



CHINA SCE PROPERTY HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1966.HK



2016
Environmental,
Social and
Governance
Report

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2016

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ABOUT THE GROUP

China SCE Property Holdings Limited (“China SCE”), together with its subsidiaries (collectively, the “Group”) were established in 1996, and its major businesses include investment holding, property development, property investment and property management.

China SCE was originally headquartered in Xiamen, and was relocated to Shanghai since January 2017. The properties developed by the Group cover a wide range of products including high-rise residential, low-rise residential, villas, commercial buildings and offices. The business development of the Group focuses on the Yangtze River Delta, the Bohai Rim, the Pearl River Delta and the West Taiwan Strait Economic Zone, and its projects are distributed in 15 cities in China with gross floor area of over nine million square metres. The Group has so far developed over 50 industry leading projects and constructed various buildings with special features in major cities in China.

China SCE has been ranked among the best 50 real estate developers in China for two consecutive years since 2015, and has been ranked among the best 100 real estate developers in China for nine consecutive years. During the year, the Group was awarded as one of the “Fortune China 500” companies, which reflected market recognition of its strength.

Geographical Distribution of the Group's Property Projects

| | | | | | |
|--|-----------|----------|----------|----------|----------|
| China SCE Property Holdings Limited | Beijing | Shanghai | Shenzhen | Tianjin | Nanjing |
| | Hangzhou | Suzhou | Xiamen | Nanchang | Quanzhou |
| | Zhangzhou | Longyan | Yanjiao | Linfen | Anshan |

Corporate Mission

We Build to Inspire (專築您的感動)

Development Vision

Becoming a National First Class and Leading Company in the Industry (全國一流 行業標桿)

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ABOUT THIS REPORT

This report is the first Environmental, Social and Governance (the “ESG”) Report published by China SCE, which discloses our practices and performances on sustainable development in a transparent and open manner, in order to increase our stakeholders’ confidence and understanding in the Group.

Reporting Year

All information contained herein reflects the performance of China SCE on environmental management and social care from January 2016 to December 2016. Subsequently, the Group will publish an ESG Report on a regular basis each year, which can be accessed by the public at any time, to continuously enhance the transparency and responsibility of information disclosure.

Scope of Report

The report focuses on the operation¹ of China SCE at its principal place of business in 2016, being the headquarter office in Xiamen. The scope of disclosure will be expanded to an extent that cover all of our operations after the Group’s data collection system becomes more mature and our ESG practices further develop. This report does not include the disclosure of environmental key performance indicators. The Group will conduct a carbon assessment next year to further refine and standardise the reporting metrics.

Reporting Standards

This report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “Guide”) issued by The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”). It summarises the performance of China SCE on ESG aspects in a simplified manner. The information contained herein is sourced from official documents and statistics of the Group, and integrated with control, management and operations information provided by the subsidiaries of the Group in accordance with the Group’s relevant policies. A complete content index is appended in the last chapter hereof for quick reference. This report is prepared in both Chinese and English and is available on the Group’s website at www.sce-re.com.

Feedbacks

Our continuous improvement rely on your valuable opinions on the contents and presentation of this report. If you are in doubt or have any recommendations, you are welcome to email us at ir@sce-re.com for the continuous improvement of our performance in ESG works.

¹ Xiamen Zhongjun Industrial Co., Ltd., a wholly-owned subsidiary of the Group, is responsible for such operations.

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COMMUNICATION WITH THE STAKEHOLDERS

The Hong Kong Stock Exchange proposed four reporting principles in the Guide, including Materiality, Quantitative, Balance and Consistency, as the preparation basis of the ESG Report. As stated by the Hong Kong Stock Exchange, stakeholder engagement is a widely employed method for assessing materiality. By communicating with the stakeholders, corporations are able to understand the opinions from stakeholders, and identify material environmental and social issues.

For China SCE, stakeholders represent groups and individuals who have significant impact on the Group's business, or those who are affected by the Group's business. The Group's stakeholders include not only staff, but also customers, business partners, investors, regulatory authorities and various community groups. During the last year, the Group communicated with key stakeholders through different channels. In preparation of this report, the Group engaged a professional consultant to conduct a substantive analysis by interviewing management, and incorporated the advices of the professional consultant to clarify important reporting issues and to determine the direction of the Group's sustainable development.

Methods of Communication with the Stakeholders during the Reporting Period

| Internal Stakeholders | External Stakeholders | |
|--|---|--|
| <ul style="list-style-type: none"> • Board of Directors • Management • General staff | <ul style="list-style-type: none"> • Shareholders/investors • Customers • Contractors • Suppliers • Government/regulatory authorities • Trade/industry associations | <ul style="list-style-type: none"> • Banks • Partners • Non-governmental organisations • Local community groups • Staff's family • Media |
| Communication Methods | | |
| <div>Regular meetings, annual meetings, management meetings of subsidiaries, cross departmental special meetings, seminars, internal communication software, e-mails, reports, whistleblowing and complaint hotlines, corporate newsletters, internal announcements, performance assessment, administration satisfaction survey, training sessions, staff activities</div> | | |
| <div>Official website of the Company, monthly newsletters, results presentation to investors and press conference, post-results non-deal roadshows, annual investment meetings of investment banks, after-sale phone interviews, property owners appreciation activities, holiday celebrations, tender documents, e-mails, phone calls, face-to-face communications, seminars, cooperation agreements, real estate forums, investment promotion receptions, charity and community activities, prize opening activities</div> | | |

The business of China SCE has impacts on various stakeholders, while stakeholders also have different expectations over the Group. Looking ahead, for a more refined substantive analysis, the Group will continuously strengthen the communication with its stakeholders, and extensively collect their opinions in numerous ways. In the meantime, the Group will also enhance the reporting principles in terms of quantitative, balance and consistency, to define the contents in the report and the presentation of information in a way which is more likely to meet the stakeholders' expectations.

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MESSAGE FROM THE CHAIRMAN

“Committed to becoming a leader in sustainable development by performing the duties step by step to facilitate the development of the industry.”



China SCE has been adhering to the belief of “Contributing to the Society with Grateful Heart” (回報社會·常懷感恩) since its establishment. During our development, we strive to become an outstanding corporate citizen, explore the operation model of sustainable development and create quality living space for the society.

We believe that people are the most important resources, and staffs are essential to the long-term success of a company. China SCE offers competitive and attractive remuneration and benefits and organises various staff activities regularly to provide incentives and rewards to the staff and strengthen the team cohesiveness. We establish communication channels to receive the opinions and views from the staff, and build a diligent, hardworking, practical, efficient and professional team under the human-based management policy.

China SCE attaches great importance to talent cultivation. Through the China SCE Institute, the Group provides comprehensive training management system to the staff. Based on different training requirements of newly recruited staff and re-designated staff, we design diverse training programs, and carry out corporate culture trainings to enhance the sense of belonging of the staff and facilitate them to grow with the Group.

China SCE also endeavors to achieve sustainable development in every part of the supply chain. We design every construction project with thoughtful mind to improve the community greenery and surrounding supporting facilities. Through rigorous project management, while ensuring the construction quality, we also facilitate our business partners in environmental protection and safe construction. The Group also provides various services before, during and after sales, and actively responds to the customers’ requirements in a responsible manner.

In China, despite the increasing public attention to corporate sustainable development, the relevant awareness in the real estate industry is still weak. Looking forward, China SCE is committed to becoming a leader in sustainable development by performing its duties step by step to facilitate the development of the industry. Based on the business philosophy of “Creating a Win-win Situation with Integrity and Cooperation” (誠信為本·合作共贏), the Group will actively cooperate with various sectors to create greater value for the economy, the environment and the society.

China SCE Property Holdings Limited
Wong Chiu Yeung
Chairman

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EMPLOYEE CARE

Employment System

Being a foundation of the Group's growth, employees are the property which China SCE attaches the greatest importance to. The Group believes that every employee should be respected. The Group has established an open and transparent employment system in the areas of remuneration and benefits, working hours policies, performance appraisal, career development, channels of view, hire and dismissal and others. The employment system is set out in the Employee Handbook so that employees are clear on their rights and responsibilities. The Group has also stipulated human resources management processes including recruitment, salary, benefits, attendance and promotion and responsibilities of various departments through the Work Instruction to ensure the procedures are fair.



China SCE is committed to providing employees with "Internally Equitable and Externally Competitive, Incentive, Economic" (對內具公平性、對外具競爭性、激勵性、經濟性) remuneration and benefits to attract and retain top talent. The Group has formulated the Job Level Table and the Pay Scale to determine the salary level of the employee's rank according to the factors such as job responsibilities, experience and market level. In addition to basic salary, the Group will award a bonus based on the overall results performance and the performance of the departments and the employees to share fruitful results with the employees.

Respecting every employee, China SCE is committed to achieving the employees' work-life balance through human-based work arrangements and the employees' leisure activities. In addition to subsidies and accommodation, the Group has provided additional visiting holidays and transportation allowances for those headquarters staff stationed in the other cities to have more opportunities to reunite with their families. The Group has also organised employees' activities on a regular or irregular basis, such as Carnival, Mid-Autumn Festival activities, female employees travelling on Women's Day, employees hiking, for promoting healthy living and enhance team cohesion.

China SCE devotes itself to protecting each employee's right to consult, right to be informed, right to make suggestion, right to appeal and right to whistleblowing anonymously through opening various channels of communication. The Group understands employees' thoughts, emotions and problems through irregular interviews. The Group welcomes employees to make recommendations to supervisors at all levels and human resources department. The employees may complain through interview or written form or phone internal audit department at the hotline for internal audit for anonymous whistleblowing with suspected violations of personal rights or business ethics. If they are dissatisfied with the Group's decision, the employees are entitled to appeal to the higher rank supervisor, department, and even the Chief Executive Officer of the Group.

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China SCE strictly complies with labour related laws, such as, the Labor Law of the People's Republic of China (《中華人民共和國勞動法》), the General Principles of the Civil Law of the People's Republic of China (《中華人民共和國民法通則》) etc. During the reporting period, the Group has not found any violation or offenses relating to the employment and labour practices, nor received any complaints about discrimination and sexual harassment. Until now, the Group has not set up policies on diversity of labour and will research on incorporation of relevant requirements into the existing policy documents such as Employee Handbook and Work Instruction.

Summary of China SCE's Employment Performance Indicators

| Number of Employees | Total Employees | Male to Female Ratio | New Employees | Total New Employees | Percentage of New Employees to Total Number of Employees | Resigned Employees | Total Resigned Employee | Employee Turnover Rate |
|---------------------|-----------------|----------------------|---------------|---------------------|--|--------------------|-------------------------|------------------------|
| Male | 68 | 1.1: 1 | Male | 35 | 49% | Male | 43 | 36% |
| Female | 60 | | Female | 28 | | Female | 31 | |

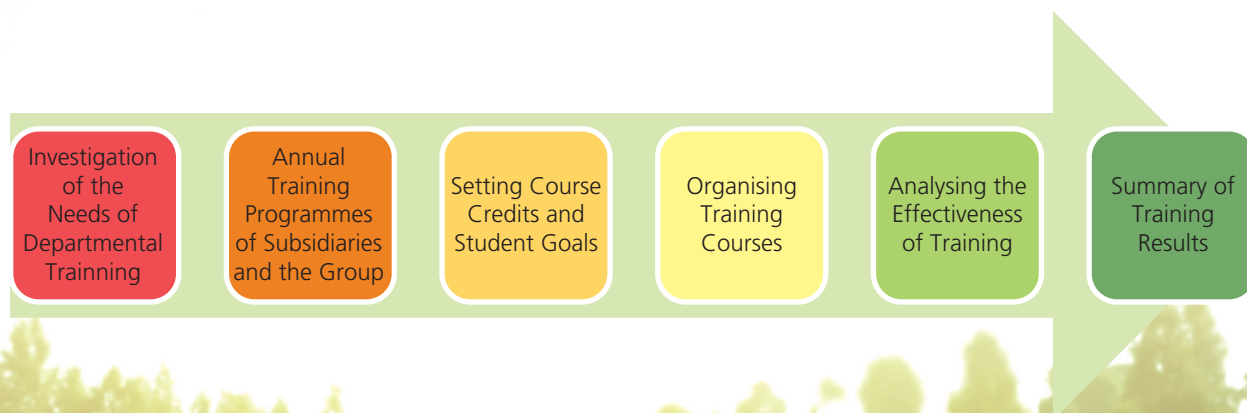
Development and Training

China SCE established China SCE Institute as early as in 2011, planning the development of employee training systematically. Every employee has the opportunity to become a student of China SCE Institute to receive all kinds of internal and external trainings. The Group develops training programs every year by combining the survey results of



training needs with the overall policy towards the training. Participants are required to attend compulsory and elective training programs at designated times to accumulate credits to complete their individual annual goals. After the course is completed, the Group will make continuous improvement on the training system by collecting the participants' opinions, analysing the training performance indicators such as course attendance, instructors' performance, students' achievement and students' satisfaction, sending the feedback results to the leaders of the relevant departments, aggregating the course information and analysing reports at the end of each year.

The Training System of China SCE Institute



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For different training needs, China SCE offers a wide range of training programs. For example, the “Forward Camp” (前鋒營) is designed for new recruits. It helps the new recruits to grasp the requirement of their positions and to integrate themselves into the Group through the training in entry guidelines, professional knowledge, skills in quality and corporate culture. “Career Literacy Class” (職業素養班), provides the employees at all levels with technical courses covering office software, practical writing, standardised management and others. Taking university graduates as target, the Group set up a training system of management trainees (“Management Trainees”) of “Refined Cavalry Camp” (精騎營), which is guided by the senior managerial staff of the Group. The senior managerial staff of Group guides the Management Trainees to design learning objectives and plans. For the existing managerial staff, the Group set up “Armed Cavalry Camp” (驍騎營), providing outreach activities such as training camps for project managers and inviting third parties institutions and speakers to perform tailor-made training for the trainees to broaden their horizons. The Group also provides the employees who participated in engineering, accounting licence training and those who had received tertiary education with support and fee allowance, encouraging the employees to increase their capability.

In October this year, China SCE launched a series of lectures on “China SCE Institute — Armed Cavalry Camp — Benchmarking at Huawei”. Mr. Hu Saixiong, who participated in the forming of the training of Huawei University and cadres, Huawei Technologies Co., Ltd. (“Huawei”), gave the lectures. Mr. Hu conducted case studies and discussions about “Huawei’s Corporate Culture and its Practice” (華為企業文化及其實踐) and “Management of Huawei’s Cadre” (華為幹部管理之道), bringing new inspiration to management thought of more than 200 existing managerial staff and Management Trainees of the Group.



An Overview of the Training Programs of China SCE Institute

| Training Programs | Training of New Recruits | Training of Management Trainees | Training of Mentor of Management Trainees | “China SCE Institute – Armed Cavalry Camp – Benchmarking at Huawei” Training Series | | |
|-------------------------------|--------------------------|----------------------------------|---|---|------------------------------------|---|
| Training Period | July | July to September | August | April | May | October |
| Target of Training | New recruits | All previous Management Trainees | Middle and senior managerial staff | Senior management | Middle and senior managerial staff | Middle and senior managerial staff, and Management Trainees |
| Person-Time of Training | 80 | 83 | 39 | 12 | 168 | 225 |
| Total Person Time of Training | 607 | | | | | |

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Health and Safety

China SCE is committed to providing the employees with a healthy and safe working environment. The headquarter office in Xiamen of the Group is mainly involved in clerical work. The Group did not identify any position with high security risks. However, the Group clearly understands that the health and safety of the employees is closely related to the office environment. The Group formulated a guidance manual on safety management of offices and provided guidance on fire management, safe use of electricity, accident handling and others, so that the employees can clearly understand the relevant safety requirements. The Group also assigns administrative department to conduct daily inspections on the electricity and facilities in public areas of the offices, to conduct at least one overall safety check on a quarterly basis to identify and eliminate security risks. Before the National Day and Lunar New Year holidays, the administrative department issued a notice informing all employees of paying attention to the relevant safety matters. The Group also arranged manpower to conduct the inspections during the period. The Group is in compliance with the relevant laws and regulations such as the Labour Law of the People's Republic of China (《中華人民共和國勞動法》) and the Regulation on Work-Related Injury Insurances (《工傷保險條例》). During the reporting period, the Group did not identify any non-compliance cases involving health and safety.

Labour Standards

China SCE is fully aware that child labour and forced labour violate fundamental human rights and International Labour Conventions and also pose threat to sustainable social and economic development. The Group prohibits the use of child labour by reviewing the actual age of the interviewee in the recruitment process, including the examination of the original of the identity documents and detailed records. The Group only carries out the requirements of standard labour contract and does not use any means to unfairly and illegally restrict the employment relationship between employee and the enterprise. The Group does not arbitrarily change the terms of the labour contract without communicating with the employees. During the reporting period, the Group did not identify any non-compliance cases relating to labour laws and regulations.

International Labour Organisation, a specialised agency of the United Nations, establishes labour standards through international labour conventions and proposals to improve working and living standards around the world. China is a founding member and a permanent member of International Labour Organisation.

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OPERATION MANAGEMENT

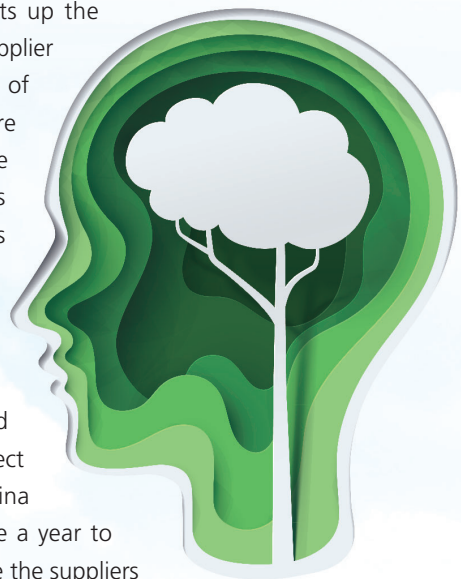
Supply Chain Management

The business system of China SCE covers residential real estate, commercial real estate, tourism real estate, industrial real estate and other categories. This business system is directly related to customers' safety and health and quality of life. As the Group needs to cooperate with many suppliers and subcontractors on property development projects in terms of construction, materials, equipment, advisory services and others, the quality of the products depends largely on the conscientious performance of the Group's business partners. However, the Group is of the opinion that the proper management of the supply chain is not only the Group's own responsibility, but also the key to ensuring the sustainable development of the business. The Group will promote rule-based and procedure-based procedures of the supply chain management, and strive to meet the standards of regulations, the industry and customers from the stages of project plan, construction to completion.

The Supplier Management Process of China SCE



China SCE formulates an operation manual of supplier management, sets up the standards of the cooperation with supplier and standardises the process of supplier management. The manual specifies the division of labour and responsibilities of the relevant departments in the management of the suppliers. All suppliers are required to be evaluated and screened by the Group in accordance with the established procedures for the classification of products or services as prescribed by the contracts. The team identifies the potential suitable suppliers first on the basis of project requirements and with reference to the information including the existing supplier information of the Group and recommendations of internal or third party, and prequalifies the potential suitable suppliers' resources, reputation, performance, operations management. Only suppliers with qualified results can join the qualified supplier list of the Group, being included in the shortlist at the time of project bidding. They have the opportunity to become partners of the Group. China SCE will conduct a performance evaluation of the partnered suppliers once a year to monitor the performance of the suppliers continuously. The Group will require the suppliers who have poor performance to improve. Those suppliers who are disqualified based on its performance will be banned to participate in tenders for two years.



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Regarding the projects under construction, China SCE strengthens the management by signing construction contracts with subcontractors. The Group includes duties sections on product quality, safe construction, occupational health, environmental protection and anti-corruption to the contracts for promoting business partners' attention and enhancing sustainable performance. The Group also formulates an operation manual of the management of safe and civilised construction, guides the subsidiaries to supervise construction sites, and carefully sets out the technical and quality requirements that the subcontractors must comply with the construction management manual, in order to ensure the quality of the construction.

Product Responsibility

China SCE formulates a manual of work quality control, standardising the process of quality control of the projects under construction and formulating the corresponding contingency measures to the possible accidents of quality. Regarding general and major accidents of quality, the Group stipulates the handling procedures and responsible personnel and accountability system, clearly identifying the responsibilities of quality management. The management and the engineering professionals of the Group, supervising units and construction units conduct quality checks on each of the projects under construction and give it a rating. If the projects do not meet the Group's established standards, the construction contractors' progress payment will be temporarily withheld until the completion of the repair or the reworking. The Group sets up a mechanism for incentives and penalties, regularly rewarding the contractors who are on the outstanding places in the reward ranking, imposing financial penalties on those who get poor passing rate, and even suspending their qualifications for tender. The Group imposes internal punishment on the management who is responsible for those projects, safeguarding the quality of property projects.

China SCE noted that the issue of integrity of some property developers has repeatedly become the focus of discussions in the society in recent years. In particular, the dissemination of untruthful advertisements has attracted grave concern. When the Group conducts market promotion, we will comply with the Implementation Regulation of Quality Guarantee and Housing Manual System for Commercial Housing (《商品住宅實行質量保證書和住宅使用說明書制度的規定》) and will strive to ensure that the information given is true and accurate and not misleading.

China SCE as a responsible property developer always takes after-sale management seriously. The Group signs quality guarantees with customers which set out the warranty contents and warranty period of the various parts inside and outside the properties for protecting the customers' interests. The Group also sets up a complaint handling mechanism to clarify the procedures to handle complaints for the quality of projects, design planning, sales management, service behaviour, public relations and property management. With reference to the severity of the graded complaints, the relevant departments of the Group conduct follow-up work including on-site investigations, taking pictures as evidence, access to legal documents, explore alternative solutions with customers and allow the customers to ensure the completion and implementation of the solutions. The departments also understand the customers' satisfaction by telephone to improve customer service. The Group is in compliance with the laws and regulations of the places of the projects. During the reporting period, the Group had no violation of laws and regulations in relation to product liability or ,including Construction Law of the People's Republic of China (《中華人民共和國建築法》) and the Measures for Quality Repair of Housing Construction Project (《房屋建築工程質量保修辦法》) etc. relevant customer complaint or product recall.

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Anti-corruption

China SCE is committed to preventing corruption, bribery, extortion, blackmail, fraud and money laundering. The Group has formulated the Manual of Employees' Clean and Self-disciplined Work. Employee Handbook manual and construction contracts state that all employees and business partners must comply with the code of conduct to maintain clean and honest corporate culture. The Group prohibits employees from seeking personal benefits from outsiders and encourages the staff to refuse to receive gifts from the outsiders politely. If they cannot refuse, the employees are required to submit the gift to the finance department or the administrative department. The handling method is subject to the Group's decision.

China SCE also formulates a mechanism of declaration of conflict of interest, preventing malpractice, abuse of power, loss of public economy and others. This is to maintain fair competition in the market. In the event that the activity outside the company, financial interest or relationship of the employees may conflict with the interests of the Group (for example, their family members are employed in the supplier, customer or competitor, etc.), they shall notify in writing to the human resources department. The Group insists on the principle of employing talents rather than relatives. If the employee recommends the job application of their relatives, they must state in advance and avoid the positions associated referrer.

The integrity management system of China SCE enables its employees to report suspected cases in different ways including dedicated email, dedicated telephone and WeChat. The Group ensures that the whistleblower's information is kept strictly confidential and is audited by the Audit and Supervision Department. The cases are investigated by the Audit and Supervision Department. During the reporting period, the Group did not have any cases of corruption or litigation related to the Group and its employees.

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ENVIRONMENTAL PROTECTION

Emission and Use of Resources

Climate change poses unprecedented challenges to the global economic development. Extreme weather caused by climate change directly or indirectly affects the ability of different institutions to access resources and maintain operation. In the 2015 Paris Climate Change Conference, 195 countries (including China) agreed to implement the greenhouse gas reduction program to control the increase of global temperature within two degrees Celsius.

In the Sustainable Development Summit held in 2015, all the members of the United Nations formally adopted 17 sustainable development goals, and "take urgent action to combat climate change and its impacts" is one of the goals.

China SCE is aware that enterprises play an important role in combating the climate change. The business of headquarter office is not involved in construction and production, and does not cause significant emission of pollutants. However, its daily operation inevitably generates office wastes mainly including waste paper, and electricity is also used in the operation, which indirectly causes the emission of greenhouse gas to the environment.

China SCE issues environmental protection notices to its staff from time to time to promote the office culture of resources conservation, energy saving and emission reduction. The Group promotes paperless office practices and encourages the staff to circulate the documents by electronic communication in order to reduce the use of paper at source. For internal documents which required to be printed, the Group suggests its staff to fully use the paper by double-sided printing and reducing the page margins, and conduct print review and trial printing before bulk printing to avoid wastage due to error. For waste paper generated due to unavoidable reasons, the Group encourages its staff to place such waste paper in the recycling boxes, which will be collected, categorised and sorted by the administrative department for reusing or recycling. The Group also reminds its staff to turn off the lights, computers, air conditioners, printers and other power consuming equipments when they are not in use and form a working habit of energy saving.



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Reducing greenhouse gas emissions is the most important mitigation approach to combat climate change, and carbon footprint assessment provides a foundation for reducing greenhouse gas emissions. Although China SCE has yet to perform carbon footprint assessment for its operations, the Group has included it in the work plan for 2017. The Group will measure its greenhouse gas emissions annually as the first step towards carbon reduction. The Group will gradually extend the scope of assessment from headquarter office to properties under construction and completed properties, and from there set forth its carbon reduction target and priority to ensure that carbon reduction is carried out in a more efficient manner.

Environment and Natural Resources

Except for the above office wastes and electricity consumption, the operation of China SCE's headquarter office does not cause any direct and significant impacts on the environment and natural resources. The Group pays close attention to the impacts caused by the construction projects under its business on the environment, and strictly complies with relevant laws and regulations. For example, the construction projects will commence only after submitting the environmental impact assessment report, approval by the supervisory authorities under the local environmental protection bureau and obtaining the Construction Land Planning Permit, Construction Work Planning Permit and other supporting documents. During the construction process, the Group manages the environment of the construction sites, pays charges in respect of dust generation, pollutant discharge and noise generation, and performs relevant environmental tests after completion inspection and acceptance in accordance with the requirements of supervisory authorities. During the reporting period, the Group has not identified any non-compliance relating to environment.

China SCE also pays attention to the environmental impacts caused by the use of its properties. The Group understands that, the electricity consumed by the residents in its properties depends, to a certain extent, on the initial planning of the projects. Certain commercial building projects of the Group (such as SCE Plaza in Hongqiao, Shanghai) are installed with energy measurement system to measure the energy utilisation rate of the building, which may help the users to monitor the electricity consumption and control electricity expense and also facilitate the improvement of environmental protection performance of the buildings during their entire life cycle. The Group also takes into account the community greenery, drainage system and waste disposal and recycling facilities in the design of its projects. For example, The Prestige in Xiamen entered into an agreement with Xiamen Municipal Bureau of Parks and Woods (廈門市市政園林局) to undertake the construction and maintenance of the planned greenery area next to the project which covers an area of approximately 5,200 square metres, so as to help beautify the community and reduce the carbon emission.



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COMMUNITY INVESTMENT

China SCE is committed to extending the Group's influence from its operation to the community. The Group attaches great importance to education and cultural activities, and actively carries out relevant community investment initiatives. During the year, the Group made donations to many high schools, universities and charity funds in order to provide tuition support to students in poverty and facilitate the construction of educational institutions and cultural industry. Looking forward, the Group will further improve its policy and plans for community investment and explore on how to develop more different kinds of cooperation with community organisations, so as to make greater contribution to the sustainable development of community.

Overview of China SCE's Participation in Community Welfare Projects

| Contribution Sector | Education | | | Culture | |
|---------------------------|--|--|---------------------------|---|--|
| Donation Target | Provided tuition support of RMB3,000 each to 30 students in poverty in School of Management, Xiamen University | Provided tuition support of RMB5,000 each to 61 high school students in poverty who were admitted in universities through the Xiamen City Xiang'an Area Education Foundation | Ping An Bank Charity Fund | Overseas Chinese Charity Foundation of China and Overseas Chinese Charity Foundation of Fujian Province, to support the construction of facility for cross-strait training and communication of calligraphy, painting and photography of overseas Chinese | Council of Xiamen Philharmonic Orchestra |
| Donation Amount (RMB'000) | 90 | 305 | 30 | 1,000 | 250 |
| Total Donation (RMB'000) | 1,675 | | | | |

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| General Disclosure | Policies on managing environmental and social risks of the supply chain. | 10–11 |
| 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. | 11 |
| B7 Anti-corruption | | |
| 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 bribery, extortion, fraud and money laundering. | 12 |
| 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. | 15 |



CHINA SCE PROPERTY HOLDINGS LIMITED