



粵海置地控股有限公司  
Guangdong Land Holdings Limited

(Incorporated in Bermuda with limited liability)

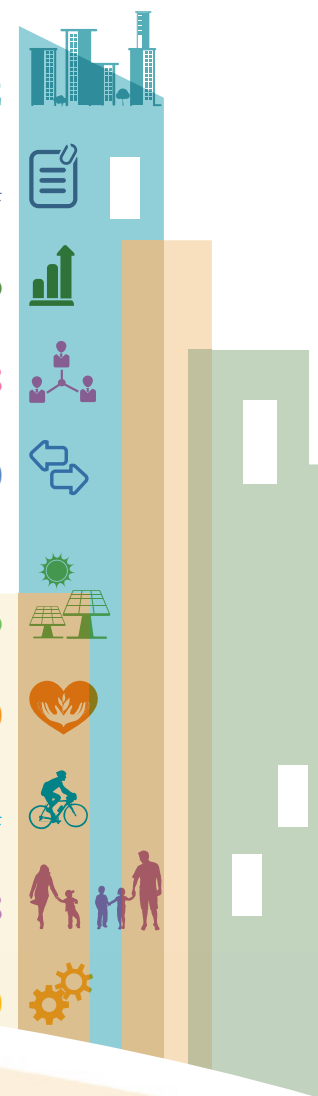
Stock Code: 0124

ENVIRONMENTAL,  
SOCIAL AND  
GOVERNANCE  
REPORT 2016



# Contents

About this Report	02
Chairman's Statement	04
About Guangdong Land	06
Social Responsibility Management	08
Relationship with various Stakeholders and Material Issues	10
Environmental Protection	16
Caring for Employees	20
Quality Management	24
Caring for the Community	28
Appendix — Content Index of HKEx ESG Reporting Guide	30



# About this Report

This compilation is the first Environmental, Social and Governance (“ESG”) report (the “Report”) published by Guangdong Land Holdings Limited (“Guangdong Land”, the “Company” or “We”) and its subsidiaries (collectively the “Group”), with reference to the ESG Reporting Guide (the “ESG Reporting Guide”) as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited published by The Stock Exchange of Hong Kong Limited (“HKEx”) and the “Guangdong Province Real Estate Corporate Social Responsibility Guide\*” published by the Guangdong Real Estate Association\*.

During the writing-up process, we engaged an independent third-party consultant to fully communicate with our stakeholders. The information covered by the Report is intended to meet the four reporting principles as stipulated in the ESG Reporting Guide, namely materiality, quantitative, balance and consistency. We will continue to strengthen our information collection for reporting in order to enhance our disclosure in the performance and information on social responsibility matters.

\* The English name of the term or entity marked with an \* is a translation of its Chinese name, and is included herein for identification purposes only. In the event of any inconsistency, the Chinese name shall prevail.

## 1. Scope of the Report

This Report summarizes Guangdong Land’s efforts and achievement, in respect of corporate social responsibility, covering social responsibility management of the Company, environmental protection, caring for employees, quality management caring for the community and other aspects during the period from 1 January 2016 to 31 December 2016. Unless otherwise indicated, the coverage of this Report includes the operating segments that have significant impacts on Guangdong Land.

## 2. Access to the Report

This Report is available in both Chinese and English versions for readers to access, and will only be published in electronic format and uploaded to the websites of HKEx and Guangdong Land, respectively. For more information about the Company, please visit the Company’s website.

## 3. Contact us

If you have any questions or comments on this Report and its contents, please contact us at:

Address : 18th Floor, Guangdong Investment Tower,  
148 Connaught Road Central, Hong Kong  
Telephone : (852) 2165 6262  
Facsimile : (852) 2815 2020  
Email : info@gdland.com.hk  
Website address : <http://www.gdland.com.hk>



# Chairman's Statement

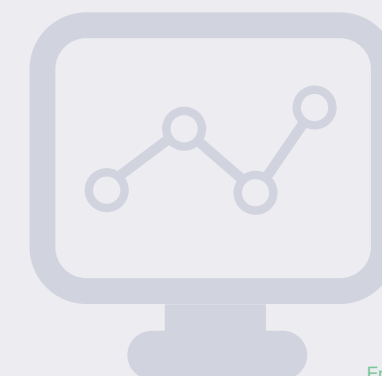
In 2016, the Group acted in accordance with the requirements and strategies laid down by the board of Directors of the Company (the "Board"). As all staff members keep firmly in mind their responsibilities, embrace proactive attitude towards difficulties, and devote wholeheartedly, the corporate strategies were duly implemented and the established goals were achieved, notwithstanding the difficulties and challenges.

The construction of Buxin Project ("Buxin Project") served as the flagship project of the Group. The Group has placed itself in a good position for the future transformation and development of the Buxin Project due to its excellent performance in various aspects, including enhancement of the project planning proposals, good project strategic positioning, submission for approval, construction management, introduction of the project to customers, establishment of a complete internal control framework, the collection of remaining balances of the consideration for the transactions of the disposal of the equity interests in nine previous subsidiaries that engaged in brewery business and satisfactory sales of the Ruyingju Project.

The Buxin Project is a flagship project of the Group. Taking the opportunity of the feasibility study of the project and the initiation of the Northwestern Land development, the project team has further optimized the product positioning and development proposal of each land plot. The project team has clearly defined the product development and construction cycle, as well as the business operation model, entered into land use rights transfer agreements, preliminarily established sales mechanism, and set up reporting framework. Guangdong Land has become deputy chairman unit of the Gems & Jewelry Trade Association of China and we will strive to develop the Buxin Project as the central district of the core participants of China's jewellery industry. Being regarded as an important project in Shenzhen, the initiation of construction work on the Buxin Project received wide attention and was supported by many government departments in Shenzhen City and Luohu District. The construction site was chosen as the main venue for the opening ceremony for the six significant urban renewal projects in Luohu District. Major officials of the CPC Shenzhen Municipal Committee attended the said opening ceremony.

We fully understand that, as a member of the society, the Company is not only a wealth creator, but also a carrier of social values. We will be proactively fulfilling our social responsibilities, promoting technology innovation, thoroughly implementing the development concept of emissions reduction and low-carbon environmental protection, and proactively initiating designated poverty alleviation and charitable activities in order to give back to the society.

Hong Kong, 20 July 2017



**HUANG Xiaofeng**  
Chairman



# About Guangdong Land

**Guangdong Land (with its headquarters situated in Hong Kong) is an indirect subsidiary of GDH Limited (“GDH”). GDH is a conglomerate of Guangdong Province operating outside Mainland China.**

Since August 1997, the Company (formerly known as “Guangdong Brewery Holdings Limited 粵海啤酒集團有限公司”\*) has been listed on the main board of HKEx (stock code: 0124). In July 2004, the Company changed its name to “Kingway Brewery Holdings Limited 金威啤酒集團有限公司”, with subsidiaries principally engaged in the production, distribution and sale of beer at the time. In order to have better development in the Group’s business, enhance the efficiency and potential of its assets, and create greater returns for its shareholders, the Company sold its beer production, distribution and sale business in 2013 and changed its name to “Guangdong Land Holdings Limited”. The Chinese name “粵海置地控股有限公司” has been adopted as the Company’s second name as well. The change in name reflected the Company’s post-transformation corporate strategy and its business objectives in specializing in real estate development and investment.

The Company’s flagship development project, the Buxin Project, is located in the Buxin Area of Luohu District in Shenzhen. It has a total site area of approximately 66,500 square metres, and is within walkable distance of the Buxin and Tai’an Metro stations of Shenzhen Metro. The Buxin Project is a multi-functional commercial complex with jewellery as the main theme, which caters for the demand for office space, exhibition halls, shops, hotels and apartments with public amenities, shopping malls and other facilities for living brought about by the booming development in gold and jewellery trading and design, exhibition, high-end customisation and other related businesses in the surrounding area.

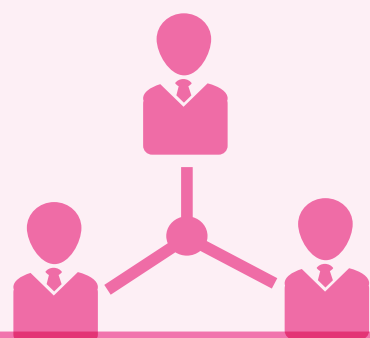
\* the Chinese name was used for identification purpose only

Given the Buxin Project is well located in an area with economic and geographical advantages, and the shortage of land resources for property development in the area, the Company is confident about the prospects of the Buxin Project. We believe China’s economy will continue to grow steadily in the future, and coupled with the steadily increasing living standard of citizens and urbanization level which drive greater demands for consumptions and improvement of living environment, it is expected that the real estate market in China will grow steadily and healthily, and will create more and better opportunities for enterprises that engage in the real estate businesses.

The Company has a strong professional management team that possesses rich professional experience in the development, investment and management of real estate projects. Team members have been engaged in large-scale real estate projects, project development and have rich experience in market positioning, planning, financing, overall coordination and management.

Please refer to the published annual reports of Guangdong Land to learn more about the Group’s business operation and financial positions, which can be downloaded at <http://www.gdland.com.hk>.

# Social Responsibility Management

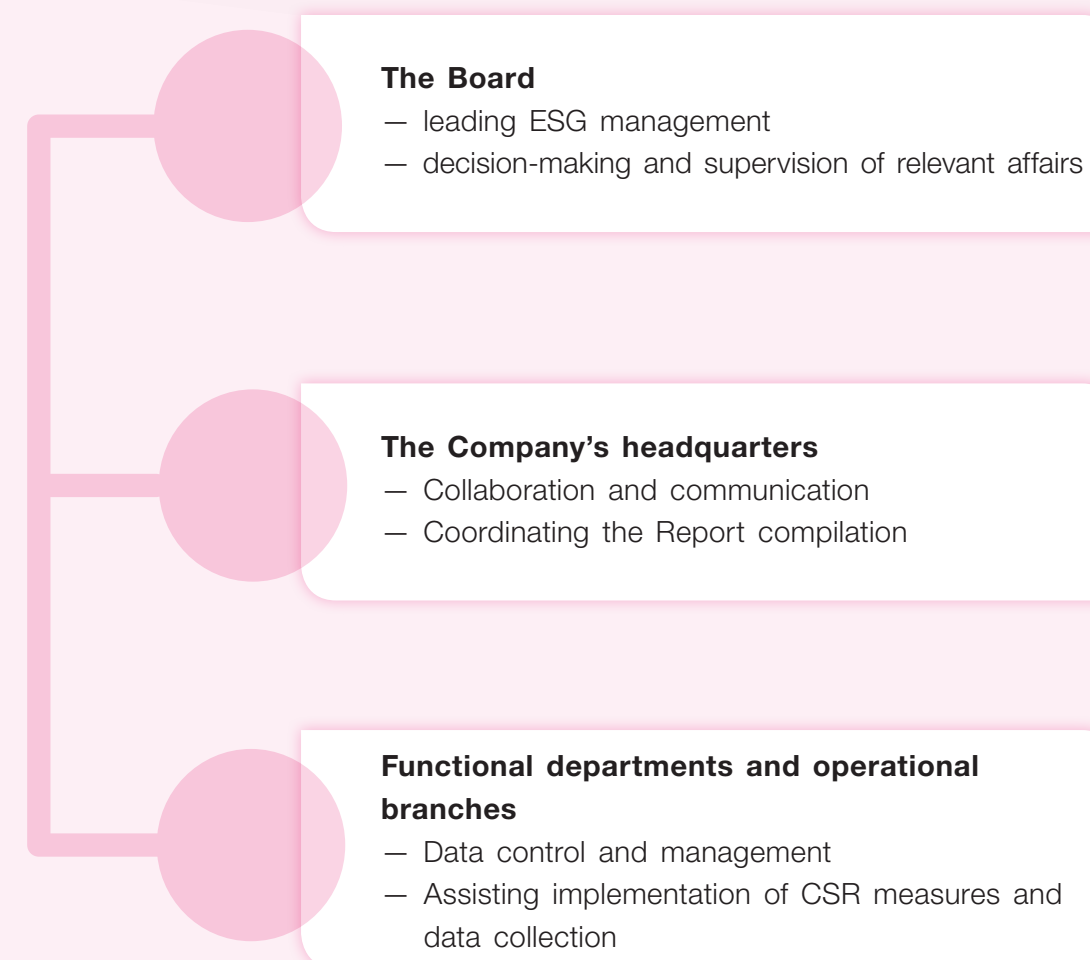


## 1. Our Philosophy

The Company focuses on implementation of and promotion of awareness in social responsibility related measures internally, and hopes to demonstrate a sense of responsibility and an exemplary role externally. Our core values of “three honests” and “four stricts” (“three honests” are be honest in thought, word and deed; “four stricts” are to set strict standards for work, organisation, attitude and observance of discipline), and our corporate culture of integrity, honesty, responsibility, collaboration and efficiency, are effectively the essence of corporate social responsibility (“CSR”). We will continue to fulfil our mission and integrate social responsibility into our daily operation and the daily life of our employees, so that everyone in the Company is working hard towards our common goal.

## 2. Social Responsibility Management Structure

Our CSR management is a three-tier structure. The Board is responsible for leading, deciding and supervising the related issues. Under the coordination and day-to-day management of the headquarters, each functional department is responsible for the implementation and reporting of work.



# Relationship with various Stakeholders and Material Issues

As a responsible company, we believe that our operation should consider the benefits of not only our shareholders, but also each of our other stakeholders. Therefore, we strongly believe the interests of all stakeholders should be considered during the decision-making process. We set communication objectives with stakeholders when obtaining their views and suggestions of the Group's development from multiple channels. We have identified material ESG issues by considering the two dimensions of the materiality concept which are "significance to our stakeholders" and "importance to our business development". With this approach, we have conducted scientific assessment and analysis. Eventually, the result of the analysis is an important source of reference for our decision-making.

We hope this ESG Report will become an important channel for stakeholders to gain access to the Group's performance in ESG areas. This Report is prepared with our sincerity to provide a comprehensive disclosure of our performance during the year under review.

## 1. Communication with each of our Stakeholders

We identified the following key stakeholder groups of Guangdong Land, and specifically developed appropriate communication objectives and communication channels for each stakeholder group. We optimised and strengthened the accessibility and efficiency of the communication channels continuously during the process.

Stakeholders	Communication objectives	Communication channels
Government departments and regulatory authorities	<ul style="list-style-type: none"><li>• Comply with local laws and regulations</li><li>• Pay taxes according to laws</li><li>• Maintain good relationship with the local government</li><li>• Support local government's rules</li><li>• Comply with the requirements of the regulatory authority</li></ul>	<ul style="list-style-type: none"><li>• Understand the latest of laws and regulations</li><li>• Understand compliance requirements of each relevant regulatory authority</li><li>• Proactive communication to improve mutual understanding</li></ul>
Shareholders and investors	<ul style="list-style-type: none"><li>• Explain the latest development of the Company to shareholders and investors</li><li>• Gain shareholders' and investors' trust</li><li>• Gain shareholders' and investors' supports for management decisions</li><li>• Generate maximum investment returns for shareholders</li></ul>	<ul style="list-style-type: none"><li>• Disclose financial and operational information and data regularly</li><li>• Shareholders' General Meeting</li><li>• Proactive communication to answer queries</li></ul>

# Relationship with various Stakeholders and Material Issues

Stakeholders	Communication objectives	Communication channels
Employees	<ul style="list-style-type: none"> <li>Understand the views of employees on the Company's development</li> <li>Collect suggestions for improvement from employees</li> <li>Understand employees' needs</li> <li>Let the employees understand the Company's development directions</li> <li>Strengthen team cohesiveness</li> <li>Provide a working environment that is favourable for employees' development</li> </ul>	<ul style="list-style-type: none"> <li>Occupational, health, safety training for employees</li> <li>Caring for employees</li> <li>Open recruitment</li> <li>Labour union</li> <li>Staff cultural and sports activities</li> <li>Feedback platform</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Understand customers' views on the Company's products</li> <li>Provide products that fit the needs of customers</li> <li>Provide customers with more considerate services</li> <li>Protect customers' personal information security</li> <li>Maintain and develop marketing strategies which are more in line with business ethics</li> </ul>	<ul style="list-style-type: none"> <li>Compliance marketing communication</li> <li>Corporate information disclosure</li> <li>Product information disclosure</li> <li>Customers' complaints and feedback channels</li> </ul>
Business partners and suppliers	<ul style="list-style-type: none"> <li>Establish a long-term and stable cooperative relationship</li> <li>Create a win-win situation</li> <li>Create a cooperative atmosphere of mutual trust</li> <li>Jointly solve environmental and social problems</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable communication mechanism</li> <li>Responsible procurement policy</li> <li>Fair and open procurement guidelines</li> <li>High-level communications and visits</li> </ul>

Stakeholders	Communication objectives	Communication channels
Local community	<ul style="list-style-type: none"> <li>Create social values for the local communities</li> <li>Promote economic development for the local communities</li> <li>Protect the interests of local residents</li> <li>Protect the local environment</li> </ul>	<ul style="list-style-type: none"> <li>Organise social charitable activities</li> <li>In-depth community communication</li> <li>Integrate environmental-friendly elements into the design process</li> <li>Communicate proactively with local government agencies</li> </ul>

During the preparation process of this ESG Report, we actively collected the views of various stakeholders through various channels to obtain their feedback and suggestions on our ESG performance, which would be an important source of reference for our future policies and project developments. We conducted a comprehensive and all-round stakeholder engagement in various ways, such as face-to-face communication, telephone interviews, questionnaires and on-site visits with the assistance of an independent third-party professional consultant. Finally, we identified the issues that are of most concern to all our stakeholders and disclose them in this Report.

## 2. Materiality Analysis on ESG Issues

An effective ESG governance requires an enterprise to have a comprehensive identification and materiality analysis of the relevant issues, in order to set the foundation for its own management and information disclosure. Combining proactive communication with all stakeholders and the management's vision of our own development, Guangdong Land has identified the following ESG issues, after analysing the importance of each ESG issue by considering two dimensions of "significance to our stakeholders" and "importance to Guangdong Land's business development", with the assistance of a third-party professional consultant, to set the foundation for Guangdong Land to design its ESG management guidance and the disclosure scoping of this Report. As to the work performed this year on communication with all stakeholders, we conducted a survey on around 100 internal and external stakeholders through various channels, such as face-to-face interviews, questionnaires, etc. Below is the list of material ESG issues we identified:



## Relationship with various Stakeholders and Material Issues

ESG aspects	ESG issues	Material issues selected
<b>A1 Emissions</b>	Waste	✓
	Wastewater	✓
	Greenhouse gases	✓
<b>A2 Use of Resources</b>	Water conservation	✓
	Energy conservation	✓
	Environmental impact of raw material consumption	✓
<b>A3 The Environment and Natural Resources</b>	Soil degradation, pollution and restoration	
	Investment in environmental protection measures	
	Biodiversity	
<b>B1 Employment</b>	Diversification of background of employees	✓
	Employees' loyalty	✓
	Fair compensation and promotion	✓
	Equal opportunities for employees	✓
<b>B2 Health and Safety</b>	Occupational health and safety of employees	✓
<b>B3 Development and Training</b>	Employees' training and education	✓
<b>B4 Labour Standards</b>	Settlement of dismissed and laid-off employees	
	Mediation and handling of employee disputes	
	Prevention of child and forced labour	

ESG aspects	ESG issues	Material issues selected
<b>B5 Supply Chain Management</b>	Cooperation with suppliers to improve labour performance	✓
	Cooperation with suppliers to improve environmental performance	✓
	Prefer to use suppliers with better environmental and social performance	✓
<b>B6 Product Responsibility</b>	Customer privacy and personal data protection	
	Building quality guarantee	✓
	Service quality guarantee	✓
	Customer satisfaction	✓
	Respect intellectual property rights	
<b>B7 Anti-corruption</b>	Anti-corruption	✓
<b>B8 Community Investment</b>	Understand the needs of the community	✓
	Promote community construction and development	✓
	Charitable activities	✓
	Integrate supporting community development into daily operations	✓
	Support and participate in community activities	✓

# Environmental Protection



Environmental protection is one of the most important elements for Guangdong Land to implement social responsibility. We believe that people and nature can co-exist in harmony, and that business development does not necessarily take place at the expense of the environment. Therefore, we are committed to protecting the natural environment of the communities where we operate, reducing energy consumption, carbon emissions and local environmental impacts of our own operations in strict accordance with the “Environmental Protection Law of the People’s Republic of China”. Guangdong Land is also committed to being environmental-friendly. We actively implement various measures at our operation sites and offices to reduce the impact of our daily operation on the environment.

## 1. Achieving Green Construction

We take full consideration of environmental factors during the construction phase. New buildings must comply with the national and regional government regulations of environmental protection and energy conservation. We are committed to building green buildings through suitable design, achieving benefits such as energy savings, health and environmental protection.



### Building Design

In accordance with green building concepts in construction design and using mature green technology, we have realised improvements in conserving land, energy, water, materials, and indoor environmental quality etc.



### Construction Stage

Utilise resources reasonably to reduce construction waste generation, discharge wastewater strictly in accordance with national requirements, and reduce the environmental impact in the construction stage.



### Operational Stage

Use modern management approaches to optimise property management systems, use energy-conservation equipment and lower the building carbon emissions.

Ruyingju Property was completed in 2015. It has successfully received inspection and approval of completed construction project on environmental protection from Bureau of Environmental Protection of Guangzhou Panyu District. As to demolition of old buildings in the Buxin Project, the construction site has strictly abided by the relevant local laws and regulations in China, including but not limited to environmental protection, sewage treatment and noise control. We have also employed a professional landscaping company to relocate the trees near the construction site to contribute to environmental protection. Buxin Project also used green building integrated technology as the starting point and followed the principle of sustainability to realise the green balance concept. Through an overall scientific design, green construction control, green operation management, we have achieved conservation in land, energy, water, materials and environmental protection, etc, being those main points advocated in China’s green building initiatives. At the same time, combined with the project’s own special features, the exemplary effect of four aspects of the project, which are “energy conservation and carbon reduction”, “lower resource consumption”, “healthy and comfortable building environment” and “natural environment protection” has been accentuated.

### Water conservation

- Water-saving devices with grade 2 water efficiency
- Water pipe leak prevention
- Water metering device
- Water-saving irrigation system
- Water-saving cooling technology for air-conditioning equipment
- Incorporate rainwater usage facilities in landscape design
- Rainwater collection and reuse

### Energy conservation

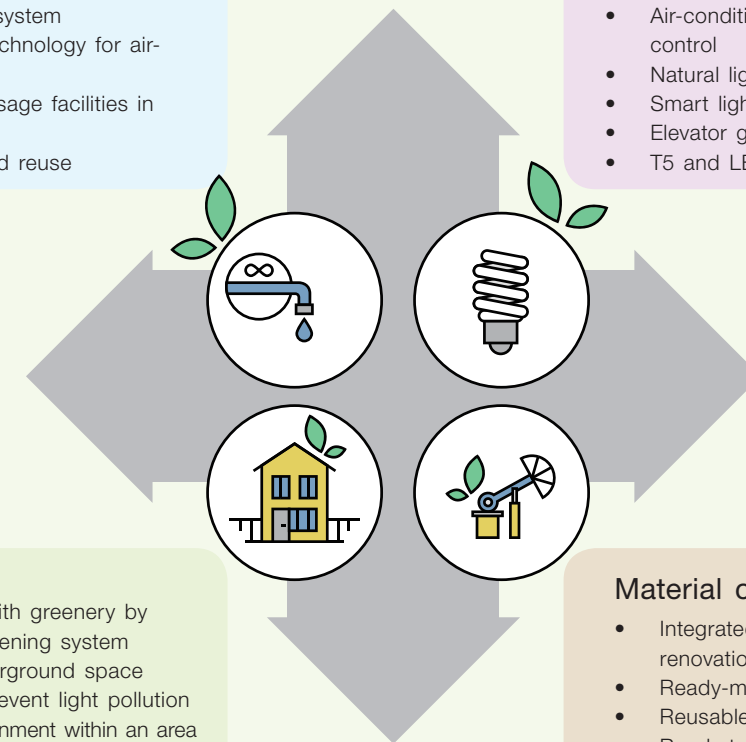
- Physical and Orientation Optimisation
- Introduce openable components for the purpose of natural ventilation
- Highly efficient structural maintenance system
- Air-conditioning by zone with variable frequency control
- Natural lighting
- Smart lighting system
- Elevator group control system
- T5 and LED lightings

### Land conservation

- Reasonably decorate with greenery by adopting multi-layer greening system
- Reasonably utilise underground space
- Glass curtain wall to prevent light pollution
- Optimise the wind environment within an area
- Reasonably set up car-parking facilities
- Provide convenient public services
- Permeable surface
- Control surface runoff and runoff on buildings
- Plant vegetation that is adaptable to local climate and soil conditions

### Material conservation

- Integrated design for construction and renovation
- Ready-mixed concrete
- Reusable and recyclable materials
- Ready-to-use mortar
- Localised production of materials
- High strength structural system



# Environmental Protection



## 2. Green Office

Guangdong Land has actively promoted the green office concept and has been committed to reducing the use of water, electricity and paper consumption in office in order to build and promote a green and energy-saving office. We have also tried our best in its publicity and implementation. We understand that employee participation is of great importance for practical environmental protection achievements. Our current measures are as follows:

- Turn off lights and air conditioners of the conference rooms and other places after use;
- Require employees to turn off the power source of their own office equipment including computers when leaving offices;
- Arrange employees to check whether lighting and equipment of the conference rooms have been turned off from time to time;
- Encourage employees to turn off unnecessary lighting during non-office hours at noon;
- Set various electrical appliances to standby mode or power saving mode; and
- Conduct knowledge publicity activities, speech campaigns on environmental topics, and various competitions and awards.

In addition, we also have centralised management measures, including using energy-efficient lighting if possible and adjusting air conditioning temperature in the office to not lower than 26°C. We also try to achieve a paperless office by reusing printing papers and recycling waste ink cartridges to meet the major principles of resource recycling.

Our environmental protection data in 2016 are as follows:

### Energy consumption:

	2016 Annual	2015 Annual <sup>(Note 1)</sup>	Change
Total electricity consumption <sup>(Note 2)</sup> (kWh)	675,760	717,920	-6%
Total gas consumption (kg)	8,820	10,038	-12%
Total fuel consumption (l)	14,762	15,218	-3%
Total water consumption (m <sup>3</sup> ) <sup>(Notes 2, 3)</sup>	13,376	25,746	-48%
Total carbon emissions related to electricity consumption (tons) <sup>(Note 4)</sup>	426	659	-35%

Notes:

1. The annual data for 2015 did not include the projects handled by Guangdong Panyu Yuehai Real Estates Limited Company.
2. Starting from the third quarter of 2016, the property management company has become responsible for electricity and water consumption. The relevant data that it creates does not fall within the statistics scope of the Group.
3. The major change in total water consumption in 2016 was due to high water consumption for construction of the Buxin Project in 2015 that created a bigger base number.
4. South China Power Grid emission factor (0.63035 ton/MWh) is adopted for calculation.

### Wastewater:

	2016 Annual	2015 Annual <sup>(Note 5)</sup>	Change
Total discharge of wastewater (tons) <sup>(Notes 6, 7)</sup>	12,069	23,171	-48%

Notes:

5. The annual data for 2015 did not include the projects handled by Guangdong Panyu Yuehai Real Estates Limited Company.
6. Starting from the third quarter of 2016, the property management company has become responsible for electricity and water consumption. The relevant data that it creates does not fall within the statistics scope of the Group.
7. The large change in total wastewater discharge in 2016 was due to high water discharge for construction of the Buxin Project in 2015 that created a bigger base number.

We continuously record and analyse our own environmental data during our operational process, so that we can have a systematic understanding of our environmental impact. Such data can be an important reference for us to devise environmental protection policies and to enhance our environmental-friendly performance in the future.

# Caring for Employees

Employees form the basis of the survival and development of an enterprise. By regulating behaviour and conduct, building basic welfare system, providing holistic and scientific professional training, organizing a wide variety of entertainment, setting up an all-round mechanism for physical and psychological health, Guangdong Land creates a quality work environment and favourable work atmosphere for our employees. Employees can enjoy the opportunity to grow together with the Company, while having the sense of belonging and well-being.

Corporate culture is at the core of caring for employees. "Cohesion and harmony" will enable employees to co-create a better future with the Company. We adhere to the 2015 "corporate culture establishment program" published to our employees, strengthen its promotion, raise the awareness of such a corporate culture and gain recognition among our employees. On this basis, we transform ideas into practical actions which touch upon employment practice, safety and employee development. In addition, we have organized group activities and participated in community charity activities to strengthen our employees' sense of belonging to the Company and team cohesion.

## 1. Diverse and Fair Employment Policy

Guangdong Land understands deeply during the course of development that only the most outstanding teams can bring the best product and service experience to customers. In terms of employee management, Guangdong Land insists on diverse and equal management policy, allowing our team members from all backgrounds to mutually integrate on the professional and cultural levels. At the same time, we fully consider industry features when determining employee's remuneration and welfare. This allows Guangdong Land's employees to practically feel the warmth of a family at work.

Guangdong Land promotes a corporate culture of diversity, acquires talents from various sources and strives to create a harmonious and inclusive big family. We insist on providing localized services, act upon an open, fair and equal recruitment policy. We provide an equal employment environment for excellent talents which will not discriminate on the basis of race, colour, religion, sex, nationality, ethnicity and age.

We ensure a fair, reasonable and transparent remuneration mechanism to drive employees to work in a synergistic and efficient way, and to create a favourable working atmosphere for talent attraction and retention. We have also established a performance-oriented incentive mechanism and an employee code of conduct, and formulated specific work plans of employees according to the business plan of the Company. We assess employees' performance strictly and give them rewards or punishments to encourage them to continually strive for better performance.

Employee statistics	Employee turnover (from 1 January 2016 to 31 December 2016)	
	Total number of employees (as at 31 December 2016)	
Total	229	90
By gender		
Female	77	29
Male	152	61
By age group		
Under age of 30	45	35
Between age of 30 and 50	149	45
Over age of 50	35	10
By employment category		
Management and senior grade	10	4
Intermediate grade	30	7
Junior grade	189	79





## 2. Occupational health and safety

From the perspective of our corporate operational strategy, and as a practical responsibility to our employees, occupational health and safety issues are a red line which the Group cannot go beyond. As to the management of physical and mental health, and safety of our employees, we adopt a comprehensive approach: from policy level, daily behavioural norms to providing professional counselling to them.

Only with a healthy body and delightful mind can employees devote themselves to work and bring vitality to the Company. Guangdong Land cares for the well-being of our employees, and continuously improves the health management of our employees. At the same time, we act in strict accordance with national and regional legal and regulatory requirements to buy social insurance and employer liability insurance for all employees. We are also dedicated to providing a comfortable and safe working environment. We have established a safety production management system, and implemented a strict safety accountability system. During the year under review, we did not have any lost days due to work injury or work-related fatalities. No case of work injury was recorded in 2016.



Occupational health and safety statistics	2016 Annual
Number of lost days due to work injury	0
Number of work-related fatalities due to work	0
Number of work injuries due to work	0

## 3. Career Development and Training

Employee growth is the driving force of corporate development. Guangdong Land highly values talent development, training and reservation, and actively improves staff training system. We also strive to expand staff promotion channels to fully discover the potentials of employees and promote their innovation. Through reasonable talent promotion channels, we stimulate team development to ensure we can unleash their potentials and utilize them accordingly.

A dedicated department is responsible for developing an annual training plan at the beginning of each year, based on the corporate strategy and business needs of Guangdong Land. The major contents of the annual training plan include talent training system, lecturer curriculum system, business support system and sustainable career learning and development, etc. Department heads and the Company's management will approve the training plans after they have been devised. Afterwards, the training plans will be passed down for implementation. The training programs which follow will be conducted according to such an annual plan.



Statistics of employee receiving training	Total number of employees (as at 31 December 2016)	Number of employees who received training (as at 31 December 2016)	Percentage
Total	229	153	67%
By gender			
Female	77	33	43%
Male	152	120	79%
By employment category			
Management and senior grade	10	6	60%
Intermediate grade	30	22	73%
Junior grade	189	125	66%



# Quality Management

Guangdong Land commits to providing high quality services and products for our customers. We attach great importance to communicating with suppliers and customers as to supply chain and service quality.

In addition, we are dedicated to anti-corruption, enhancing the level of the Company's governance and creating higher value for customers and investors.

## 1. Responsible Supply Chain Management

In the Group's real estate business, we have various suppliers and contractors mainly responsible for designing and constructing buildings. All of our Group's procurement projects are conducted in an open, fair and impartial bidding process to select suitable suppliers. In addition, we pay extra attention and focus on industrial safety, maintaining close contact with major suppliers to ensure that their construction process is in line with the relevant local laws and regulations. We have formulated **"Guangdong Land Holdings Limited's Measures for Bidding Management"**, which clearly defines the division of labour of various departments in bidding processes, regulates construction projects of different budgets, and administers strictly the discipline required on each bidding. This plays an important function in ensuring progress, quality and safety in construction projects.

We co-operated with a total of 203 suppliers in various ways for the year ended 31 December 2016, all of which are located in mainland China.

## 2. Service Quality Management

We value highly the interests of each customer, and we regularly train our salespersons to provide sufficient product information for customers, and to patiently answer questions on the relevant products from customers or potential customers, in order to increase customers' confidence in the Company's products. In 2016, we did not receive any significant complaint pertaining to service quality.

The Ruyinju Project is a good showcase of our sales management and service quality. In 2015, Ruyinju Project won the honorary titles of **"2015 Regional Popular Real Estate"**, **"2015 Guangdong Internet Influence Grand Ceremony"**, **"The Most Innovative Product Award of 2015 China's Best House"**, **"2015 China's Real Estate Home Championship"** and **"2015 Best Living Classic Real Estate"**. We will continue to work hard and remain dedicated to providing the best customer service in the future.



## Quality Management



The Most Innovative Product Award of 2015 China's Best House



2015 Best Living Classic Real Estate



2015 Regional Popular Real Estate



Certificate of "Guangdong Province Housing Public Works Safe Production Civilised Construction Exemplary Site"



Certificate of "Guangdong Province AA Grade Safe and Civilised Standardized Site"



Certificates of "Guangdong Province Construction Project Gold Craftsman Award" and "Guangdong Province Construction Project Quality Award"



### 3. Project Quality Management

We are committed to strict quality management approach on construction projects. We established the "Project Bidding and Purchasing Management System" and other procurement and supplier management systems for Ruyingju Project to ensure that good quality construction companies will be selected through bidding. We strictly execute the "Construction Project Management Process", "On-site Sign-off and Approval Process", "Safety Production Management Assessment System" and "Project Quality Management Assessment System" to ensure the quality of construction projects. Regarding our construction project, the Ruyingju Project has received honours such as "Guangdong Province Housing Public Works Safe Production Civilised Construction Exemplary Site", "Guangdong Province AA Grade Safe and Civilised Standardized Site", "Guangdong Province Construction Project Gold Craftsman Award" and "Guangdong Province Construction Project Quality Award". The quality of our construction projects is widely recognized.

### 4. Anti-corruption

Anti-corruption is one of our core values. We encourage employees and suppliers to win the trust of customers through honest and reliable business practices. We have made up "List of Tasks for the Objectives of Disciplinary Inspection and Monitoring Work", which detailedly lists all the projects, objectives and tasks of anti-corruption. The Company conducts proper anti-corruption education and promotion, and has strengthened fully the implementation of its anti-corruption system, mechanism, innovation and safeguard system. Employees of the Group regularly receive training on anti-corruption and we have set up internal control and risk management systems in accordance with the latest regulatory requirements.

The Group conducts disciplinary inspection and monitoring audit work on an annual basis. This work is of vital importance to promote the spirit of thorough reformation and strengthen the anti-corruption mechanisms. In 2016, on the basis of strengthening our sense of responsibility, we reinforced monitoring, accountability and audit works. Meanwhile, we are implementing anti-corruption safeguard systems, and giving all our employees an all-round education to stay alert, and reminding them of "taking preventive measures before the problem happens". At the end of 2016, we also summed up our work and mapped out our work for 2017, expecting to make continuous progress on a sound foundation.

During the year under review, we did not have any legal case related to corruption.





# Caring for the Community

Society is the carrier of businesses. As a responsible corporate citizen, Guangdong Land never forgets to give back to our community and society which carries us, while developing the corporate economy. Utilising our advantages as a member of the real estate industry, we actively develop schemes and ways to contribute to society, support local economic growth, promote positive industry development, participate in charity work and build a warm, mutually supportive and harmonious society together.

Guangdong Land has always been exploring new channels and methods to integrate charitable activities into our business and to implant the spirit of dedication in our corporate culture. We embrace an attitude of engaging in real work, and engaging ourselves in charity work not just for the sake of it. We try hard to contribute to local communities and societies that a corporation should have done. Currently, our charitable events are mainly conducted by partnering with government and community organisations to provide assistance to those in need. In 2016, **we devoted more than 4,200 volunteering hours**, and provided assistance of a total of about RMB12,000. We will continue to identify and support community activities that suit our corporate vision in the future.

Poverty alleviation was our important task in 2016. Benefitting from our past experience, we understand that the planning stage requires the deployment of resources, usage of human resources and capital. This year, poverty alleviation programmes became increasingly optimised with targets and directions set, and efficiency achieved during execution. Assisting beneficiaries to meet their actual needs is our fundamental mission; hence their comments and expectations are important to us. Through precisely grasping their needs, we lead them out of poverty on the basis of co-operation, and set an exemplary example in society. This is our mission as a corporate citizen.



**“Hopeful Spring Bud” Student Assistance Activities**



**Poverty alleviation in “Dongbei Village” Visit to poor households**



**Safety Production Month**



**Project Management Technical Exchange**

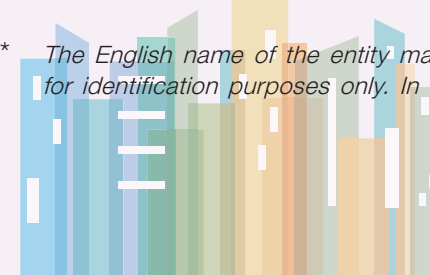


**Enrich employees' lives after work**

## Poverty Alleviation in Dongbei Village, Qingyuan, Guangdong and “Hopeful Spring Bud” Student Assistance Activities

廣東粵海控股集團有限公司 (Guangdong Holdings Limited\*) and Guangdong Land both participated in the event which is themed “Alleviates poverty, contributes to development” in August 2016. With the full support of the Company’s senior management, more than 80 people participated in the event. During the event, we were led by local officials to visit poor families. We not only provided consolatory supplies to the families, but also tried to understand their living conditions and receive their feedback for our poverty alleviation program. We gained experience and tackled the root cause in an attempt to lead more poor households out of poverty as early as possible. The activities also included a ceremony for the “Hopeful Spring Bud” student assistance activities which planted spring buds with heart to light up the spark of hope for poor students. We offered scholarships and educational materials to poor students to encourage them to study diligently, pursue their dreams, to improve the quality of their lives and contribute to society in the future.

\* The English name of the entity marked with an \* is a translation of its Chinese name, and is included herein for identification purposes only. In the event of any inconsistency, the Chinese name shall prevail.





# Appendix — Content Index of HKEx ESG Reporting Guide

The ESG Reporting Guide		The Report
Aspects	General Disclosures and Key Performance Indicators ("KPIs")	Section/Statement
<b>A. Environmental</b>		
<b>A1: Emissions</b>	General Disclosure	Environmental Protection
	KPI:	
	A1.1 The types of emissions and respective emissions data	Environmental Protection
	A1.2 Greenhouse gas emissions in total and intensity	Environmental Protection
	A1.3 Total hazardous waste produced and intensity	Environmental Protection
	A1.4 Total non-hazardous waste produced and intensity	Environmental Protection
	A1.5 Description of measures to mitigate emissions and results achieved	Environmental Protection
	A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Environmental Protection

The ESG Reporting Guide		The Report
Aspects	General Disclosures and KPIs	Section/Statement
<b>A2: Use of Resources</b>	General Disclosure	Environmental Protection
	KPI:	
	A2.1 Energy consumption in total and intensity	Environmental Protection
	A2.2 Water consumption in total and intensity	Environmental Protection
	A2.3 Description of energy use efficiency initiatives and results achieved	Environmental Protection
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Environmental Protection
	A2.5 Total packaging material used and per unit produced	As the Company's main business is in property development and investment, packaging materials are not a material concern
<b>A3: The Environment and Natural Resources</b>	General Disclosure	Environmental Protection
	KPI: A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Environmental Protection

# Appendix — Content Index of HKEx ESG Reporting Guide

The ESG Reporting Guide		The Report
Aspects	General Disclosures and KPIs	Section/Statement
<b>B. Social</b>		
<b>B1: Employment</b>	General Disclosure	Caring for Employees
	KPI:	
	B1.1 Total workforce by gender, employment type, age group and geographical region	Caring for Employees
	B1.2 Employee turnover rate by gender, age group and geographical region	Caring for Employees
<b>B2: Health and Safety</b>	General Disclosure	Caring for Employees
	KPI:	
	B2.1 Number and rate of work-related fatalities	Caring for Employees
	B2.2 Lost days due to work injury	Caring for Employees
	B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored	Caring for Employees
<b>B3: Development and Training</b>	General Disclosure	Caring for Employees
	KPI:	
	B3.1 The percentage of employees trained by gender and employee category	Caring for Employees
	B3.2 The average training hours completed per employee by gender and employee category	Caring for Employees
<b>B4: Labour Standards</b>	General Disclosure	Our business is exposed to a very low risk in child and forced labour. As such, it has not been selected as a material issue
	KPI:	
	B4.1 Description of measures to review employment practices to avoid child and forced labour	
	B4.2 Description of steps taken to eliminate such practices when discovered	
<b>B5: Supply Chain Management</b>	General Disclosure	Quality Management
	KPI:	
	B5.1 Number of suppliers by geographical region	Quality Management
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Quality Management

The ESG Reporting Guide		The Report
Aspects	General Disclosures and KPIs	Section/Statement
<b>B6: Product Responsibility</b>	General Disclosure	Quality Management
	KPI:	
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	It is unlikely that the Company's main business will be involved in product recalls
	B6.2 Number of products and service related complaints received and how they are dealt with	Quality Management
	B6.3 Description of practices relating to observing and protecting intellectual property rights	Our business has a low risk in intellectual property rights. As such, it has not been selected as a material issue
	B6.4 Description of quality assurance process and recall procedures	Quality Management
	B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored	Our business is exposed to a very low risk in this area. As such, it has not been selected as a material issue
<b>B7: Anti-corruption</b>	General Disclosure	Quality Management
	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	Quality Management
	B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Quality Management
<b>B8: Community Investment</b>	General Disclosure	Caring for the Community
	KPI:	
	B8.1 Focus areas of contribution	Caring for the Community
	B8.2 Resources contributed to the focus area	Caring for the Community

