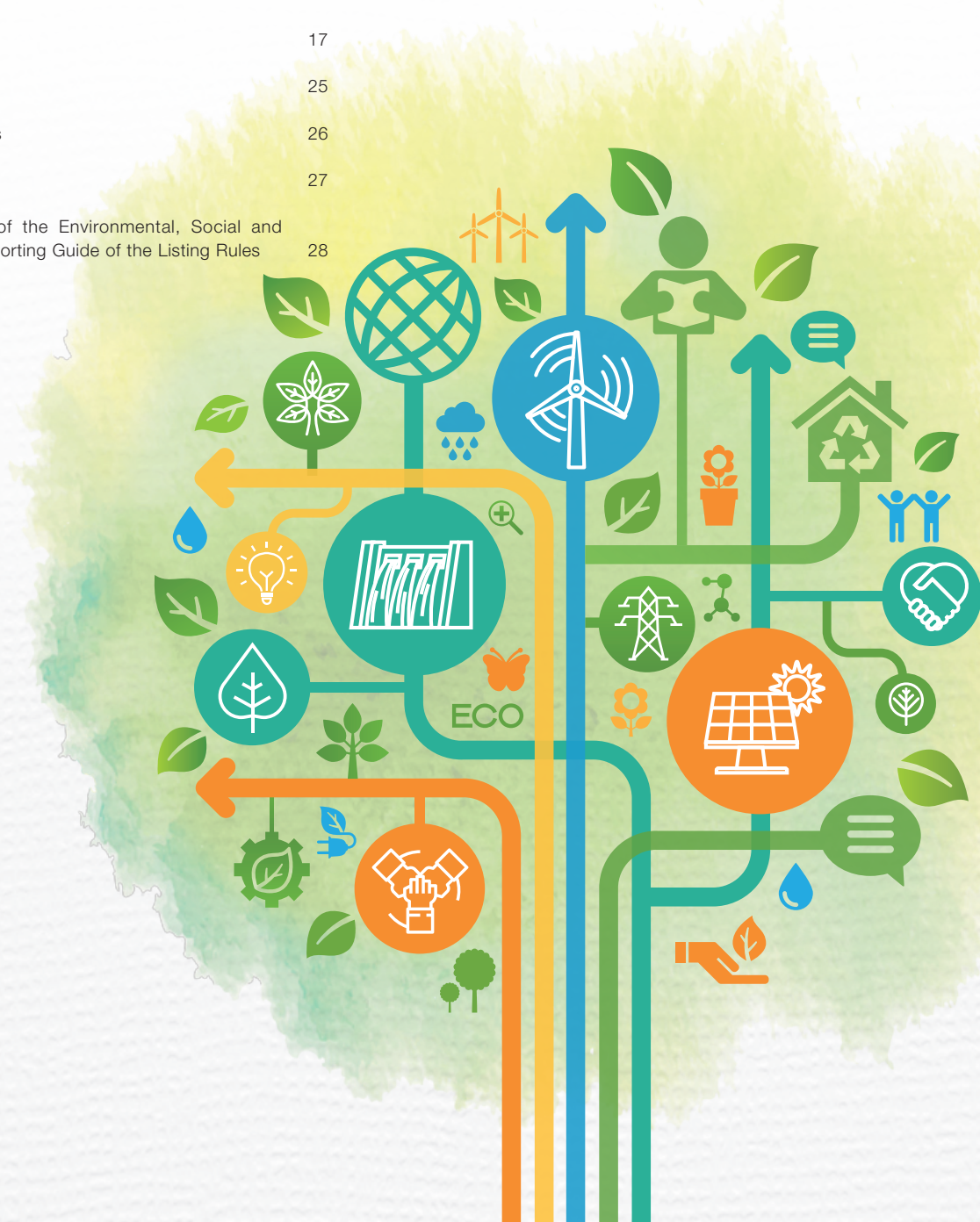


Environmental, Social and Governance Report 2016

Contents

1. About this Report	2
2. Chairman's Statement	3
3. President's Statement	4
4. Major Events in 2016	5
5. ESG Management	6
6. Our Business Development	8
7. Our Environment	13
8. Our Employees	17
9. Our Community	25
10. Honours and Awards	26
11. Prospects	27
Appendix Content Index of the Environmental, Social and Governance Reporting Guide of the Listing Rules	28





1. About this Report

This report is the first environmental, social and governance (“**ESG**”) report of CGN New Energy Holdings Co., Ltd. (“**CGN New Energy**” or the “**Company**”). It contains information and data on CGN New Energy’s environmental, social and governance performance during the period from 1 January 2016 to 31 December 2016 (the “**Reporting Period**”). This report has been prepared in accordance with the “Environmental, Social and Governance Reporting Guide” in Appendix 27 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The boundary of this report covers CGN New Energy’s wind power, solar energy, gas-fired, coal-fired, oil-fired, hydro, cogen and fuel cell projects and a steam project and the content presented comes from materiality assessment and stakeholder engagement. The details of the process are presented in the section headed “ESG Management”.

We value your feedback on our sustainable development. If you have any comments and suggestions for this report and our economic, environmental and social performance, please feel free to send us your feedback to cgnne@wsfg.hk.

2. Chairman's Statement



Chen Sui | *Chairman*

CGN New Energy is dedicated to the clean and renewable energy business. Based on the concept of sustainability, CGN New Energy and its subsidiaries (the “**Group**”) develops the power industry for stable electricity supply and value creation. To demonstrate our emphasis on sustainable development, we are pleased to present our first environmental, social and governance report, which discloses our performance in sustainable development, allows us to gain insights into the expectation and needs of stakeholders and outlines the vision and commitment of the Group in sustainability. We will continue to publish the ESG report on an annual basis to give disclosures on our performance and achievements in environmental protection, employee relation and community contribution.

In 2016, the power industry of China achieved steady growth. Despite the growth of overall electricity demand slowed down, grid tariff declined and curtailment of wind, solar and hydro power still existed, the Chinese government remained active in energy restructuring by further revving up the application of clean energy and successively introducing supporting policies, which gave rise to favorable momentum for the development of clean energy in China. Since the promulgation of the “Outline of the Thirteenth Five-Year Plan for the National Economic and Social Development of the People’s Republic of China”, major opportunities were ushered in for the new energy industry with policy support. In November 2016, the National Development and Reform Commission and the National Energy Administration issued the “Thirteenth Five-Year Plan on Power Industry Development” with respect to the power industry and proposed to intensely develop new energy such as wind, solar and hydro power, while optimizing and adjusting development planning. As a developer and operator of non-nuclear clean energy and renewable power generation projects, the Group’s corporate positioning and development objectives are highly consistent with the strategic planning of the national “Thirteenth Five-Year Plan”.

On 5 January 2017, the National Energy Administration issued the “Thirteenth Five-Year Plan on Energy” and “Thirteenth Five-Year Plan on Renewable Resources”, which proposed three main objectives: firstly, to continue to step up the development of non-fossil fuels; secondly, to expand the consumer market of natural gas; and thirdly, to achieve clean and efficient use of fossil fuels, in particular coal. During the “Thirteenth Five-Year Plan”, the target of non-fossil fuels consumption is raised to above 15% of total consumption in which natural gas is expected to account for 10% while coal consumption will be reduced to below 58%. It is expected that clean energy will become the main driving force of increasing energy supply during the “Thirteenth Five-Year Plan” and the Group is optimistic about the development prospects in 2017 and beyond.

The Group will continue to pursue the mission of “developing clean energy to benefit mankind”. It will actively respond to the national “Thirteenth Five-Year Plan”, seize opportunities and carry on the intense development of non-nuclear clean and renewable energy. On the one hand, it will continue the injection and integration of wind power and solar energy assets for the purpose of consolidating market competitiveness. On the other hand, it will strengthen the human resources policy and staff training programme to build an outstanding team while it continues to develop core competencies in market development, construction, operation and maintenance as well as safety and quality control of the wind power and solar power business. At the same time, CGN New Energy will contribute to society as always and become a responsible corporate citizen so as to enhance corporate brand value.

Chen Sui
Chairman

3. President's Statement



Lin Jian | *President*

In view of new policies favouring the development of wind power, solar energy and other renewable energy in China, we took initiatives to develop strategy and seize opportunities, which delivered fruitful results in clean and renewable energy development. As at 31 December 2016, the operations in the PRC and Korea accounted for approximately 59.0% and 41.0% of our attributable installed capacity of 4,984.6 MW respectively. While clean and renewable energy projects, namely wind, solar, gas-fired, hydro and fuel cell projects, accounted for approximately 64.5% of our attributable installed capacity. In 2016, the Group's Laoling Tiejing solar power project in Dezhou and Shangyang solar project in Shenzhen further expanded our renewable energy business in PRC.

The Group continued to record growth in electricity generation from renewable energy in 2016. The net green power that our clean and renewable energy projects (e.g., solar power, wind power, hydro power and gas-fired projects) generated in 2016 totalled 10,198.5 GWh, accounting for 86.2% of the Group's net power generation of the year. While pursuing business growth, we also monitored the environmental impact caused by project operation. We have adopted the most advanced technology and established a comprehensive environmental management system to minimize the damages to the environment.

Our success is reliant on our staff, which is our most valuable assets. Given the vibrant development of the new energy industry which has fuelled competition for talents, the Group has set up well-established human resources strategies to attract and retain competent employees. Furthermore, the Group is dedicated to create a comfortable and safe workplace based on the "Safety First" principle. I am delighted to announce that, the Group has maintained a record of zero injury and accident in 2016. During the Reporting Period, we organised a wide range of staff activities to promote staff mental and physical health as well as their belongingness to the Company.

As the Group grows its business, it never loses sight of its role as a responsible corporate citizen and fulfils its social responsibilities. The Group has a broad geographic base and it actively makes contribution to the surrounding communities of its projects by listening to their needs and exchanging views with members of the communities on how corporates can do their part. We believe honest communication is the key to a close and harmonious relationship. We also encourage and support our staff to participate in voluntary activities to give back to society.

Looking forward in 2017, the Group will carry on its mission of "developing clean energy to benefit mankind". It will take into consideration the environment and social well-being as it strives to become Asia's leading independent power producer of clean and renewable power generation in terms of profitability and a top renewable energy enterprise in China and around the world.

Lin Jian
President

4. Major Events in 2016

BUSINESS DEVELOPMENT



- Dezhou Laoling Solar Project, the first project funded by CGN New Energy, started on-grid connection in 2016.



- Datong Coal Mining Subsidence 100 MW Photovoltaic Project, which was entrusted to be managed by the Group, achieved full on-grid connection on 28 June 2016.



- On 11 August 2016, CGN New Energy attended the 2016 Xianning (Hong Kong) Business Networking Banquet held in Hong Kong. During which, we entered into the "CGN-Xianning New Energy Development Cooperation Framework Agreement" and the "CGN-Chibi City Wind Power Development Cooperation Agreement" with Xianning City and Chibi City respectively. These agreements further established the development rights of wind power projects with a capacity of approximately 300 MW and laid a solid foundation for the development and construction of the pumped storage projects in Xianning City as well as other clean energy projects of the Company.

ACHIEVEMENTS AND PROGRESS IN ENVIRONMENTAL PROTECTION

- Construction of desulfurization dust tank and renovation for water recycling of Nantong Project commenced on May 2016, which were expected to cut annual water consumption by 110,000 tonnes. In addition, the installation of precipitators that operate with alternating current at all factories commenced in September 2016, which reduces 43.39 tonnes of emission in average per year.
- During the Reporting Period, a number of energy saving and technological renovation projects were carried out for Nantong Project, including the replacement of fluorescent lamps and sodium lamps with LED lighting at production sites, the adoption of new, mainstream and efficient transformer products, phase out and renovation of 21 units of Y type electric motors, which will reduce annual electricity consumption by 79,000 kWh, 16,000 kWh and 350,000 kWh respectively.
- Ultra-low emission renovation carried out for unit 2 of Nanyang General Light Electric Co., Ltd. to keep emission of smoke and dust, sulphur dioxide and nitrogen oxides below 5mg/m³, 35mg/m³ and 50mg/m³ respectively.

SAFETY AND HEALTH

- Project companies organised a wide range of safe production activities in the Safe Production Month, including seminars and drills. During the Reporting Period, we maintained a zero injury record.

COMMUNITY CONTRIBUTION

- The Group made charitable and other donations amounting to approximately HK\$263,000 during the year ended 31 December 2016.
- An education subsidy programme was set up to provide financial support for education of underprivileged children in the Altai Mountains in Xinjiang.

5. ESG Management

ESG MANAGEMENT STRATEGY

CGN New Energy is always dedicated to the mission of “developing clean energy to benefit mankind” and fulfilment of our corporate social responsibility. We are committed to becoming the top contributor in the world in the field of non-nuclear clean energy. Hence, under the supervision of our leaders, we continuously enhance the internal control system and incorporate the concept of corporate social responsibility in our daily management. As a company focusing on new energy power generation, we strive to improve our environmental performance and make contribution to environmental conservation through low-carbon, energy saving, water conservation and technology enhancement initiatives. In pursuing sustainable development, CGN New Energy never loses sight of giving back to society. We actively launch a variety of community events to develop a harmonious relationship with the neighbourhoods.

MATERIALITY ASSESSMENT

Ahead of the preparation of this report, we engaged an independent consultant to perform materiality assessment, so as to develop insights into the comments and expectations of the stakeholders in relation to our performance on ESG issues and social responsibility, as well as their issues of focus, thereby assisting us to set up the framework of this report. From December 2015 to January 2016, the independent consultant collected over 65 valid questionnaires and interviewed approximately ten stakeholders.

Following media analysis, benchmarking analysis and review of relevant documents, the independent consultant initially identified issues that are potentially significant to CGN New Energy. Taking into account the survey results from stakeholders, it ultimately identified the ESG issues that are significant to CGN New Energy. The 11 material ESG aspects identified from the assessment formed the major part of this report, details of which are disclosed herein.

Material ESG aspects:

- Greenhouse gases emission
- Environmental impact assessment and mitigation measures
- Waste management
- Wastewater treatment
- Energy consumption
- Suppliers and contractors management
- Staff benefits
- Anti-corruption
- Service assurance
- Occupational health and safety
- Compliance with labour laws

STAKEHOLDERS ENGAGEMENT

CGN New Energy recognises the importance of communication with stakeholders as it believes steady development can be facilitated by close communication and strong relationship. We maintain honest communication with stakeholders to foster mutual trust and respect. CGN New Energy has the following major types of stakeholders:

- Staff
- Shareholders/investors
- Government departments/customers
- Suppliers/contractors
- Partners (e.g., universities/research institutions/professional groups)
- Members of communities/organisations
- Media

5. ESG Management

Type of stakeholders	Main communication channels	Frequency/times	Issues of focus
Staff	<ul style="list-style-type: none"> Staff meeting Staff performance appraisal interview Staff satisfaction survey On-site investigation and research 	Yearly	<ul style="list-style-type: none"> Staff training Remuneration and benefits Career planning Future development of the Company
Shareholders/investors	<ul style="list-style-type: none"> Shareholders' meetings Investor conferences Press releases/announcements Press conferences on annual/interim results Analyst seminars Roadshows Banquet with stock commentators Visits Corporate Day 	<p>During the Reporting Period, over 12 large-scale "Corporate Day" held by investment banks and securities firms to meet with over three hundred investors of different types were attended in Hong Kong, Singapore and Beijing. In addition, roadshows were organised in Hong Kong.</p> <p>Generally, shareholders' meetings are held annually, while other activities such as investor conferences, analyst seminars and roadshows are held from time to time according to actual needs.</p>	<ul style="list-style-type: none"> Business development Financial performance Compliance
Government departments/customers	<ul style="list-style-type: none"> Telephone/email Interview 	From time to time	<ul style="list-style-type: none"> Power supply steadiness Environmental Performance
Suppliers/contractors	<ul style="list-style-type: none"> Telephone/email Interview 	From time to time	<ul style="list-style-type: none"> Business development Supplier management requirements Safety and health
Partners (e.g., universities/research institutions/professional groups)	<ul style="list-style-type: none"> Telephone/email Interview 	From time to time	<ul style="list-style-type: none"> Development of the Company's R&D Business development
Members of communities/organisations	<ul style="list-style-type: none"> Telephone/email Interview 	From time to time	<ul style="list-style-type: none"> Environmental performance Safety and health
Media	<ul style="list-style-type: none"> Press releases/announcements Group media interview Media interview 	Group media interview is usually held after results announcements. Other media interviews are conducted from time to time based on actual needs.	<ul style="list-style-type: none"> Business development

We review communication channels to existing stakeholders on a regular basis and identify any deficiencies so as to more effectively collect and response to their opinions.



Mr. Sun Daguang, Mayor of Chongzuo City, Guangxi inspected flood prevention and preparation at Zuojiang hydropower plant with his group and received briefings on flood prevention progress of the power plant.



On 18 May 2016, CGN New Energy convened the annual general meeting in Hong Kong.



Mr. Zhang Shanming, the General Manager of China General Nuclear Power Corporation, visited the wind power plant of CGN New Energy to offer guidance on investigation and research work and met with the employees.

6. Our Business Development

As of 31 December 2016, we have several power projects with an attributable installed capacity of 4,984.6 MW in nine provinces, one autonomous region and one municipality in China, covering Shanghai, Shandong, Zhejiang, Gansu, Qinghai, Sichuan, Henan, Hubei, Jiangsu, Guangdong and Guangxi. In terms of the overseas markets, we operated two gas-fired projects and one fuel cell project in Yulchon as well as one oil-fired project in Daesan, Korea.

Henan



Puguang

Total Installed Capacity

: 250 MW

Gansu



Beiba

: 199.5 MW

Minqin I

: 49.5 MW

Minqin II

: 49.5 MW

Hongshagang

: 400 MW

Daliangdong

: 47.5 MW

Daliangbei

: 47.5 MW

Liuyuan

: 49.5 MW



Jinta

: 9 MW

Dunhuang I

: 9 MW

Dunhuang II

: 9 MW

Qinghai



Xitieshan I

Total Installed Capacity

: 10 MW

Xitieshan II

: 30 MW

Xitieshan III

: 60 MW

Wulan

: 30 MW

Sichuan



Mianyang

Total Installed Capacity

: 51 MW

Guangxi



Fushi I

Total Installed Capacity

: 54 MW

Fushi II

: 18 MW

Zuojiang

: 72 MW

Guangdong



Airport I

Total Installed Capacity

: 9.9 MW

Airport II

: 4.5 MW

Shangyang

: 2 MW



Wind



Solar



Gas-fired



Hydro



Cogen



Coal-fired





Oil-fired





Steam




Korea

Total Installed Capacity	
 Daesan I	: 507 MW
 Yulchon I	: 577.4 MW
Yulchon II	: 946.3 MW
Yulchon Fuel Cell	: 4.8 MW (Phase I) 5.6 MW (Phase II) 5 MW (Phase III)



Shandong

Total Installed Capacity	
 Tangwangshan I	: 20.4 MW
Taipingshan I	: 49.3 MW
Linqu Longgang	: 48 MW
Liawangzhuang	: 38.3 MW
Shagou I	: 49.5 MW
Tangwangshan II	: 49.5 MW
 Laoling Tieying	: 15 MW



Jiangsu

Total Installed Capacity	
 Haian	: 27 MW
Nantong	: 48 MW

Shanghai

Total Installed Capacity	
 Jinqiao	: 295 tons/hour
 Weigang	: 50 MW

Zhejiang

Total Installed Capacity	
 Ninghai Yishi	: 48 MW
Tuci	: 30 MW
Zhushan	: 45 MW
 Jiaxing	: 10.6 MW

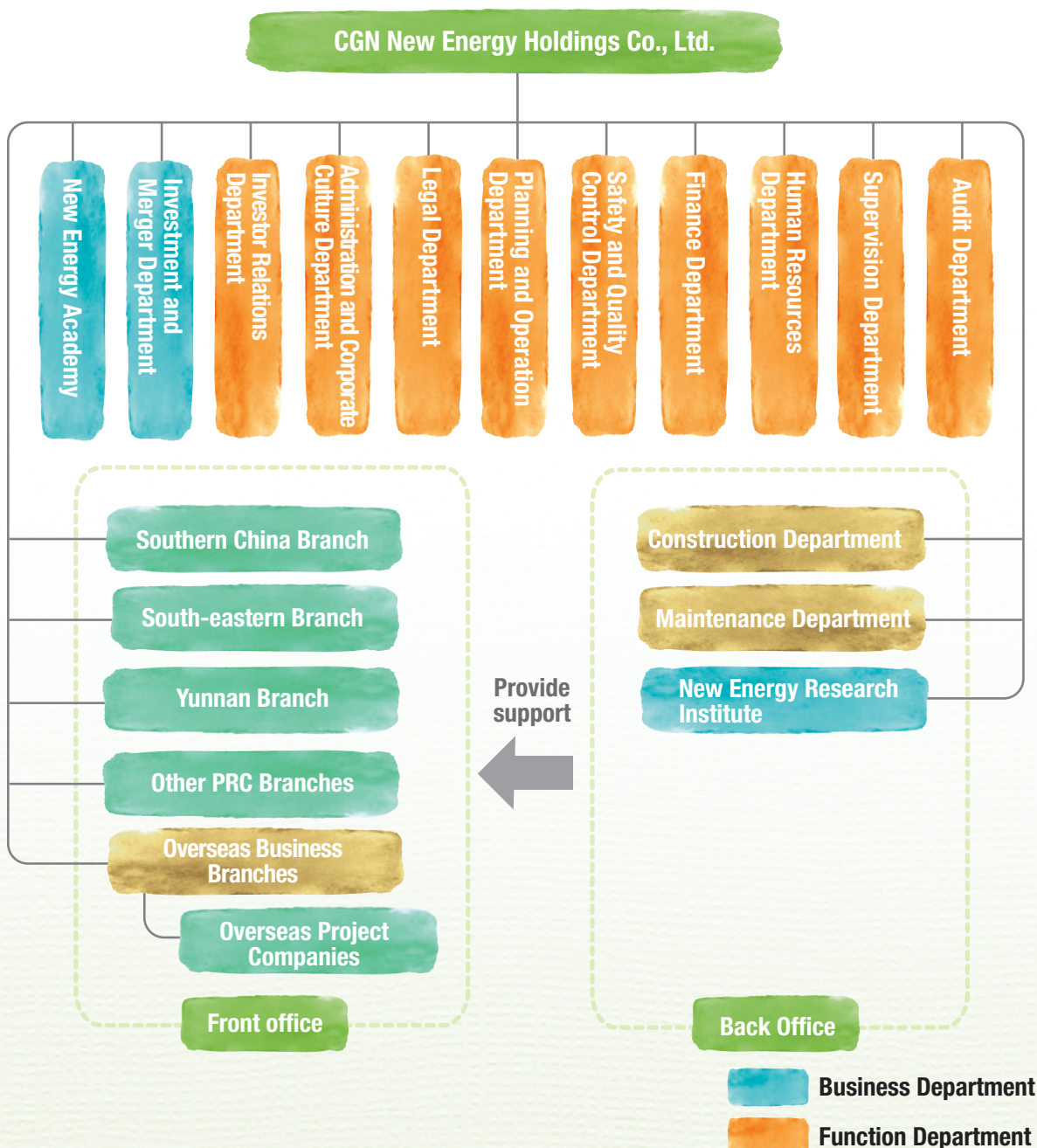
Hubei

Total Installed Capacity	
 Hanneng	: 176.5MW
 Huangshi I	: 760 MW
Huangshi II	: 1,360 MW

6. Our Business Development

CGN New Energy is an independent power producer in Asia with diverse fuel types and geographical coverage. Our assets portfolio comprises wind, solar, gas-fired, coal-fired, oil-fired, hydro, cogen and fuel cell projects as well as a steam project located in the PRC and Korea. We focus on the acquisition of clean and renewable energy projects while pursuing the construction and expansion of our own facilities. In 2015, we successfully obtained approval from China General Nuclear Power Corporation ("CGN"), our controlling shareholder, to acquire the first batch of clean and renewable power generation project assets, which included 13 wind power project companies and 6 solar power project companies, representing a gross operating installed capacity of approximately 1,400 MW. This acquisition introduced high-quality wind and solar power assets to the portfolio of CGN New Energy and further highlighted our advantages as the sole platform of non-nuclear clean and renewable power projects of CGN.

ORGANISATIONAL STRUCTURE OF CGN NEW ENERGY



6. Our Business Development

Enhancement of corporate governance

We have complied with the code provisions set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules. Details of our corporate governance and board of directors are available in the 2016 annual report and at the Company's website <http://www.cgnne.com>.

We are dedicated to build a corporate culture of honesty and integrity and we expect a high standard of professional ethics and integrity from every employee of CGN New Energy. Our staff has to comply with the standards and rules on ethics set out in the "Staff Manual" and "Staff Code of Conduct". We specifically formulated the "Requirements of Business Integrity for Officers", "Provisional Administrative Measures for Gifts Accepting and Offering" and "Provisional Measures of Conversation and Letter Enquiry on Business Integrity" to raise staff integrity and vigilance, thereby preventing non-compliance. We also have the "Assessment Method on Compliance of Business Operation and Integrity of Officers" in place that defines the target, content and criteria of assessment. Moreover, in order to encourage staff to tip-off any non-compliance, establish correct values and create a culture of integrity, we formulated the "Administrative Measures on Discipline Inspection, Supervision and Reporting Procedures" and "Reward Measures for Real-name Whistleblowing" based on the requirements under the "Constitution of the Communist Party of China", "Rules of Reporting Work of Discipline Inspection Authorities of the Communist Party of China", "Measures of Reporting Work of Supervision Authorities", "Administrative Measures of Discipline Inspection and Supervision of the Group" and "Rules of Discipline Inspection, Supervision and Reporting Procedures of the Group". Furthermore, we also formulated the "Reporting Policy" in accordance with the Listing Rules.

On 22 June 2016, Mr. Chen Sui, the Chairman of CGN New Energy, hosted a theory study seminar, at which he placed great emphasis on continuous optimisation of the internal control system and enhancement of supervision effectiveness. He also stressed on the importance of promoting the culture of integrity through anti-corruption education. At the seminar, Mr. Chen Sui required supervisors at all levels to act as an exemplary role model for compliance and hold the line against corruption. During the Reporting Period, there were no lawsuits against us over corruption, and there were no non-compliances with laws and regulations as well.

Supply chain management

During the Reporting Period, we cooperated with over 1,200 suppliers or contractors from PRC, Hong Kong and Korea for the development of our businesses. Our procurement can be divided into three main types, namely, fuels, engineering projects and general equipment services. In the selection of suppliers, CGN New Energy adheres to the principle of "mutual benefit, joint development, environmental protection and benefiting society" and regularly assesses their onsite initiatives on creating a safe environment. We give preference to suppliers with outstanding performance which score 90 marks or above in the assessment and we consider to terminate cooperation with suppliers who do not perform well and score below 70 marks.

It is our policy to enter into "Supplier (Outsourcing Project) Environmental and Safety Control Agreements" with suppliers. Such policy allows us to monitor their ESG performance, which ensures their policy and behaviour are in line with our requirements on occupational health, safety and environmental protection. The agreements contain standards on treatment of excessive pollutants and the use of recyclable packaging materials. Prior to the commencement of projects, we enter into safety agreements with suppliers and instruct them to comply with relevant safety rules, while in the course of construction, we supervise and provide them with safety trainings. In addition, our coal purchase agreement entered into with suppliers also contain provisions in relation to safety management and environmental protection. Meanwhile, for the safety of employees of our fuel suppliers, we provide safety notes to those suppliers and require their staff as well as relevant personnel to wear safety helmet when entering the site and a penalty of RMB200 is imposed for each non-compliance at a time.



Mr. Lin Jian, the President of CGN New Energy, along with his group, visited Mr. Zhang Chuanwei, the Chairman of China Ming Yang Wind Power Group Limited (a manufacturer of wind turbines) at Zhongshan.

6. Our Business Development

Enhancement of research and development

CGN New Energy puts extensive efforts into technology development and actively allocates resources to innovation and research of new energy technology to boost operational efficiency of its projects. As a result, our research achievements are widely recognized. For instance, on 8 December 2016, the 150 MW Jiangsu Rudong Offshore Wind Power Farm Demonstration Project, that was entrusted to be managed by us, obtained eight technological achievements jointly certified by the China Machinery Industry Federation and the China High-tech Industrialization Association, which included "Research on Transitional Section-Free Monopole Foundation and Integrated Accessory Structures Technology for Nearshore Wind Farms", "Research on Mega-scale Monopole Wind Turbine Foundation Pile Sinking Technology for Nearshore Wind Farm", "Anti-scour Sand Quilt Design and General Construction Technology for Offshore Wind Turbine Foundation", "Design and Research on Offshore Wind Power Step-up Substations", "Research on Key Technology of Towing of Long Distance Three-core 110kV Submarine Cables", "Research on Key Technology of Bulk Sea Transport of Wind Power Equipment", "Development and Application of Single Blade Mounting Device for Offshore Wind Power Generating Units" and "Load Simulation for Foundation Design of Offshore Wind Power Generating Units". The certifying committees unanimously agreed that our works passed the technological achievement appraisal and that the Group holds the intellectual property rights of these eight technological achievements, which are at overall national leading level and have a promising prospect for application. The committees also recommended further promotion of the achievements to satisfy market demand.



Driving development of industry, fostering enthusiastic exchange



As a member of the new energy industry, we play an active role in driving the development of the industry and take a part in its sustainable development. On 14 April 2016, the "Technical Specification for Basic Maintenance of Wind Turbines of Offshore Wind Farms" prepared by the wind power business unit passed the expert review of China Electricity Council and was recognised for meeting the advanced standard in the country, hence becoming the major reference standard for basic maintenance of wind turbines of offshore wind farms.

We extensively attended seminars and forums held within and outside the country, which provide us both the platform and opportunities for technical exchange with industry peers and other experts, where we can promote company value and raise brand awareness. In October 2016, Mr. Li Xiaoxue, the senior vice president, was honored to have been invited to the "Second International Forum on Energy Transitions" in Suzhou and spoke on the theme of "Consumption of High Renewable Energy Grid Connection, Transformation of Power Sector and Market Mechanism".

Moreover, on 30 June 2016, CGN New Energy hosted a seminar on the development of the new energy sector under the new context. The event was participated by external experts who shared their insights on the global development trend of new energy and exchanged ideas on the direction of new energy development in the future. At the seminar, the external experts also gave briefings on the development direction of new energy in Germany and thoughts on transformation of energy enterprises under the energy sector reform. Through analysing cases in China and other parts of the world, attendees were inspired to discuss the diverse structure of power suppliers and innovative technology of energy internet.



7. Our Environment

As a major new energy enterprise in China, CGN New Energy gives priority to building a green society. In pursuit of our mission and commitment to environmental conservation, we adopt a comprehensive environmental management system and a set of green operating rules that aim at meeting the national emission standards for wastewater, exhaust gas and solid waste. We also apply ultra-low emission renovation and other advanced technology to enhance operating efficiency while reducing the environmental impact. During the Reporting Period, there were no non-compliances with rules or regulations. There were no complaints about the projects we operate either.

ENVIRONMENTAL MANAGEMENT SYSTEM

Apart from a comprehensive environmental management system, CGN New Energy has also established an environmental protection leadership group to supervise green initiatives at the company-wide level. The group holds working meetings on a regular basis and is responsible for approval of major environmental projects, providing solutions to significant issues in environmental protection and making decisions on short-term goal and long-term planning in environmental protection. We have set up a safety supervision department at each of the project companies to manage their environmental protection initiatives. Meanwhile, we also assigned EHS management personnel to project companies so as to supervise and manage the green facilities of the companies. Other departments will play their own roles in management to ensure smooth implementation of green policy. Close cooperation between all departments facilitates CGN New Energy in achieving the mission of environmental protection.

To enhance the environmental management of CGN New Energy to an international level, all of our power generation projects in China and Korea have obtained the ISO14000 Environmental Management System certification.

EMISSION CONTROL

In relation to the daily management and treatment of emission, CGN New Energy adopts a systematic exhaust gas emission control procedure. The exhaust gas produced by the Company are mainly smoke and dust, sulphur oxides, carbon dioxide and nitrogen oxides. Our daily management measures, such as regular inspection on exhaust gas emission system, ensures the normal operation of the emission system, while our emission treatment measures continue to reduce emission. In the event that the exhaust gas treatment system malfunctions, we will suspend the system, and at the same time, make contact with the safety supervision department for timely repair and file for suspension to the environmental authorities promptly so as to minimise damages done to the environment. We maintain strict compliance with the "Emission Standard of Air Pollutants for Thermal Power Plants" of the PRC and keep emission of smoke and dust, sulphur dioxide and nitrogen oxides below 20mg/m³, 50mg/m³ and 100mg/m³ respectively.

Types of pollutants and relevant emission data

Amount of emissions during the Reporting Period (in tonnes)	
Nitrogen oxides (NO _x)	2,342.11
Sulphur oxides (SO _x)	2,150.18
Smoke and dust in exhaust gas	268.32
Emission of greenhouse gases during the Reporting Period (in tonnes)	
Carbon dioxide (CO ₂)	4,755,100
Methane (CH ₄)	976.16
Nitrous oxide (N ₂ O)	1,448.04
Sulfur hexafluoride (SF ₆)	452.43

7. Our Environment

Our control procedure for exhaust gas emission is as follows:

Daily management

- Installation of effective ventilation at workplace where exhaust gas is produced.
- Emission control on flue gas from the boilers: implementation of the “Three Simultaneous” green measures and installation of boilers that meet the environmental requirements.
- Production department carries out regular inspection and maintenance on the exhaust gas emission system, exhaust gas treatment facilities and CEMS online monitoring system to ensure all systems are in normal operation and records the inspection results.

Treatment System

- Flue gas from the boilers is discharged at height after dust removal through the flue gas precipitator system.
- Magnesium oxide desulphurisation device is adopted and raw coal with low sulphur content is used.
- Adoption of low nitrogen burning and selective catalytic reduction (SCR) desulphurization to meet the NO₂ emission standard.

Apart from this comprehensive set of control procedure, we have also implemented a key technological renovation project for energy conservation in 2016 where we installed five precipitators that operate with alternating current at the end of desulphurisation process to further reduce emission concentration of smoke and dust so as to meet with the ultra-low emission standard. The project is expected to be completed in September 2017 and is estimated to reduce smoke and dust emission by 43.39 tonnes per year.

WASTE MANAGEMENT

We adopt an all-rounded management system for waste from power plants to reduce adverse effect in the areas of environment, safety and health. We directly transport boiler slag from power generation to ash-shed and disposal site through the transport system for comprehensive utilisation and disposal by qualified third parties. Each department will collect its own waste batteries and other hazardous waste, which will be delivered to warehouse #6. Managers who have received professional training on disposal of hazardous waste will register and record the delivery and set warning signs at designated sites for centralised collection by suppliers. The managers will also maintain a proper record and submit to corporate affairs department.

Total hazardous waste produced from project operation during the Reporting Period (in tonnes)

Boiler slag	70,425.35
Fly ash	278,181.17
Waste oil	95.46
Sludge	125
Waste paint	0.63

7. Our Environment

Business units of CGN New Energy always adhere to the principle of “repair and reuse, proper storage, full utilisation as well as revenue generating and expenses cutting” to reduce waste production. Our procurement department is responsible for collecting all waste and obsolete materials while the production management department is responsible for material recycling. Based on the principle of “economic reasonableness, quality assurance, centralised management and prioritized utilisation”, we will carry out necessary repair work to pipes, valves, fittings, instrumentation and electrical components collected from production sites to restore to their original functionality. This not only substantially reduces waste production, but also lowers the operating costs.

Total non-hazardous waste produced from business operation during the Reporting Period (in tonnes)	
General waste/household waste	175.69
Total recyclable waste	
Paper	0.66
Plastics	3.93

CGN New Energy grants “Repair and Reuse” awards to individuals and business units that have outstanding performance to raise the green awareness of staff. Value of repaired and reused materials are jointly determined by the procurement department and production management department and the award will be based on the original value of the repaired materials. For material with an original value above RMB500, the award will be worth RMB100-200; for those with an original value less than RMB500, the award will be worth RMB50-200. The production management department will give regular report and make recommendation on awards in relation to completed repair and reuse projects.

WASTEWATER TREATMENT AND MANAGEMENT

CGN New Energy adopts a systematic wastewater treatment system to manage wastewater and ensure it is in compliance with the requirements under the applicable national and local laws, regulations and rules. The wastewater generated by the Company are mainly wastewater from chemical treatment, slag removal, coal transport system, desulphurisation system and periodic discharge of boilers as well as sewage effluent. As part of our active efforts to meet with the Integrated Wastewater Discharge Standard of the PRC, we combine daily management, which include wastewater management and treatment by the production department and safety supervision department, with a wide range supervisory measures.

Our control procedure for wastewater discharge is as follows:

Daily management

- The production department and safety supervision department are responsible for the management and treatment of wastewater as well as maintenance of record.
- For project construction which involves wastewater discharge, the department-in-charge is responsible for signing the environmental protection agreement with the contractors and the safety supervision department should ensure their wastewater discharge is in compliance with the standards.

Treatment

- Wastewater treatment system allows wastewater to undergo sedimentation and neutralisation until it meets the standards and is discharged to wastewater treatment facilities.

Monitoring

- Safety supervision department engages institutions to monitor wastewater discharged by the Company and maintain record.

7. Our Environment

ENERGY CONSUMPTION

Our projects mainly consume electricity, coal gas, coal and fuel oil. During the Reporting Period, the total consumption is as follows:

Total consumption in 2016/during the Reporting Period	
Electricity	271,605.95MWh
Coal gas	309,600MJ
Fuel oil	1,467,167kg
Coal	1,064,013tonnes

We strive to cut the use of energy, which not only lowers our operating costs, but also demonstrates our determination to protect the environment. During the Reporting Period, we successfully implemented the following three key technological reform projects for energy conservation, which reduces annual electricity consumption by approximately 445,000 kWh and fulfils our promises on energy conservation.

Key technological reform projects for energy conservation in 2016:

LED lighting upgrade

We started to replace fluorescent lamps and sodium lamps at production sites with LED lighting in May 2016 so as to enhance illumination level. Such measure reduces electricity consumption by approximately 79,000 kWh per year.

Renovation of transformer

We commenced expansion and renovation of the original S9 series transformers in August 2016 and cut energy consumption through adopting new, mainstream and efficient transformer products. We also finished the renovation of two water-treatment transformers during the year. Expected to be completed in December 2017, the project will reduce electricity consumption of CGN New Energy by 16,000 kWh per year.

Phase out and renovation of Y type electric motors

During the Reporting Period, we phased out and renovated 21 units of electric motors with a total power of 983kW, which reduced electricity consumption by approximately 350,000 kWh for CGN New Energy.

WATER RESOURCES MANAGEMENT

We have been promoting water saving measures actively. For instance, we commenced the expansion of the desulfurization dust tank of Nantong Project in May 2016 and incorporated secondary sedimentation and neutralisation as well as filter presses to meet with the class III national requirements for wastewater emission. Apart from that, we reduce emission by further promoting the recycle and reuse of desulphurised wastewater. Expected to be completed in April 2017, the project is expected to reduce water consumption of CGN New Energy by 110,000 tonnes per year.

Total water consumption for 2016 (excluding hydro power projects): 7,582,920m³

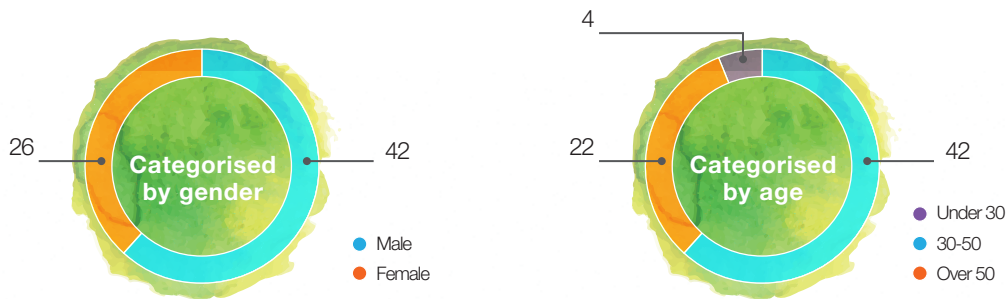
8. Our Employees

We treasure our staff as valuable assets and attach great importance to their personal growth as well as physical and psychological well-being as we believe their health and development is the key to our sustainable development. While the Chinese government extensively promotes the development of new energy, an increasing number of enterprises tap into the new energy sector, resulting in intense competition for talents. In view of this, we regularly review the existing remuneration and benefit package, enhance working environment and provide training that fits market and employees' needs to attract and retain talents.

RECRUITMENT POLICY

The basic principle of the talent policy of CGN New Energy is "to focus on cultivating its own talents while also recruiting from the market". There are three main ways for us to recruit staff: internal redeployment, internal promotion and external recruitment. We uphold the principle of equal opportunity, hence base all appointment on meritocracy, where gender and race of applicants are not taken into consideration in the recruitment process. As at 31 December 2016, CGN New Energy has 1,765 employees. The numbers of employees from Hong Kong, PRC and Korea are 68, 1,571 and 126 respectively. During the Reporting Period, 13 employees in Hong Kong resigned, representing a turnover rate of 18.84%, while 16 employees in PRC resigned over the same period of time, representing a turnover rate of 2.68%. We strictly follow the local labour laws and regulations in Hong Kong, China and Korea, and has a zero tolerance policy to unethical employment terms involving child or forced labour. During the Reporting Period, we are not aware of any business branch that hire child or forced labour.

STATISTICS ON EMPLOYEES IN HONG KONG (AS AT 31 DECEMBER 2016)



EMPLOYEE COMPENSATION AND BENEFITS

We understand that remuneration and benefit package is usually the area of focus for employees, therefore we regularly review their pay level to make sure we are able to attract and retain talents by staying competitive in the industry. We have established a performance and career development assessment system which our employees are all subject to during the first quarter of each year. Our staff will first carry out self-evaluation and formulate an individual development plan. Then, the manager or assessor will conduct annual performance interview and deliver the agreed assessment results to the human resources department for reference at times of salary adjustment. In terms of staff benefits, we maintain medical and hospital insurance for employees in Hong Kong. Apart from that, we set up a variety of social insurance and housing provident funds for eligible Chinese employees under the national and local regulations and requirements. We also maintain "employer's liability insurances" and other accidental injury insurances as a supplement to the social insurance while offering a wide range of benefits to employees, such as annual leave, festival allowance, high temperature allowance, annual body check, travel allowance and meal benefits according to the "Benefit Policy" of the Company.

BUILDING THE BEST TEAM

We are active in talent nurturing. Apart from offering induction programme to new recruits on company history, objectives, corporate culture, company policy and requirements as well as operating procedure, we also arrange a wide variety of on-the-job training and workforce quality training covering technical skills and soft skills, such as management skills and courses on values, so as to build an excellent team and upgrade the sustainable competitiveness of CGN New Energy. We organised workshops for employees of the Yulchon Gas-fired Project in Korea quarterly or semi-annually to enhance a wide range of skills.

We provide specific professional training for different job functions. Training programmes offered during the Reporting Period include:

- Focused training on management and solution for online public opinion crisis
- Case exploration and application workshop
- ISO review training

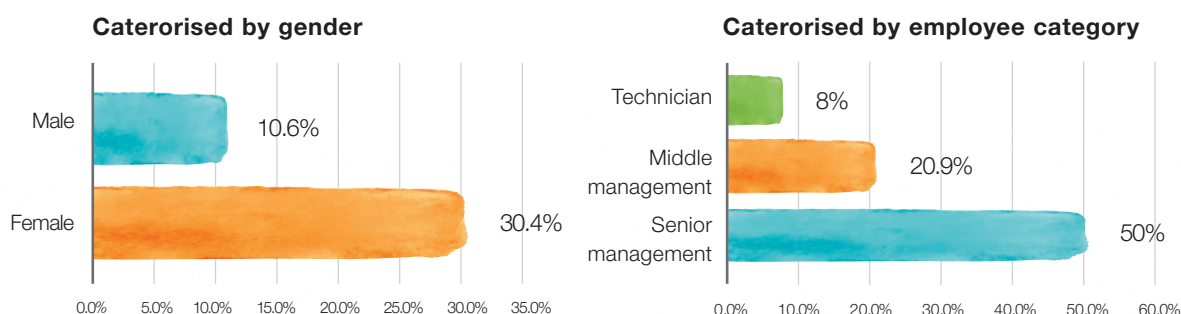
8. Our Employees

Average training hours of employees in Hong Kong during the Reporting Period (hours)

Gender	Male	4.23
	Female	5.09
Title	Senior management	10.63
	Middle management	7.03
	Technician	0.54
	General staff	–

Over 99% employees in PRC have access to our training programmes. In terms of the occupational training for employees in Korea, 106 employees in total participated in training programmes provided by CGN New Energy during the Reporting Period, accounting for 84% of the total number of employees in Korea. Their total training hours were 4,056 hours.

STATISTICS ON THE PERCENTAGE OF EMPLOYEES' TRAINED IN HONG KONG DURING THE REPORTING PERIOD



In addition, we have organised a focused training for in-house trainers in October 2016 and invited Mr. Ma Bo, the CEO of Kaiming Consulting Company (a supplier of scenario-based case studies service), to host the "Case Exploration and Application Workshop". The training facilitated professional upgrading of our in-house trainers and laid a solid foundation for internal training work in the future.

Case sharing

Technical exchange between Fushi hydropower plant and upstream power plant

In addition to the wide range of training offered to employees, we also encourage them to carry out technical exchange and strengthen communication. On 15 August 2016, Guding power plant and Fushi hydropower plant held a technical exchange event as a labour union activity, which included onsite visit and seminar for employees to share their view on challenges in production, management and safety while learning from the others. The event not only effectively fostered stronger communication and exchange between upstream and downstream power plants, but also consolidated relationship between employees, which is beneficial to the efficiency and effectiveness of future cooperation.



8. Our Employees

EMPLOYEE CARE

We believe in the importance of physical and psychological well-being of our employees, which is why we organise staff activities from time to time, including sports day and interest classes, so that employees can relax and relieve stress after hard work.



CGN New Energy achieved good performance and ranked fifth in the Fifth Sports Day of its parent company CGN



39 female employees at Shenzhen learnt how to make handmade soaps with essential oils



Employees wrapping dumplings in the kitchen

Case sharing

“Reunion Night”

To share the joy of “Reunion Night” with hardworking frontline staff, business units of CGN New Energy organised “Dumpling Making for Reunion Night” at the traditional Chinese Lantern Festival. Creating a comfortable and delightful festive mood through making traditional dumplings, CGN New Energy made employees feel at home.

At this happy and meaningful festival, cohesion of frontline staff was enhanced as they wrapped dumplings, made small talks and sent greetings to each other. This is also in line with our commitment to the promotion of employees’ physical and psychological well-being. Enhancing staff cohesion allows stronger mutual support among employees and is crucial to our business success.

8. Our Employees

Case sharing

Senior management team split up to visit frontline staff during Chinese New Year

The senior management team of CGN New Energy split up to visit a number of production bases and sent festival greetings to frontline staff around Chinese New Year.



Mr. Chen Sui, the chairman of CGN New Energy, met with frontline staff at the wind farm. He expressed warm regards and asked about their work and life during the Chinese New Year, and highly commended their self-less dedication.



Mr. Lin Jian, the President of CGN New Energy, sent new year greetings to staff in Korea. He also inspected Yulchon (Phase I), Yulchon (Phase II) and Daesan power plant and sent pre-festival greetings.



Mr. Li Xiaoxue, the Senior Vice President of CGN New Energy, learnt about the living and working environment of employees and expressed gratitude to those who stayed at frontline.



Mr. Li Yilun, the Senior Vice President of CGN New Energy, hosted a seminar to exchange ideas with employees on achievements and results at work and challenges, and took the opportunity to share the future plan of the Company and the personal development of staff.



The safety director of CGN New Energy places great emphasis on safe production and operation. He is of the view that production must be in compliance with the safety standards of the Company so as to properly implement safety management.

8. Our Employees

SAFEGUARDING EMPLOYEES' SAFETY AND HEALTH

"Safety first" is one of CGN New Energy's three basic principles, and our safety and quality control department is responsible for coordinating and monitoring all issues in relation to occupational safety and health. Creating a workplace where employees can set their mind at rest is our priority. We have already established the "EHS Management System" which incorporates a series of management system of occupational safety and health, for instance, the "Management System of Dangerous Tasks", "Investigation and Treatment System of Potential Safety Risks", "Management System of Dangerous Items" and "Occupational Hygiene Management System", to provide clear working guidelines and ensure all tasks are performed in a safe workplace. Moreover, our staff has to attend the safe production quiz every year so that their safety awareness meets our requirements.

Our project companies in China and Korea have established occupational health and safety certification and obtained the international OHSAS 18001 certification, while our project companies in Korea have also obtained the local KOSHA 18001 certifications. We are in constant pursuit of the safety goal of "zero accident and zero injury". During the Reporting Period, there was no employee death or personal injury at work and we have achieved our target in safe production.

The management takes the safe production level of all projects seriously and conducts regular inspection to make sure the basic principle of "safety first, quality first and pursuit of excellence" is demonstrated in all projects. Meanwhile, effective control is exercised over high potential risks to put staff safety as it priority.



On 23 November 2016, Mr. Tan Jiansheng, the Deputy General Manager of CGN, carried out safety inspection to the wind farms which were entrusted to be managed by CGN New Energy.



Mr. Lin Jian, the President of CGN New Energy, along with his group, performed detailed safety inspection to the wind farms and photovoltaic power plants which were entrusted to be managed by us, and requested improvement works.

8. Our Employees

TRAININGS ON OCCUPATIONAL HEALTH AND SAFETY

All our newly recruited production staff must complete the three-tier safety education programme from the subsidiary, project company and job position perspectives and pass the examination before working at the production and work sites. In addition, our production staff attends on-site training and safety activities such as on-site tests with specified themes, accident prevention courses, technology quiz and accident anticipation events every month. Departments at all levels organise annual fire safety trainings to equip our staff with “four types of knowledge and skills”, namely, knowledge on danger of fire, fire prevention measure, fire extinguishing methods and ways to evacuate, and skills of calling the police, using fire extinguishers, dealing with accidents and evacuation. In order to help employees to fully grasp the knowledge of safe production, our safety and quality control department offers a wide range of regular training programmes which cover laws and regulations on safe production, safety management system and systematic training courses. We designate one month as “Safe Production Month” every year and safe production activities such as seminar and safety drills are held by every project company to raise staff’s safety awareness.

During the Reporting Period, we provide the following occupational health and safety education and trainings:

- Accident case studies
- Emergency plan learning
- Training on contractors’ safety management measures
- Seminar on road safety
- Education on prevention of heatstroke and first aid knowledge
- Education on safety and production management standards
- Training on fire prevention and operation of fire service installations
- Education on health information
- Education on fire prevention in winters



Mr. Li Jing, the Safety Director of CGN New Energy, gave themed lecture on “intrinsic safety which comes from details to attention, links to responsibility and depends on implementation”. In the lecture, Mr. Li explained the relationship between quality and safety, quality and input, as well as quality and efficiency.

Safety training commenced at Fushi power plant and employees enjoyed a lively and informative course on safety knowledge designed to prevent repeated non-compliance.

8. Our Employees

Case sharing

"Safe Production Month" at Fushi hydropower plant

On 3 June 2016, Fushi hydropower plant organised safety knowledge lecture according to the schedule of "Safe Production Month". As the first event of the "Safe Production Month", the lecture kick-started the campaign that aimed at enhancing the safe production capability of staff through deep dive analysis of safe production accidents and introduction of safe production laws, regulations and relevant knowledge. It was also the purposes of the campaign to raise staff's safe awareness and encourage employees to uphold production safety by fulfilling their responsibility and creating a law-abiding safe working culture.



Case sharing

Emergency drill for extraordinary flood events at Fushi hydropower plant

As a result of extreme El Nino events, China's meteorology and hydrology authorities forecasted high possibility of extreme weather conditions such as flooding. To enhance the response to severe flooding, the power plant organised a drill for extraordinary flood events on 18 April 2016, which comprised four stages, namely initiation of rescue and emergency response, danger resolving, evacuation and conclusion.

Over 50 employees participated in the drill and divided themselves into three rescue teams and one observer team. Rescue vehicles and flood prevention materials were deployed to facilitate crisis response including relocation of vital supplies, suspension of plant operation in blackout, risk-eliminations at the plant and blocking access to the dam. Our efforts have led to the successful completion of the drill which significantly strengthened our response to extreme flooding and emergency.



8. Our Employees

Case sharing

Flood prevention emergency drill at Zuojiang hydropower plant

Following the emergency drill for extraordinary flood events at Fushi hydropower plant, Zuojiang hydropower plant, which is also located in Guangxi, held a flood prevention drill in blackout on 24 June 2016. The drill set the scene in a flood event where the outgoing transmission line of the plant was struck by lightning and overloaded, causing all units to shut down. Meanwhile, the rapidly rising upstream water level would lead to flooding anytime, hence the staff at the power plant must turn on the backup diesel generator in time to generate electricity to open the gate and prevent flooding.

After the drill began, all units received the order to standby while staff of the power generation department divided into two teams, with one team turning on the diesel generator and the other reversing electricity transmission back to the plant. At the same time, the onsite maintenance department monitored the operation of the gate. The success of this drill facilitated by the efforts of all departments has substantially enhanced reaction ability in judgement, crisis resolving and operation as well as cross-department cooperation in times of emergency. It has also tested the reliability of the diesel generator and gate control.



Case sharing

First aid training at Fushi hydropower plant to increase surviving chance

In view of the importance of emergency response capacity, Fushi hydropower plant invited the first-aid training centre of Guangxi Red Cross to visit and organise trainings on first-aid knowledge, so as to prepare our staff for responding to emergencies and accidents and boost their surviving chance. The trainers introduced the importance of first-aid treatment, basic knowledge and cardiopulmonary resuscitation technique using examples from everyday life and workplace. They specifically explained and demonstrated the prevention and treatment of injury as a result of falling from height, electric shock, chemical poisoning and heatstroke which is common in power plants. The training equipped our staff the knowledge of the most effective measures to be taken immediately after the accidents to save lives.

Such training not only provides basic first-aid knowledge to employees, enabling us to achieve zero accident during the year, it also encourages our staff to "cherish life and care for family and colleagues" as life is precious.



9. Our Community

For years, CGN New Energy provides one of the most reliable clean and new energy services to the public and strives to give back to the community in which it operates. We understand that large-scale energy development projects may have extensive impact, hence mutual trust and a stable relationship are crucial to our sustainable development.

As a committed corporate citizen, CGN New Energy actively participates a variety of community care activities and takes initiatives to understand the needs of the community in which it operates. Our efforts ensure that our business development projects substantially promote community interest and we maintain a good relationship with the community. Meanwhile, we also actively push forward the development of the surrounding areas and establish close relationship between the Company and the community through exchanging views with the youth, making donation to disaster-affected regions and supporting local education.

Case sharing

Achievement Presentation of Altay Assistance Project and Donation for Education Ceremony – in support of community development and local education

We believe that supporting the development of the local community is integral to building a strong relationship with them. Therefore, we have been providing assistance to Altay region in Xinjiang and attended the Achievement Presentation of Altay Assistance Project of the Group on 13 October 2016. In addition to our usual aid provided to boost economic development and citizen well-being in the region, we newly set up a donation for education programme that subsidises disadvantaged children in the mountainous area, helping them to change their fates with knowledge.

Mr. Deng Zhanwu, the Secretary of the CPC Altay Prefectural Committee, asked the Group to keep offering assistance in clean energy development, enhancement of people's livelihood and intelligent support in the future. We are of the view that helping Altay's development not only allows us to fulfil social responsibility, but also reinforces our cooperation with the local community in terms of both depth and breadth.

The Group delivered the "Key to Exemplary Clean Heat Supply Project by Wind Power", results of the development proposal for healthcare industry in Altay region and cheque of donation for education to Altay Prefecture, and CGN New Energy received the "National Exemplary Clean Heat Supply Project by Wind Power" plaque from the Energy Administration of the Development and Reform Commission of Xinjiang Autonomous Region at the ceremony held on 13 October 2016.



10. Honours and Awards

- Won the “Most Promising Listed Company” and “Best Company Secretary” at the “2016 China Financial Market Listed Companies Awards”.
- Received the “Top100 Hong Kong Awards” and awarded the “Top 10 Small Enterprises”.
- Selected as “2016 Outstanding Listed Company” at the “14th China’s Financial Annual Champion Awards” presented by Hexun.com
- The “Implementation and Application of Intelligent Wind Power Integration Platform” project operated by the wind power business (which was entrusted to be managed by us) received the “2016 First Class Award for Information Technology in Power Sector” presented by China Electricity Council
- Honoured as “Advanced Unit in Corporate Culture Brand Building in China’s Power Industry” at the “Corporate Culture Brand and Brand Building of China’s Power Industry Seminar” held by China Electricity Council



11. Prospects

In 2016, our energy-saving and technical modifications in several projects (e.g., the conventional non-renewable energy power project) increased their operation efficiency while reducing the impact on the environment, for instance, the emissions in our projects have been decreasing since then. With respect to safety in production, we have established a well-rounded management system to ensure occupational health and safety. With comprehensive and regular safety trainings and drills, our employees' safety awareness has increased significantly. There were no occupational injuries recorded in 2016. Companies responsible for our projects keep in close contact with nearby communities and communicate with people of different backgrounds. Many community care activities were held successfully in 2016.

Looking forward, we will continue to stick to the Thirteenth Five-Year Plan of PRC and other energy policies. No efforts will be spared to develop non-nuclear clean and renewable energy. Our continuous acquisition of clean and renewable power projects from CGN and expansion into new businesses and overseas markets ensure steady and endless growth for CGN New Energy.

In light of technical research and development, our investment in innovative technology will move on. Through a higher level of cooperation with colleges, research institutes and experts, we hope to achieve bigger breakthroughs and outcomes in new energy technologies. New technologies are expected to make our renewable energy projects and conventional non-renewable energy projects more efficient and environmentally friendly as environmental laws and regulations tighten.

In terms of our employees, we will continue to optimize our remuneration policies and arrangement of occupational trainings, aiming to offer better support for the Company's development and employees. Regular inspections on existing production procedures and the continuous enhancement of our trainings on occupational health and safety show that safety is our top priority. Providing our employees with a safe and comfortable working environment means a lot.

As our business grows, we never stop caring for communities. We will help develop local communities through transparent communications with people living there and community activities. Existing community care plan will be reviewed and improved to serve nearby community better, and we believe this is the civic responsibility our company should take.

Appendix Content Index of the Environmental, Social and Governance Reporting Guide of the Listing Rules

Subject Areas, Aspects, General Disclosures and KPIs		2016 Environmental, Social and Governance Report or other reference
A. Environmental		
Aspect A1	Emissions	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Our Environment – Emission Control Our Environment – Waste Management
KPI A1.1	The types of emissions and respective emissions data.	Our Environment – Emission Control
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Our Environment – Emission Control
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Our Environment – Waste Management
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Our Environment – Waste Management
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Our Environment – Emission Control
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Our Environment – Waste Management
Aspect A2	Use of Resources	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. <i>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</i>	Our Environment – Energy Consumption Our Environment – Water Resources Management
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Our Environment – Energy Consumption
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Our Environment – Water Resources Management
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Our Environment – Energy Consumption
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Our Environment – Water Resources Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A

Appendix Content Index of the Environmental, Social and Governance Reporting Guide of the Listing Rules

Subject Areas, Aspects, General Disclosures and KPIs		2016 Environmental, Social and Governance Report or other reference
Aspect A3	The Environment and Natural Resources	
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Our Environment – Energy Consumption Our Environment – Water Resources Management
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Our Environment – Energy Consumption Our Environment – Water Resources Management
B. Social		
Employment and Labour Practices		
Aspect B1	Employment	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Our Employees – Employee Compensation and Benefits
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Our Employees – Recruitment Policy
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Our Employees – Recruitment Policy
Aspect B2	Health and Safety	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Our Employees – Safeguarding Employees' Safety and Health
KPI B2.1	Number and rate of work-related fatalities.	Our Employees – Safeguarding Employees' Safety and Health
KPI B2.2	Lost days due to work injury.	Our Employees – Safeguarding Employees' Safety and Health
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Our Employees – Safeguarding Employees' Safety and Health
Aspect B3	Development and Training	
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. <i>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</i>	Our Employees – Trainings on Occupational Health and Safety
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Our Employees – Building the Best Team
KPI B3.2	The average training hours completed per employee by gender and employee category.	Our Employees – Building the Best Team

Appendix Content Index of the Environmental, Social and Governance Reporting Guide of the Listing Rules

Subject Areas, Aspects, General Disclosures and KPIs		2016 Environmental, Social and Governance Report or other reference
Aspect B4	Labour Standards	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Our Employees – Recruitment Policy
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Our Employees – Recruitment Policy
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Our Employees – Recruitment Policy
Operating Practices		
Aspect B5	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Our Business Development – Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Our Business Development – Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Our Business Development – Supply Chain Management
Aspect B6	Product Responsibility	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Our Environment and Our Employees
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Our Environment
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Our Business Development – Enhancement of Research and Development
KPI B6.4	Description of quality assurance process and recall procedures.	Our Environment
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Identified as non-material issue

Appendix Content Index of the Environmental, Social and Governance Reporting Guide of the Listing Rules

Subject Areas, Aspects, General Disclosures and KPIs		2016 Environmental, Social and Governance Report or other reference
Aspect B7	Anti-corruption	
General Disclosure	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 	Our Business Development – Enhancement of Corporate Governance
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Our Business Development – Enhancement of Corporate Governance
KPI B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored.	Our Business Development – Enhancement of Corporate Governance
Community		
Aspect B8	Community Investment	
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Our Community
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Our Community
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Our Community