sustenance packages to about 12,000 elderly and low-income families. Supported the elderly by holding a spring lunch and gave away scarves knitted by our volunteer team and Henderson Club members	The Group has co-organised and financed the project since 2011, benefitting more than 72,000 economically-disadvantaged elderly and families

Environmental Education		
Initiative/ Beneficiary	Support in 2016	Accumulative Social Impact
Friends of the Earth (HK) Power Smart	Sponsored the territory-wide energy conservation contest for the eighth consecutive year and took the initiative to promote energy saving in domestic households and commercial buildings, and lower the Group's carbon footprint	The competition has cumulatively saved more than 273 million kWh of electricity in Hong Kong since its inception in 2006, equivalent to reducing 190,000 tonnes of CO ₂ emissions
Green Power Hike	Committed as the Title Sponsor of the programme and formed nine staff teams to participate in the Hike, supporting Green Power's ongoing educational undertakings	The Group has been the Hike's Title Sponsor since 2006. The annual fundraising event has been supported by a total of 36,000 runners cumulatively

OUR COMMUNITY

Environmental Education		
Initiative/ Beneficiary	Support in 2016	Accumulative Social Impact
World Wide Fund For Nature Hong Kong ("WWF-Hong Kong") Walk for Nature @ Mai Po	Sponsored the Walk and reached out to 40 members of Home Market to join the Walk with our volunteer team at the birdwatchers' paradise in Mai Po	The Group has been sponsoring the Walk since 2010, giving over 17,000 fund-raisers the opportunity to appreciate our natural environment in Mai Po, and allowing WWF-Hong Kong to continue driving Hong Kong's conservation and education work

Youth Development		
Initiative/ Beneficiary	Support in 2016	Accumulative Social Impact
Junior Achievement Hong Kong	Committed as the sole sponsor of the JA Startmeup Summer Boot Camp to nurture young people with entrepreneurial skills and spirit; and sponsored JA Company Programme 2016/17 to provide entrepreneurial experience for youths aged 14 to 18 through an eight-month authentic business cycle	JA Startmeup Summer Boot Camp benefitted 98 participants by enhancing their entrepreneurial skills. In JA Company Programme 2016/17, over 1,700 students from 130 schools gained first-hand experience of starting a business under the guidance of more than 180 volunteer business advisors
Make A Difference ("MaD")	Sponsored the year-round programme MaD Good Lab, and subsidised the programme fees for financially-challenged youth to participate in the MaD Forum, and MaD Excursion, an educative overseas exchange programme. The Group's Corporate Volunteer Team also collaborated with MaD Good Lab to organise activities for members of the community	The Group has been funding the MaD youth development platform since 2011 through the inauguration of the community-based programme MaD Good Lab. The platform has empowered close to 41,000 youths to continue to contribute positively in Hong Kong and the Asia-Pacific region. MaD Good Lab 2016 engaged over 4,000 participants from local secondary schools, NGOs and youth organisations, while 17 young people took part in the Taipei MaD Excursion to expose themselves to the latest development of the Taiwanese cultural and creative sectors
Summerbridge Hong Kong	Pledged donation to support the provision of tuition-free, summer and after-school enrichment programme for financially disadvantaged young students	The Group has been an active donor to the scheme since 2006, supporting cumulatively about 2,700 students and about 1,100 student teachers

Art & Culture		
Initiative/ Beneficiary	Support in 2016	Accumulative Social Impact
Central & Western District Council Fall/ Winter Sheung Wan Promenade	Sponsored the annual cultural event of Central & Western District, which hosts performances and themed carnivals promoting local handicrafts	The Group has been a patron of the event since 2007, which has cumulatively attracted about 690,000 spectators
Le French May	Pledged as the Grand Patron–Bronze of Le French May 2016	The Group has been sponsoring the festival since 2008, and enriching the lives of millions in Hong Kong and Macau

Social Enterprise		
Initiative/ Beneficiary	Support in 2016	Accumulative Social Impact
Good Kitchen	In 2016, the Group became the title sponsor of Good Kitchen's poverty relief programme, in which festive food including rice dumplings, mooncakes and Chinese New Year puddings were provided to underprivileged individuals and families in the nearby districts	The programme benefitted over 6,200 underprivileged people in 2016
The Good Lab	In addition to providing sponsorship to fund The Good Lab's operation to nurture social enterprises, in 2016 the Group further committed as the title sponsor of the incubation programme: "Henderson Social Innovation Classroom", which aimed to train and inspire young people to become social innovators and entrepreneurs	The Group is the Founding Patron of The Good Lab and has been funding its establishment and operation since 2012. Composed of more than 400 individual members and over 60 start-up teams since its establishment, its services and activities attracted over 15,000 visitors and followers in Hong Kong and from around the world in 2016. Over 40 young people participated in a six-week interactive programme to learn about social innovation around the world

During the year, Henderson Land again supported various NGOs and educational institutions through the provision of free or discounted exhibition space at our venues. Our shopping malls subsidised venue rentals amounting to approximately HK\$800,000 for a total of approximately 80 charitable events.

OUR COMMUNITY



3 volunteer
teams under the Group's
listed companies*



Altogether
1,000+
volunteers



Altogether held
280+
volunteer activities
in 2016



Altogether
85,000+
service hours reached

Volunteering

A culture of volunteerism plays an integral role in Henderson Land's social responsibility initiatives. The Group's volunteer teams together with those of its subsidiaries and associates enthusiastically support the community through a wide range of initiatives targeted at various important causes. Together, the Group and its listed associated companies contributed over 85,000 volunteer hours during 2016.

Henderson Warmth Volunteer Team*

Henderson Warmth Volunteer Team organised 19 service programmes in 2016, benefiting over 2,300 needy people. Among these, our volunteers joined hands with colleagues and Henderson Club members in a programme themed "Knit for the Needy", providing over 1,400 hand-knitted scarves to the elderly during winter.



Towngas Volunteer Service Team*

Towngas Volunteer Service Team has more than 850 volunteers who contributed over 75,000 service hours in 2016. The team received the Champion of the Highest Service Hour Award (Private Organisations–Best Customers Participants) from the Social Welfare Department for the ninth consecutive year.



Hong Kong Ferry Corporate Volunteer Team*

Hong Kong Ferry Corporate Volunteer Team actively participated in different volunteer events with a focus on the elderly and family services.



Team of Care

Hang Yick and Well Born's Team of Care has received the annual "Champion of the Highest Service Hour Award" (Private Organisations – Category 1) from the Social Welfare Department for 11 years.

Goodwill Volunteer Team

Goodwill Volunteer Team participated actively in various charity hikes and fundraising activities and received the "Gold Award of Volunteer Service" from the Volunteer Movement programme of the Social Welfare Department.





Indirect Economic Impact – A Case Study of Community Activities at Tai Kok Tsui

Henderson Land recognises that our urban regeneration activities have both a direct and indirect impact on the community. Through our committed long-term partnerships with NGOs, we seek to foster community engagement so that any period of transformation of old residential and industrial areas is a positive experience with lasting benefits for the local community.

One example of this during the year was a series of community activities at the Group's vacant tenement industrial building in Tai Kok Tsui. Before the commencement of redevelopment works, the space of approximately 6,000 square feet was offered at a nominal rate of HK\$1 to local NGOs



for the purpose of engaging the local community. From events that promote an appreciation for reading, music and culture, to hosting art exhibitions, numerous NGOs made productive use of the opportunity.

In July 2016, the Group was privileged to cooperate with "aTtempSpace" to launch an event "Old Kisses New: TKT" at the space. The event juxtaposed the history and culture of Tai Kok Tsui with art, music, traditional handicrafts, modern technology and invention. Hong Kong Community Philharmonic Orchestra and local buskers were invited to perform.



The Group also offered the venue to Free Foundation to hold an event "Book Regeneration" to sell second hand books. Another NGO, the Disabled Association Hong Kong, used the venue for a social event featuring an exhibition of art by one of their artists.

These activities were popular with the local Tai Kok Tsui community and again underscored the Group's objectives of promoting economic opportunities and better living standards in the community.

Youth Empowerment – A Case Study of "Future Stars" Programme

"Future Stars" represents one of Henderson Land's long-term partnership initiatives where we work closely with NGOs to create sustainable value in the local community. The programme was launched by the Commission on Poverty in 2014 to help underprivileged youth gain exposure to increase their chances of achieving upward social mobility. Over the past three consecutive years, the Group had supported the programme through financial contributions and by providing diverse job placement opportunities and company visits to the young participants.

One aspect of the programme, "Upward Mobility Booster", provides workplace skills training and internship opportunities that have benefitted over 670 participants. The Group's subsidiaries and associated companies including Hang Yick and Well Born, Goodwill, Hong Kong and China Gas, Hong Kong Ferry Group and Miramar Group have each organised company visits and provided workplace inductions to a diverse array of industries, ranging from shipbuilding and ship repairing services to hotel management. Our experienced employees have also provided counselling and guidance to participants, offering them valuable information, advice and encouragement in their careers.



As part of the programme, the Group has also provided an "Upward Mobility Scholarship" to over 530 underprivileged students who have shown progress in academic performance and personal development. The aim has been to motivate students and help them further their studies.

Our corporate volunteers, the Henderson Warmth Volunteer Team, invited five of the participants to join them, inspiring them to give back to the local community. With the guidance of our experienced volunteers, these youths facilitated an enjoyable baking workshop with a group of primary students from Po Leung Kuk.



Henderson Land

Bi-monthly Elderly Home Visit



Henderson Land adopts a holistic approach to community investment and engagement with programmes targeted at a wide range of social groups to make a synergistic impact on society. Proposals for broader initiatives arose due to the continued enthusiasm from our subsidiaries, associates, partners and supporters.



Warmth Giving Project

Commission on Poverty "Future Stars" Programme





JA Company Programme Trade Fair

JA Startmeup
Summer Boot Camp



Summerbridge Hong Kong
Walkathon



Summerbridge Hong Kong



Henderson Land

Make A Difference ("MaD")



MaD Good Lab –
The Upcycled Symphony

Henderson Social
Innovation Classroom X
Good Lab



Caritas La Vie Baking
Workshop



Green Power Hike



WWF – Hong Kong
Walk for Nature @ Mai Po



ACT Social Awareness
Network – Tai O Day Tour



MCP HUNGER RUN



Hong Kong and China Gas

Hong Kong and China Gas aims to achieve social and environmental harmony in the community. As a leader in the energy industry, Hong Kong and China Gas is proud to be a pioneer in the development of green energy solutions that contribute to a better environment for the next generation. Hong Kong and China Gas is committed to strengthening community engagement through philanthropic initiatives in partnership with its employees, customers, associates and the public.

Games of Friendship



Social Harmony Cooking Contest



Mad Dog Café
Charity Programme



Contest of Low Carbon Creativity

Gentle Breeze Movement



Towngas Rice Dumplings for the Community

Hua Yan Siyuan Programme



Hong Kong Ferry Group



Centum Student Visit at Hong Kong Shipyard

Happy Halloween Cruise Party with Pok Oi Hospital



Hong Kong Ferry Group seeks to enrich the lives of many through community engagement. Continuing the theme of "Loving Hong Kong, Loving Home", Hong Kong Ferry co-organised a series of CSR cruise parties with its NGO partners for low-income families that benefitted around 1,200 kids and their parents in 2016. The company also arranged shipyard tours for local students and overseas visitors. Fund-raising and regular volunteering was also encouraged among its staff.



JCI Member Visit at Hong Kong Shipyard

Loving HK Loving Home Cruise Party



Miramar Group

As a good corporate citizen, Miramar Group fosters long-term ties with community groups and advocates regular staff participation in programmes such as fundraising activities for the underprivileged and elderly visits. The Group worked in collaboration with the charitable organisation "Chi Heng Foundation", by supporting its educational projects and fund-raising initiatives for children impacted by AIDS in mainland China.

Miramar Elderly Visit for
Mid-Autumn Festival



Support to Junior Police Call
Fight Crime Summer Camp



Student Visit at
The Mira Hong Kong



Hang Yick and Well Born



First Cantonese Competition for Ethnic Minorities in Hong Kong

HKCPS Yuen Long District Secondary School Student Internship Programme



Building Your Dream Bedroom



Life Brightening with Style for Elderly

Continuing the CSR theme of “Year of Youth”, Hang Yick and Well Born sought to contribute to society with a goal of inspiring the younger generation. Initiatives included launching a new programme “Building Your Dream Bedroom” and equipping young people with basic skills for repairing home appliances to promote harmony in their families. Other activities included supporting student internship programmes and visits to elderly centres.



Barrier-Free Charity Walk



Goodwill



Green Sense Charity Hike

Goodwill is committed to contributing to society through strengthening long-term partnerships with various NGOs and encouraging employees to participate in volunteer service and fundraising activities. Goodwill hopes to bring positive changes to the community by reaching out to elderly and low-income family children.

Summer Internship Programme
2016 for IVE Students



Goodwill Volunteer Team
Elderly Home Visit



KEY FACTS AND STATISTICS

Major Awards Received in 2016

Organiser	Award
2016 China Charity Festival	Corporate Social Responsibility Brand 2016
Asia Pacific Customer Service Consortium	2015 International Customer Relationship Excellence Awards <ul style="list-style-type: none"> • Corporate Environmental Leadership of the Year (Property Management) (Hang Yick and Well Born) • Customer Service Centre of the Year (Property Management) (Hang Yick and Well Born) • 14 Consecutive Years of Participation (Well Born)
Asia Pacific Intelligent Green Building Alliance (APIGBA)	APIGBA Excellent Intelligent Green Building Awards 2016 <ul style="list-style-type: none"> • Award in Design category (Hong Kong Chapter) (18 King Wah Road) • Regional Award in Design category – Platinum (18 King Wah Road)
BCI Asia	BCI Asia Top 10 Developers Award 2016
buildingSMART Hong Kong	International BIM Award (18 King Wah Road)
CAPITAL WEEKLY	The Listed Enterprise Excellence Awards 2016
Cityscape Global	Cityscape Awards for Emerging Markets 2016 <ul style="list-style-type: none"> • Leisure and Hospitality Project Award (Future) – Winner (45 Pottinger Street)
East Week	Greater China Super Brands Awards 2016
Hang Seng Indexes Company Limited	Constituent Company of the Hang Seng Corporate Sustainability Index Series
Hong Kong Construction Association	HKCA Safety Award 2015 <ul style="list-style-type: none"> • HKCA Proactive Safety Contractors Award (E Man) • HKCA Safety Merit Award (Heng Lai, Heng Shung and Heng Tat)
Hong Kong Council of Social Services	10 Years Plus Caring Company 2015/16
Hong Kong Green Building Council	Green Building Award 2016 <ul style="list-style-type: none"> • Merit Award (New Buildings Category) (218 Electric Road) • Special Citation in Eco-service Infrastructure Network (New Buildings Category) (Double Cove) • Finalist (Green Building Leadership Category) (Henderson Land) • Finalist (Green Building Leadership Category) – Finalist (New Buildings Category) (15 Middle Road)
IAIR	IAIR Awards 2016 <ul style="list-style-type: none"> • Company of the Year for Sustainability Property Development Hong Kong
International Property Awards	Asia Pacific Property Awards 2016-2017 <ul style="list-style-type: none"> • Best Office Architecture Hong Kong – 5-Star (Global Trade Square) • Office Development Hong Kong – Highly Commended (Global Trade Square)

Organiser	Award
MerComm, Inc.	International ARC Awards 2016 <ul style="list-style-type: none"> • Bronze Award (Interior Design: Sustainability and CSR Report) • Honors Award (Cover Photo/Design: Sustainability and CSR Report) Mercury Excellence Awards 2015/2016 <ul style="list-style-type: none"> • Gold Award – Annual Reports – (Overall Presentation: Sustainability and CSR Report)
PropertyGuru	China Property Awards 2016 <ul style="list-style-type: none"> • Best Mixed Use Development (Hong Kong and Macau) (45 Pottinger Street)
The Community Chest	Award of Merit 2015/2016
The Hong Kong Institute of Facility Management	Excellence in Facility Management Award 2016 <ul style="list-style-type: none"> • Excellence in Facility Management Award (Retail) (Miramar Shopping Centre) • Merit Award (Small-scale Residential) (39 Conduit Road, High Park, Regence Royale) • Silver Award – Theme Award (Energy Management) (Miramar Shopping Centre)
The Hong Kong Institute of Housing, Hong Kong Construction Association, The Hong Kong Institute of Architects and six other institutes/disciplines	Quality Building Award 2016 <ul style="list-style-type: none"> • Grand Award (Hong Kong Residential [Multiple Buildings] Category) (Double Cove)
World Green Building Council	Asia Pacific Leadership in Green Building Awards 2016 <ul style="list-style-type: none"> • Leadership in Sustainable Design and Performance – Residential (Double Cove)

Project Accreditation in 2016

Accreditation	Development	Rating
Leadership in Energy and Environmental Design (LEED)	218 Electric Road	Platinum Pre-certification (Core & Shell)
Building Environmental Assessment Method (BEAM)	Double Cove – Phases 2 & 3	BEAM – Platinum Standard
BEAM Plus	15 Middle Road	BEAM Plus (New Buildings) – Provisional Platinum Rating
BEAM Plus	460 Queen's Road West	BEAM Plus (New Buildings) – Provisional Silver Rating
BEAM Plus	8-30A Ka Shin Street	BEAM Plus (New Buildings) – Provisional Silver Rating
BEAM Plus	856 King's Road	BEAM Plus (New Buildings) – Provisional Silver Rating
BEAM Plus	Eden Manor	BEAM Plus (New Buildings) – Provisional Silver Rating
WELL Building Standard (WELL)	18 King Wah Road	Gold Level Pre-certification (Core & Shell)

KEY FACTS AND STATISTICS

Team of Professionals

Qualification	Total number (persons)
BEAM Professional	20
Certified Arborists	4
Ecologist	1
GBL Qualified Manager	9
HKQAA Sustainable Building Index Verifiers	4
LEED Accredited Professional	8
LEED Green Associate	2

Memberships

Organisation	Position
BEAM Society	Corporate Member
Business Environment Council	Board Director and various positions
China Green Building (Hong Kong) Council	Director and Corporate Member
Construction Industry Council	Member of Construction Workers Registration Board and Task Force on Safety of Bamboo Scaffolds
Egret Research Group, the Hong Kong Bird Watching Society	Convenor
Estate Agents Authority	Member
IUCN Heron Specialist Group	Member
HKSAR Advisory Committee on Recycling Fund	Member
HKSAR Advisory Committee on the Appearance of Bridge and Associated Structures (ACABAS)	Member
HKSAR Appeal Tribunal Panel (Buildings)	Member
HKSAR Harbourfront Commission	Member
HKSAR Land and Development Advisory Committee	Member of Planning Sub-Committee and Land Sub-Committee
Hong Kong Construction Association	Permanent Supervisor and Council Member
Hong Kong Green Building Council	Patron Gold Member and various positions
Hong Kong Institute of Planners	Council Member
The Hong Kong Institute of Housing	Council Member

Organisation	Position
The Real Estate Developers Association of Hong Kong	Vice President and various positions
Urban Land Institute	Corporate Member
Vocational Training Council	Member of The Real Estate Services Training Board

Charters

Charter	Organisation
Be Our Green Partner	Greening, Landscape and Tree Management Section, Development Bureau
Energy Saving Charter	Environment Bureau and Electrical and Mechanical Services Department
Food Wise Charter	Food Wise Hong Kong Steering Committee, Environment Bureau
Waste Check Charter	Environmental Protection Department

Materials and Recycling Data of our Construction Sites* Data Comparison of 2015 & 2016

	18 King Wah Road		H · Bonaire		Mega Cube	
	2015	2016	2015	2016	2015	2016
Materials Used						
Electricity (kWh)	212,757	396,880	163,330	N/A	333,960	451,412
Purchased Water (m ³)	14,767	16,318	2,230	720	4,056	3,228
Concrete (kg)	26,940,480	24,069,840	8,680,120	2,500	5,784,000	744,000
Steel (kg)	3,683,000	1,283,184	950,000	1,000	505,000	16,565
Waste Disposal						
Construction and demolition waste (kg)	651,000	63,931	375,000	1,255,000 [#]	2,447,000	370,900
Recycled and Reused						
Metal (kg)	905,830	497,260	2,300	N/A	37,700	0

*Sites are at different stages of progress; use of materials data includes 2015 and 2016 only

[#]The increase in the 2016 figure was due to the increase of construction and demolition waste incurred close to project completion

KEY FACTS AND STATISTICS

Materials and Recycling Data of our New Construction Projects Reported in 2016

	8-30A Ka Shin Street	Eden Manor	Park One
Materials Used			
Electricity (kWh)	29,548	36,478	11,610
Purchased Water (m ³)	385	320	2,392
Concrete (kg)	3,171,120	3,115,200	1,384,320
Steel (kg)	548,926	1,482,792	414,121
Waste Disposal			
Construction and demolition waste (kg)	60,000	150	360,000
Recycled and Reused			
Metal (kg)	5,280	41,917	N/A

**Sites are at different stages of progress; use of materials data is from 2016 only*

Recycled Material at Properties Managed by Goodwill

	2016	2015	2014
Paper (kg)	1,442,941	1,279,126	1,224,977
Plastic (kg)	16,697	17,049	15,570
Metal (kg)	25,069	23,589	19,523
No. of participating properties	27	26	24

GHG Emissions of our Headquarters and Properties Managed by Goodwill[^]

Type	2016	2015
Total Scope 1 emissions (tCO ₂ e)	850	846
Total Scope 2 emissions (tCO ₂ e)	100,479	108,610
Total GHG emissions - Scope 1 & 2 (tCO ₂ e)	101,329	109,456
Building GHG emissions intensity (tCO ₂ e/m ² total GFA)	0.1277	0.1403
Total electricity consumption (kWh)	143,541,381	155,157,642
Total energy consumption [#] (kWh)	146,434,346	158,040,131
Building energy intensity (kWh/m ² total GFA)	185	203

[^]The data is confined to our offices at Two ifc, AIA Tower and 33 properties managed by Goodwill in 2016 (2015: 32 properties)

[#]The scope of this data includes electricity, fuel and town gas consumption of headquarters and properties managed by Goodwill

Water Consumption and Corresponding GHG Emissions[^] of our Headquarters

	2016	2015	2014
Water consumption (m ³)	1,666	1,564	1,541
GHG emissions (tonnes)	0.67	0.64	0.61

[^] Indirect emissions from water consumption at our offices at Two ifc and AIA Tower

Water Consumption and Corresponding GHG Emissions[^] of Properties Managed by Goodwill

	2016	2015	2014
Water consumption (m ³)	339,022	385,182	370,622
GHG emissions (tonnes)	136	157	147
No. of properties	33	32	27

[^] Indirect emissions from water consumption at properties

KEY FACTS AND STATISTICS

Total Workforce in Hong Kong by Employment Type

	No. of employees	Full-time	Part-time
Group Headquarters	1,356	1,352	4
Construction	515	515	0
Property Management	3,398	3,312	86
Other Subsidiaries	1,852	1,606	246
Overall*	7,121	6,785	336

Employees in Hong Kong by Position Level, Gender and Age

	Position level	No. of employees	Male	Female	Aged below 30	Aged 30-50	Aged Over 50
Group Headquarters	Managerial	359	255	104	5	202	152
	Supervisory	611	339	272	91	434	86
	General	386	129	257	112	189	85
Construction	Managerial	5	5	0	0	1	4
	Supervisory	143	143	0	14	47	82
	General	367	267	100	70	125	172
Property Management	Managerial	129	97	32	0	97	32
	Supervisory	764	529	235	126	363	275
	General	2,505	1,495	1,010	435	600	1,470
Other Subsidiaries	Managerial	119	67	52	0	59	60
	Supervisory	267	130	137	32	157	78
	General	1,466	369	1,097	164	609	693
Overall*	Managerial	612	424	188	5	359	248
	Supervisory	1,785	1,141	644	263	1,001	521
	General	4,724	2,260	2,464	781	1,523	2,420

Full-time Employee Turnover in Hong Kong

	No. of employees	Male	Female	Aged below 30	Aged 30-50	Aged Over 50
Group Headquarters	250	129	121	88	129	33
Construction	146	116	30	21	72	53
Property Management	1,160	755	405	344	333	483
Other Subsidiaries	642	242	400	80	265	297
Overall*	2,198	1,242	956	533	799	866

New Hires in Hong Kong

	No. of employees	Male	Female	Aged below 30	Aged 30-50	Aged Over 50
Group Headquarters	195	97	98	99	85	11
Construction	133	112	21	19	65	49
Property Management	1,016	625	391	285	296	435
Other Subsidiaries	872	304	568	99	385	388
Overall*	2,216	1,138	1,078	502	831	883

Average Training Hours per Employee by Employee Category

	No. of hours
Male	26.05
Female	17.00
Managerial	16.19
Supervisory	26.75
General	20.75
Overall*	21.86

* The "Overall" number comprises all full-time and part-time employees of the Group in Hong Kong including those working at our headquarters, construction, property management and other subsidiaries

KEY FACTS AND STATISTICS

Board of Directors Composition

By gender	
Male	89%
Female	11%

By age	
30-49	6%
50 or above	94%

Accident Rate per 1,000 Workers per Annum in Construction

	2016*	2015	2014
E Man	6.1	6.4	12.8
HK Construction Industry Average Accident Rate	N/A	39.1	41.9

*Industry average accident rate in 2016 is not available as of the publication date of the Report

Occupational Health and Safety Data in 2016^

	Male	Female	Overall
Work-related fatalities	0	0	0
Injury rate per 1,000 employees	15.33	5.69	11.56
Lost days due to work-related accidents and disease (occupational)	1,750.00	84.00	1,834.00
Lost days due to other sick leave (not related to work-related injuries)	6,440.50	5,618.50	12,059.00
Absentee rate per 200,000 working hours	4,151.71	4,505.20	4,289.87

^The OHS data includes only the employees of the Group's headquarters, Goodwill and construction subsidiaries

Expenditure on Different Types of Suppliers for Project Management, Construction and Property Management

Project Management	
Consultants (Architects & Authorised Persons, design architecture, structural engineering, building services engineering, quantity surveying, interior design, sustainability consultancy, etc)	8.7%
Contractors (Ground investigation, demolition, foundation and superstructure, etc)	90.3%
Other (Rendering, model production, printing, etc)	1.0%
Construction	
Suppliers (Building materials)	9.0%
Subcontractors (Fabrication, installation works, construction workers, etc)	91.0%
Property Management	
Consultants (Building surveying, assessment, etc)	0.4%
Contractors (Cleaning services, security services, facilities maintenance, etc)	92.8%
Suppliers (Maintenance materials, uniforms, etc)	5.7%
Other	1.1%

Overall Customer Satisfaction Rate at our Property Management Subsidiaries

	Goodwill	Hang Yick	Well Born
Overall customer satisfaction	97.1%	99.5%	98.2%

GRI AND HKEX ESG CONTENT INDEX

GRI G4 Indicator	HKEX ESG Reporting Guide General Disclosures & KPIs	GRI Specific Standard Disclosures	Remarks	Page No.
Strategy and Analysis				
G4-1		Statement from management	Message from Management	6-7
Organisational Profile				
G4-3		Name of the organisation	About This Report; About Our Group	2,8
G4-4		Primary brands, products, and/or services	About Our Group	8-9,11
G4-5		Location of headquarters	Contents	1
G4-6		Countries of operation	About This Report; About Our Group	2,8
G4-7		Nature of ownership and legal form	About Our Group	8
G4-8		Markets served	About This Report; About Our Group	8,10-11
G4-9	KPI B1.1	Scale of the organisation	About Our Group; Our People; Key Facts and Statistics	12,28,62
G4-10	KPI B1.1	Workforce profile	Our People; Key Facts and Statistics	28,62
G4-11		Collective bargaining	There is no collective bargaining legislation in Hong Kong. However, we have maintained various staff engagement channels	/
G4-12	KPI B5.1, KPI B5.2	Supply chain description	Our Value Chain and Customers	32-34
G4-13		Significant changes during the reporting period	There were organisation no significant changes in organisation size, structure and ownership during the reporting period	/
G4-14		Precautionary approach	Corporate Governance	14-15
G4-15		Externally-developed charters, principles or initiatives	About Our Group; Key Facts and Statistics	13,56-59
G4-16		Membership of external associations	About Our Group; Key Facts and Statistics	13,56-59

GRI G4 Indicator	HKEX ESG Reporting Guide General Disclosures & KPIs	GRI Specific Standard Disclosures	Remarks	Page No.
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Identified Material Aspects and Boundaries

G4-17		Entities included in consolidated financial statements	About this Report	2
G4-18		Defining the report content	About this Report	2-5
G4-19		List of material aspects	About this Report	5
G4-20		Aspect boundary within the organisation	About this Report	5
G4-21		Aspect boundary outside the organisation	About this Report	5
G4-22		Restatements of information	There are no restatements of information provided in previous reports	/
G4-23		Significant changes in the scope and aspect boundaries	There are no significant changes from previous reporting periods in the scope and aspect boundaries	/

Stakeholder Engagement

G4-24		List of stakeholder groups engaged	About this Report	3
G4-25		Identification and selection of stakeholders	About this Report	2-3
G4-26		Approaches to stakeholder engagement	About this Report	2-3
G4-27		Key topics and concerns raised through stakeholder engagement and how the organisation has responded	About this Report	4

GRI AND HKEX ESG CONTENT INDEX

GRI G4 Indicator	HKEX ESG Reporting Guide General Disclosures & KPIs	GRI Specific Standard Disclosures	Remarks	Page No.
Report Profile				
G4-28		Reporting period	About this Report	2
G4-29		Date of most recent previous report	Sustainability and CSR Report 2015 published on 25 April 2016	/
G4-30		Reporting cycle	About this Report	2
G4-31		Contact point for questions	About this Report	2
G4-32		"In accordance" option and GRI Content Index	About this Report	2
G4-33		External assurance	We did not seek external verification of this Report. However, we will consider seeking external assurance for the report in future	/
Governance				
G4-34		Governance structure	Corporate Governance	14-16
Ethics and Integrity				
G4-56		Values, principles, standards and norms of behaviour	About Our Group; Corporate Governance	9,14-15
Economic Performance				
G4-DMA			About Our Group	8-13
G4-EC1		Direct economic value generated and distributed	About Our Group	12
Indirect Economic Impacts				
G4-DMA			Our Community	38-45
G4-EC8	GD-B8	Significant indirect economic impacts, including the extent of impacts	Our Community	38-45
Materials				
G4-DMA	GD-A2, GD-A3		Our Environment	17
G4-EC8	KPI A1.6	Percentage of materials used that are recycled input materials	Our Environment; Key Facts and Statistics	17,59-60

GRI G4 Indicator	HKEX ESG Reporting Guide General Disclosures & KPIs	GRI Specific Standard Disclosures	Remarks	Page No.
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Energy

G4-DMA	GD-A2, KPI A2.3		Our Environment	16,18-19
G4-EN3	KPI A2.1	Energy consumption within the organisation	Our Environment; Key Facts and Statistics	16,18,61
G4-EN5	KPI A2.1	Energy intensity	Our Environment; Key Facts and Statistics	16,18,61
G4-EN6		Reduction of energy consumption	Our Environment; Key Facts and Statistics	16,18,61
G4-CRE1	KPI A2.1	Energy intensity from buildings	Our Environment; Key Facts and Statistics	16,18,61

Water

G4-DMA	GD-A2		Our Environment	20
G4-EN8	KPI A2.2	Total water withdrawal by source	Our Environment; Key Facts and Statistics	20,61

Emissions

G4-DMA	GD-A1, KPI A1.5		Our Environment	16,18-19
G4-EN15	KPI A1.2	Direct greenhouse gas (GHG) emissions (Scope 1)	Our Environment; Key Facts and Statistics	16,18,61
G4-EN16	KPI A1.2	Indirect greenhouse gas (GHG) emissions (Scope 2)	Our Environment; Key Facts and Statistics	16,18,61
G4-CRE3	KPI A1.2	Greenhouse gas (GHG) emissions intensity from buildings	Our Environment; Key Facts and Statistics	16,18,61

Effluents and Waste

G4-DMA	GD-A1, KPI A1.6		Our Environment	16-17
G4-EN23	GD-A1 & KPI A1.3, A1.4	Total weight of waste by type and disposal method	Our Environment; Key Facts and Statistics	16-17,59-60

Products and Services

G4-DMA	GD-A2, GD-A3		Our Environment	21-26
G4-EN27	KPI A3.1	Extent of impact mitigation of environmental impacts of products and services	Our Environment; Key Facts and Statistics	21-26,57

Compliance (Environment)

G4-DMA			Our Environment	21
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GRI AND HKEX ESG CONTENT INDEX

GRI G4 Indicator	HKEX ESG Reporting Guide General Disclosures & KPIs	GRI Specific Standard Disclosures	Remarks	Page No.
G4-EN29	GD-A1, GD-A2, GD-A3	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Our Environment	21
Land Degradation, Contamination and Remediation				
G4-DMA			Our Environment	26-27
G4-CRE5		Land remediated and in need of remediation for the existing or intended land use, according to applicable legal designation	Our Environment; Key Facts and Statistics	26-27
Employment				
G4-DMA	GD-B1, GD-B4		Our People	28
G4-LA1	KPI B1.2	Total number and rates of new employee hires and employee turnover by age group, gender and region	Our People; Key Facts and Statistics	28,62-63
Occupational Health and Safety				
G4-DMA	GD-B2, KPI B2.3		Our People	30-31
G4-LA6	GD-B2, KPI B2.1, B2.2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Our People; Key Facts and Statistics	30-31,64
Training and Education				
G4-DMA	GD B3		Our People	29
G4-LA9	KPI B3.2	Average hours of training per year per employee by gender, and by employee category	Our People; Key Facts and Statistics	29-30,63
Diversity and Equal Opportunity				
G4-DMA	GD B1		Our People	29
G4-LA12	GD-B1	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Our People; Key Facts and Statistics; Annual Report 2016 – Corporate Governance Report (pages 88 to 103)	29,62,64

GRI G4 Indicator	HKEX ESG Reporting Guide General Disclosures & KPIs	GRI Specific Standard Disclosures	Remarks	Page No.
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Non-discrimination

G4-DMA	GD-B1		Our People	29
G4-HR3	GD-B1	Total number of incidents of discrimination and corrective actions taken	Our People	29

Local Communities

G4-DMA	GD-B8		Our Community	38-55
G4-SO1	GD-B8	Percentage of operations with implemented local community engagement, impact assessments, and development programmes	About this Report; Our Community	2-5,38-55

Anti-corruption

G4-DMA	GD-B7, KPI B7.2		Corporate Governance	14
G4-SO5	GD-B7, KPI B7.1	Confirmed incidents of corruption and actions taken	Corporate Governance	14

Customer Health and Safety

G4-DMA	GD-B6		Our Value Chain and Customers	34-35
G4-PR1	GD-B6	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Our Value Chain and Customers	34-35

Product and Service Labelling

G4-DMA	GD-B6		Our Value Chain and Customers	37
G4-PR3	GD-B6	Type of product and service information required by the organisation's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	Our Value Chain and Customers	37
G4-PR5	GD-B6	Results of surveys measuring customer satisfaction	Our Value Chain and Customers; Key Facts and Statistics	36,65

GRI AND HKEX ESG CONTENT INDEX

GRI G4 Indicator	HKEX ESG Reporting Guide General Disclosures & KPIs	GRI Specific Standard Disclosures	Remarks	Page No.
G4-CRE8		Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	About Our Group; Key Facts and Statistics	13,56-59
Customer Privacy				
G4-DMA	GD-B6, KPI B6.5		Our Value Chain and Customers	37
G4-PR8	KPI B6.2, KPI B6.5	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Our Value Chain and Customers	37
Compliance (Product Responsibility)				
G4-DMA	GD-B6		Our Environment; Our Value Chain and Customers	21,37
G4-PR9	GD-B6	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	There were no cases of non-compliance with laws and regulations, concerning the provisions and use of products and services	/
Other HKEX ESG Guide KPIs related to Product Responsibility				
/	KPI B6.1	Percentage of total product sold or shipped subject to recalls for safety and health reasons	There were no cases of product sold or shipped subject to recalls for safety and health reasons	/
/	KPI B6.3	Practices relating to observing and protecting intellectual property rights	There were no cases of non-compliance with laws and regulations, concerning the intellectual property rights	/
/	KPI B6.4	Quality assurance process and recall procedures	Our Value Chain and Customers	32-37



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