

The background of the cover is a light green gradient. It is decorated with various artistic illustrations of leaves in shades of green, blue, and orange, some with white vein patterns. Two butterflies with orange and purple wings are also depicted. In the center, there is a silhouette of a city skyline in shades of green and yellow. Below the skyline is a dark green rectangular box containing the report title.

2017 Environmental, Social and Governance Report



新城发展
FUTURE
HOLDINGS

Information about This Report

About the Report

The Future Land Development Holdings Limited (stock code: 1030) hereby issues the 2017 Environmental, Social and Governance Report (the “Report”) of the Company and its subsidiaries (collectively the “Group”) to demonstrate the Company’s concepts and practices in environmental, social and governance areas to its stakeholders.

The Board of Directors (the “Board”) of the Company assumes full responsibility for the environmental, social and governance strategy and reporting. The Board is responsible for evaluating and determining the Company’s ESG-related risks and ensuring that the Company has developed applicable and efficient system to manage and internally control ESG-related risks. Management of the Company is responsible for submitting a confirmation to the Board of Directors, stating whether the ESG system is effective.

Reporting Scope

This report includes the Group’s principal activities: property development & investment operations and commercial management business (including the three main segments: residential development, commercial development and commercial operation) during the period from January 1, 2017 to December 31, 2017.

References

In line with the “Environmental, Social and Governance Reporting Guide” (the “ESG Guide”) in Appendix 27 to the Main Board Listing Rules of Hong Kong Exchanges and Clearing Limited (“HKEx”), this Report is organized into two subject areas (Environmental and Social), reporting on the aspects and indicators with regard to the environmental and social impacts of the Company’s businesses and operations.

Report Availability

This report is available in electronic version which can be viewed on the website of the Company (<http://www.futureholdings.com.cn>).

Subject of Statement

The Future Land Development Holdings Limited is referred to as Future Land Development, Future Land, the Company or We for easy statement.

Contact Information

Capital Market Division of the Future Land Development
Address: Future Holdings Tower A, No.6, Lane 388, Zhongjiang Road, Shanghai, PRC
Postcode: 200063
Tel: +8621-22835888
Email: ir@futureholdings.com.cn

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The background of the slide is a light green gradient. It is decorated with several stylized green leaves of various shapes and sizes, some with white vein patterns. Two colorful butterflies, one in the top left and one in the bottom right, have wings with orange, yellow, and purple hues. A solid green rectangular box is positioned on the left side, containing the text 'Corporate Information' in white.

Corporate Information

Company Profile

Established in Changzhou in 1993 and headquartered in Shanghai, Future Land Development was listed in the Stock Exchange of Hong Kong (01030.HK) in November 2012, and its subsidiary Future Land Holdings Co., Ltd. was listed in the Shanghai Stock Exchange (601155.SH) in December 2015.

Over the past 20 years of development, Future Land has stayed true to the operational concept of “Professionalism creates values” and become a real estate conglomerate that specializes in residential and commercial properties. Future Land has taken root in the Yangtze River Delta, and implementing nationwide expansion in the Pearl River Delta, Circum-Bohai Sea and central and western regions. In 2017, the overall operation of Future Land grew rapidly, with contracted sales for the year amounting to RMB 126.472 billion, enabling the Company’s ranking in the industry on the rise up to No. 13. Future Land is targeting a contracted sales for 2018 at RMB 180 billion and rentals and administrative fees from commercial properties of RMB 2 billion, aiming to be in the first tier of domestic commercial real estate in 2018.

Responsible Governance

Corporate Culture



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Communications with Stakeholders

Future Land adopts a diversified communication mechanism to communicate directly with all the stakeholders involved, including the government, shareholders, employees, customers, the community and society, business partners and environmental groups, and proactively respond to their expectations of Future Land.

Expectations and requirements	Stakeholders	Communication mechanism
<ul style="list-style-type: none"> • Compliance with laws • Pay tax according to law • Support local development 	Government	<ul style="list-style-type: none"> • Daily management • Meetings • Monitoring and inspections
<ul style="list-style-type: none"> • Continued development and return to shareholders • Information disclosure • Investor relations • Corporate governance • Risk control 	Shareholders	<ul style="list-style-type: none"> • Annual general meetings ("AGM") • Information disclosure • Activities promoting investor relations
<ul style="list-style-type: none"> • Remuneration and benefits • Good work environment and development platforms • Equal opportunities for promotion and development 	Employees	<ul style="list-style-type: none"> • Remuneration • Staff trainings • 10 internal communication channels • Staff activities • Annual physical examination • Staff assistance schemes
<ul style="list-style-type: none"> • High-quality products • High-quality services • Protect consumers' rights and interests 	Clients	<ul style="list-style-type: none"> • Full life-cycle service system • 4008 service hotline • Customer satisfaction survey • Happiness Conference
<ul style="list-style-type: none"> • Keep promise • Equal, open and fair procurement • Mutual benefit development 	Partners	<ul style="list-style-type: none"> • Project negotiations • Supplier assessment and evaluations • Open bidding and tendering • Procurement platforms
<ul style="list-style-type: none"> • Promote environment protection • Protect eco-balance 	Environment	<ul style="list-style-type: none"> • Focus on environment protection • Energy conservation and emission reduction • Green buildings • Modularized buildings
<ul style="list-style-type: none"> • Promote urban development • Raise public awareness • Promote development of harmonious community 	Society	<ul style="list-style-type: none"> • Colorful Light Project • Activities for public good • Support culture and sport undertakings

Materiality Assessment

In accordance with the “ESG Guide”, Future Land constructed the ESG Materiality analysis model, where it identifies, determines and assesses significant issues taking into consideration the Company's and the stakeholders' concerns:



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A decorative illustration featuring a circular arrangement of stylized green leaves with white vein patterns, interspersed with colorful butterflies in shades of orange, purple, and blue. The background is a light blue gradient.

High-quality
Products and
Considerate
Services

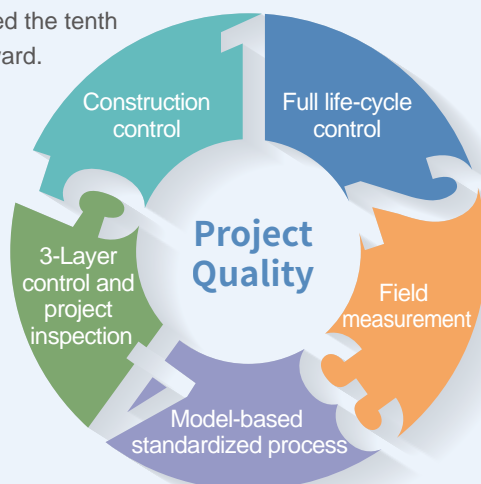
Product Quality

Future Land complies with Construction Law of the People's Republic of China, Regulation on the Quality Management of Construction Projects and other applicable national and local laws and regulations, controls product quality strictly, and provides customers with high-quality products.

Project Puyue Mendi was awarded the tenth Shanghai Architecture Planning Award and Project Shengshi was awarded the tenth Shanghai Floor Plan & Design Award.

Project Quality

Future Land established a range of management systems and adopted a scientific management approach to links covering design, measurement, construction and inspection in construction projects in a bid to guarantee and improve project quality and meet customers' expectation.



Case: BIM-designed Jin Ma Road Underground Parking Lot

Future Land adopted BIM technology in the project, which saved costs, mitigated risks, optimized the arrangement of equipment pipelines, avoided interference among pipelines, enhanced construction control, and reduced space occupied by pipelines, effectively improving the storey height and enhancing the overall quality of the project.



Before: severe interference among pipelines and low clear height from the bottom of the pipeline to the driveway surface.



After: centralized pipelines with optimized arrangement avoiding interference among pipelines and higher clear height due to upturned pipelines.

Case: Development and Revision of Standards

Future Land played an active part in preparing and revising internal and external regulatory standards. In 2017, the Commercial Design and R&D Center of Future Land prepared and revised 137 management and control standards involving multiple business lines such as architecture, landscape, mechatronics and structure. In addition, this center participated in revising Technical Specification on Construction of Steel Keel Integrated Modules, Design and Evaluation Standards for Hundred-Year Home and other industry standards.

Delivering Quality Products

Future Land released a new “Pre-Assessment Policy for Delivery” in 2017 covering multidimensional pre-assessment on project quality, design specifications, customer-friendly functions, and property management prior to delivery in a bid to further improve quality of projects to be delivered and to ensure that quality of the products to be delivered is aligned with the sales contracts and relevant approved drawings.

Remedial Measures

Future Land clarifies process of dealing with returns with sales contracts unsigned or in breach of signed contracts in Sales Operation Guide and Sales Contract Management Policy. Besides, Future Land included relevant provisions in the sales contracts in accordance with Administrative Regulations on Urban Real Estate Development and Operations to protect customers’ rights.

Customer Services

To create happiness in its services, Future Land has developed a service system in the course of its cooperation with customers, focusing on 10 key control points and 46 standardized procedures, so as to serve customers in an all-directional manner. In 2017, Future Land continued to pursue better services in all aspects, making up for service shortcomings to further improve service quality.

Satisfaction of Prospective Owners

In 2017, Future Land prepared Standardization Manual for Service Contacts for Prospective Owners to guide subsidiaries to maintain sound customer relationship in key links and improve satisfaction of prospective owners.



Checking and contract signing

Provide customers with various information
Inform customers of processes, materials required and costs for contract signing



Waiting period

Timely notify customers of project quality and latest policies
Open day on constructing sites



Delivery period

Inform customers of acceptance through various channels
Provide owners with categorized acceptance materials
Set up special groups to check apartments and provide related services
Follow up problems during checking



A halfyear after delivery

Timely respond and resolve problems upon receiving maintenance tasks
Carry out inspections twice a week
Give out service manuals after check-in
Improve comfort and convenience through the APP for property management

Happiness Conference

The Happiness Conference actively organizes a variety of cultural and recreational activities to enrich the lives of owners and create a warm atmosphere in the community.

Case: Halloween Celebrations Held by Suzhou Future Land

Suzhou Future Land held Halloween celebrations in October 2017 in which owners were immersed in great joy of the festival.



Case: Live Concert Held in Wuhan

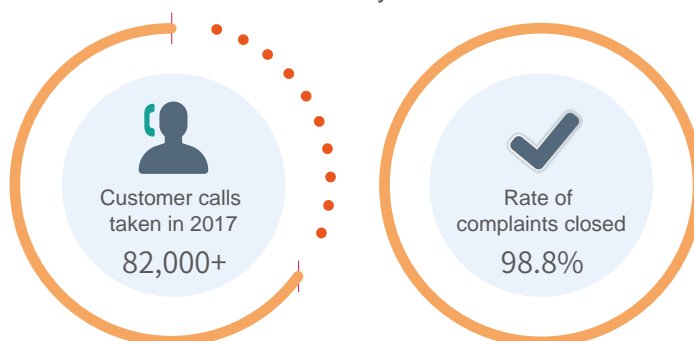
In August 2017, Wuhan Future Land held a live concert, took family photos of owners and organized them to watch "The Bakery", a magic musical.



4008 Service Hotline

Future Land offers one-stop convenience to customers by opening the 4008900950 national service hotline, which is a centralized management platform of complaints, maintenance & repair, and consulting. Besides, Future Land has formulated Administrative Measures for 4008 Customer System Operations.

Review for the year 2017:



Customer Satisfaction Survey

Future Land formulated Administrative Measures for Satisfaction Survey and carried out a whole-year rolling telephone interview survey via 4008 service hotline to prepare relevant investigation reports. In 2017, Future Land made follow-up calls for the node-based customer satisfaction survey and successfully completed 26,000 customer survey questionnaires throughout the year covering briefing analysis of feedback from customers at different nodes, quarterly satisfaction briefing, and interpretation on semi-annual and annual business meeting reports, etc. The overall customer satisfaction is up to standard.

Letuo Training

In 2017, Future Land launched Letuo training for the customer service team to improve the quality of customer service and the overall professionalism of the team. As a result, 81% personnel in key customer service positions got certification.



Customer Privacy Protection

To protect customer privacy, Future Land formulated Sales Field Management Policy and Sales Contract Management Policy, which specify registration, entry, collection and filing of customer information and requires staff at all levels to protect customer privacy and avoid disclosing customer information to any third party in any form.



Pass on Love and
Care through Charity



Staying true to the mission of “Future land, future happiness”, Future Land has committed to public welfare and charity undertakings for a long time.

Future Land awarded the Responsible Brand for the Year 2017.



Colorful Light Project

Future Land established the Colorful Light Project, a large public service brand of Future Land in 2013, and transformed it into Colorful Light Project 2.0 in 2017.



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The Colorful Light Project Activities

Glorious Library Project

The Glorious Library was smoothly implemented as the first core plan under the project in accordance with the Project Operation Guide on Glorious Library under Colorful Light Project.

The Glorious Library was successively launched at 9 schools in Guizhou, Shandong, Yunnan and Hubei in 2017, with over 20,000 books donated.

4 activities

9 schools

20,000
books donated



Glorious Library in Hubei



Glorious Library in Guizhou



Glorious Library in Yunnan



Glorious Library in Shandong

Happy Charity Bazaar

In 2017, Future Land raised RMB 28,406 for special foundations through the company's internal charity bazaar and online auctions, with approximately 700 pieces of goods for bazaar received and more than 500 participants from Future Land.

500 participants

700 pieces of
goods

28,406 RMB



Happy Hand in Hand

The second Happy Hand in Hand was respectively launched in Nanchang, Jiangxi and Chengdu, Sichuan in August 2017, during which 15 children from 4 provinces had a wonderful and special weekend. In the activities carried out in the two cities, rural children visited the city scenery together with the one-for-one families from Future Land in pairs, which helped to broaden their horizons.



Activities for Public Good

In addition to the Colorful Light Project, Future Land involved itself intensively in organizing, participating and supporting a variety of social activities in 2017.

Case: Milk Plan in Changzhou

The Milk Plan sponsored by Future Land was held in May 2017 in Changzhou. A total amount of over RMB 860,000 was raised by more than 17,000 residents and was spent on purchasing milk for 2,000 poor children in Changzhou for a whole year.



17,000 residents

2,000 poor children

860,000 RMB

Case: Family Fun Games for Children of the Stars

The third Family Fun Games for Children of the Stars sponsored by Future Land was held at the gymnasium of Ningbo Huamao Foreign Language School in March 2017. The event was organized for families of children with autism to help autistic children to better socialize, and the number of participants in the event was nearly 600.



Case: Sponsor Sports

In 2017, Future Land sponsored a number of sports activities, including the "Future Land Injoy" Shangrao International Half Marathon, "Injoy Plaza" 2017 Xianju Greenway International Marathon and "Injoy Cup" Tongxiang Mini Marathon.



Shangrao International Half Marathon



"Injoy Plaza" 2017 Xianju Greenway International Marathon



"Injoy Cup" Tongxiang Mini Marathon

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Integrity, Compliance and Win-win Cooperation

Label Management

Future Land formulated Brand Visual Image Standards, Brand Implementation Standard Specification for On-sale Projects in Residential Development Division, Brand Implementation Standard Specification for On-sale Projects, Regulations on On-Sale Project Visual Identity in Residential Development Division and Injoy Plaza Brand Visual Identity Manual (VI) to specify application of logos and brand visual images in product lines.

Intellectual Property Right Management

Future Land has formulated Intellectual Property Right Management Policy according to the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China, the Copyright Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China and other applicable laws and regulations to govern the management of patent right, trademark right, trade secrets, copyright and other intellectual property rights.

Advertising Management

Future Land formulated Sales Advertisement Risk Control Guide according to the Advertising Law of the People's Republic of China and other applicable laws and regulations to regulate design and production of sales advertisement.

Anti-corruption

In compliance with applicable laws and regulations including the Company Law of the People's Republic of China, the Law of the People's Republic of China on Tenders and Bids, the Anti-Unfair Competition Law of the People's Republic of China, the Interim Provisions on Banning Commercial Bribery and the Anti-Money Laundering Law of the People's Republic of China, Future Land has formulated Code of Professional Conduct of Employees and Disciplinary Violation Punishment Guide, and tolerates no fraud, corruption, bribery, blackmail, cheating, etc.

Future Land's Audit Department performs internal audit according to the Internal Audit Management Policy. Problems found in the audit, investigation and follow-up rectification are solved in accordance with the Code of Professional Conduct of Employees, Employee Handbook and other relevant management regulations.

Future Land signs Honest Cooperation Agreement with partners to avoid illegal behavior that seeks improper interests and to constrain both parties.

Future Land has put in place sound whistleblowing channels including hotline, E-mail, letter box, WeChat, and website and put up table cards with reporting channels at all project sites.



Partners

In consistent adherence to fair and equal supplier management mechanism, Future Land manages suppliers based on the Supplier Management Policy. Future Land is committed to conveying its notions of environmental protection, safety and social responsibility to the suppliers and requires suppliers to show certificates of environmental protection and ISO certificates, etc. prior to access, and to comply with applicable laws and regulations such as the Anti-Unfair Competition Law of the People's Republic of China, in a bid to avoid commercial bribery and other misconduct. Future Land has set up a procurement platform where tendering and bidding can be handled online. It helps provide suppliers with convenient procurement platform and transparent information.

Case: System Revision

In 2017, the Commercial Design and R&D Center of Future Land revised existing systems and prepared a new Guide on Supplier Management (Design) and Administrative Measures for Bidding and Tendering (Design) to specify management, bidding and tendering of design-related suppliers and further standardize supplier management.

Case: 2017 Future Land Annual Business Conference

In October 2017, the 4th Future Land Annual Business Conference kicked off in Shanghai Expo Center, which attracted more than 6,000 business elites, 3,000 well-known brands and 300 media around the country. In the conference, Future Land established FAC business elite club to offer a more extensive and in-depth communication and cooperation platform for brands and agents.



6,000 business elites

3,000 well-known brands

300 media



Talent Growth and Rights Protection



Employees' Rights and Interests

In compliance with the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, and a number of applicable national, provincial and municipal laws and regulations, Future Land has formulated a series of policies in an effort to protect employees' rights and interests.

Future Land recruits employees internally and externally in accordance with the Recruitment Administrative Policy and Measures on Internal Talent Referrals. Future Land also clarifies conditions and procedures of dismissal in Administrative Policy for Position Appointment, Employee Position Appointment and Rules for Reward and Punishment Points.

Future Land has formulated Administrative Policy for Remuneration and established sound remuneration and incentive systems.

Future Land has put a clear position and promotion channel in place according to Employee Position Appointment and Performance Administrative Measures. In 2017, Future Land released a revised Position and Rank System of the Group to sort out and update the system. In collaboration with well-known consulting companies, Future Land built a common leadership model at all levels to further guide the development of talents.

Future Land has also formulated the Attendance Management Policy, which stipulates the compliance with national statutory system of working hours and employees' legitimate rights to national statutory holidays and other holidays. It also specifies conditions and procedures for application for sick and study leaves.

Future Land keeps to the principle of fairness, equality and openness and choose the best in recruitment. In compliance with national and local regulations, Future Land allows no discrimination with regard to race, gender, color, age, family, ethnic tradition, religious belief, physical condition or national origin, and ensures that all employees enjoy equal opportunities in recruitment, labour, salary , training, promotion, compensation, etc.



Staff Activities

Future Land carries out a range of cultural and sports events for employees, which adds color to their leisure time.

Case: Family Day at Headquarters on 20 May 2017

In May 2017, Future Land held the Family Day at Headquarters, with over 260 participants from more than 70 families.



70 families

260 participants



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Case: Value Co-creation - Future Land Hiking Activity

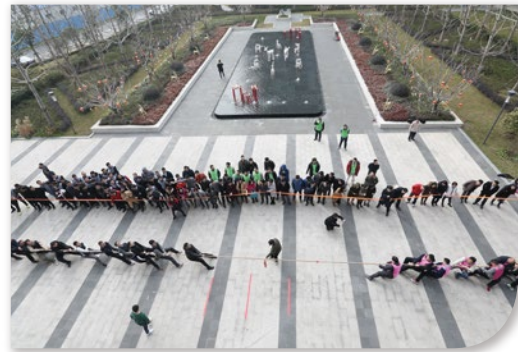
The 5th Future Land Hiking Activity was held in March 2017. Centered in Shanghai, this event was simultaneously held in other 44 cities across the country with more than 10,000 employees participated, demonstrating an energetic and vigorous team with enterprising and challenging spirit.

44 cities

10,000
employees participated



Case: Future Land Cup Tug of War and Future Land Cup Employee Singing Competition



The 2nd Future Land Cup Tug of War in February 2017



The 1st Future Cup Employee Singing Competition in August 2017

Health and Safety

In strict compliance with the Labour Law of the People's Republic of China, the Production Safety Law of the People's Republic of China, the Prevention and Control Law of Occupational Diseases of the People's Republic of China and other relevant laws and regulations, Future Land formulated the Policy of Project Management during Operations, Safety Culture Regulations and Accident Reporting Policy to provide staff with healthy, safe and comfortable work environment.



Feature 10 internal communication channels

Future Land continued internal communication through 10 internal communication channels in 2017. Communicate with High-level Executives, a special activity to talk with the chairman of the board face to face was held again on July 10.



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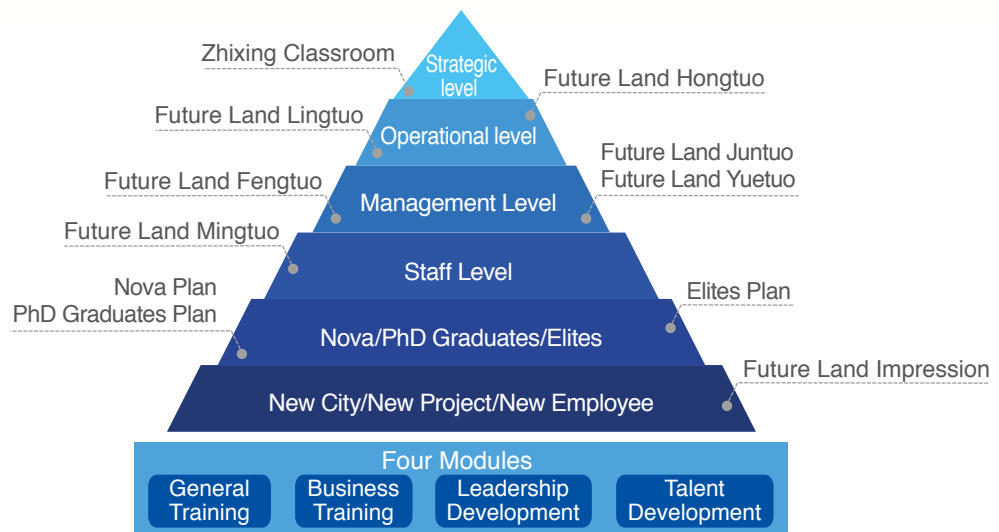
Development and Training

To achieve common development with employees, Future Land formulated Training Management Policy and Internal Lecturer Management Regulations, established a sound training system and carried out online and offline trainings for employees in an effort to enhance their professional qualities and management capabilities.

Feature Future Land Business College

Officially established in February 2017, Future Land Business College effectively helped employees with ability enhancement through a sound training product system, laying a foundation of talents for the Company's strategic targets.

Training Product System of Future Land Business College



Future Land Hongtuo training sessions for general managers in 2017



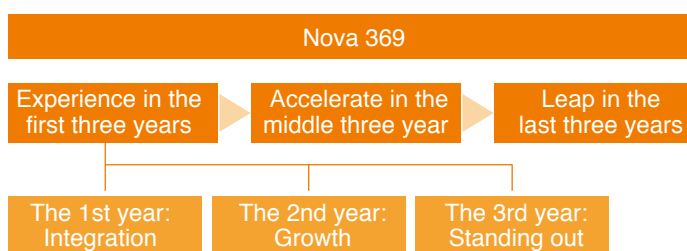
Future Land Juntuo PM certification class for experienced project general managers in 2017

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Nova Plan

Future Land Business College has established and improved the Nova 369 training system, which has effectively improved the professional skills and abilities of newly recruited employees.



Labour Standards

In strict compliance with the Labour Law of the People's Republic of China and Provisions on Prohibition of Child Labour, Future Land eliminates employment of children. Besides, to avoid forced labour, Future Land specifies in the labour contract that it shall strictly abide by the working hour mechanism stipulated by law, control overtime work, and protect employee rest entitlement and mental health.

The background of the slide is a light teal color. It features several overlapping, semi-transparent geometric shapes (triangles and polygons) in shades of green, orange, and blue. Within these shapes are illustrations of butterflies with orange, purple, and brown wings, and various green leaves with white veins. The overall aesthetic is clean and nature-inspired.

Energy Conservation and Sustainable Development

Emissions

In strict compliance with Environmental Protection Law of the People's Republic of China and other applicable laws and regulations, Future Land formulated Environmental Protection Management Policy and Energy Conservation Management Policy and put environmental protection and energy conservation into practice.

Greenhouse Gases

Waste gas and water relating to the operation of Future Land are mainly dust and rinse wastewater during the construction of residential and commercial development projects, fumes and wastewater from restaurants, and domestic wastewater during the operation of the city complex. Future Land disposed of such waste gas and wastewater in accordance with the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, the Law of People's Republic of China on Prevention and Control of Water Pollution, the Prevention and Control of Solid Waste Pollution Law of the People's Republic of China and other applicable laws and regulations.

	During construction of residential and commercial development projects		During operation of city complex	
	Emissions	Control measures taken by construction units	Emissions	Control measures taken by Future Land
Waste gases	Dust	<ul style="list-style-type: none"> - Ground hardening and periodic watering within the boundary of a construction site - Wash chassis and tires of construction vehicles 	Kitchen fumes	<ul style="list-style-type: none"> - Require all restaurants to equip treatment devices to dispose of kitchen fumes - Discharge the treated kitchen fumes that are up to relevant standards into the atmosphere - Restaurants wash kitchen fume pipe periodically
Waste water	Rinse waste water	Rid rinse wastewater of silt in the settling pond, and discharge it into urban pipes	Restaurant effluent Household effluent	Discharge wastewater into urban pipes after disposed in the oil separator

Future Land requires the construction unit to take appropriate measures to dispose of wastewater and gas generated during construction according to applicable laws and regulations as stated in the construction contract signed with the general constructor. In terms of kitchen fumes and wastewater generated by restaurants in city complexes, only those meeting emission standards after treatment, as required by Future Land, can be discharged into the atmosphere and the municipal pipelines. In accordance with Regulations on Urban Effluent Discharge and Treatment and Administrative Measures on Permits of Discharging Effluent into Urban Pipe Network, city complexes set up oil separators for effluent disposal and discharge wastewater into pipe network after filing application with local authorities and obtaining the permits after regulatory inspections and checks. Future Land is committed to supervising the normal operation of treatment facilities for law-based emission.¹

¹ Future Land does not monitor wastewater and waste gases emissions, so relevant data is not available in the Report. Future Land is considering the possibility of establishing a monitor system and disclosing the data at the proper time.

Greenhouse Gases

Future Land's greenhouse gases mainly include Scope 1: Direct emissions and Scope 2: Energy indirect emissions. Direct emissions are attributed to natural gases consumption; Energy indirect emissions are attributed to purchased power and heat. Due to the fact that Future Land's greenhouse gas emissions come mainly from energy consumption, it has taken measures to reduce energy consumption and mitigate emission of greenhouse gases.

Greenhouse gas emission from Future Land's city complexes within the reporting period is shown as below²:

A1.2 Greenhouse gas emission	Emissions	Unit
Scope 1: direct emission	6,334	tCO ₂ e
Scope 2: energy indirect emission	178,636	tCO ₂ e
Total emissions	184,970	tCO ₂ e
Intensity	0.047	tCO ₂ e /sq.m.

Solid Wastes

The hazardous waste generated during the operation of Future Land includes a small amount of waste toner cartridges and waste ink cartridges, all of which are recycled by qualified recyclers, while these hazardous waste has little impact on the environment. Future Land does not monitor these hazardous waste at present and is considering the possibility of establishing a monitor system and disclosing the data at the proper time.

The construction contractor hires a qualified organization to handle the non-hazardous waste generated during the construction period. Future Land sets up a special site to store kitchen waste, domestic garbage and construction waste generated during the operation of the city complexes and hires a qualified organization to collect and handle them.

Non-hazardous waste discharged from the operation of Future Land's city complexes within the reporting period is shown as below³:

A1.4 Non-hazardous waste	Emissions (metric tons)	Unit
Kitchen waste	31,394	Metric tons
Household waste	117,214	Metric tons
Construction garbage	13,643	Metric tons
Total non-hazardous waste	162,252	Metric tons
Total non-hazardous waste emission intensity	0.041	Metric tons /sq.m.

² Greenhouse gas emission from city complexes operated by Future Land includes the greenhouse gas emission produced by tenants.

³ Future Land is unable to monitor the amount of non-hazardous waste generated by the construction unit during the construction of residential and commercial development projects. The report only discloses non-hazardous waste emissions from city complexes operated by Future Land including those from tenants.

Case: Garbage Disposal In Injoy Plaza

The following measures are taken to keep the garbage chamber clean and garbage is classified for disposal:

1. Ensure that the garbage chamber is available at a fixed time;
2. Install controllers to turn on/off ventilators;
3. Install variable-frequency air conditioners and enable dehumidification in winter and spring and refrigeration in summer and autumn;
4. Turn on fly-killer lamps all day in summer and autumn;
5. Assign cleaners to take charge of the sanitation of the garbage chamber and the surrounding public areas so as to ensure that the garbage in the garbage chamber is kept neatly and there is no scattered litter on the ground; rinse drainage trench, interior ground and walls of the garbage chamber and empty trash cans twice a day in spring, summer and autumn and once a day in winter;
6. Remove wet and dry garbage separately by trucks specially assigned by the department of sanitation twice a day.



Collection and clearance of household garbage



Collection and clearance of kitchen waste



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Use of Resources

Use of resources of Future Land is primarily attributed to power, natural gases, heat and water. In strict compliance with the Energy Conservation Law of the People's Republic of China and other national laws and regulations, Future Land has formulated Energy Conservation Management Policy, consistently improving energy efficiency, performance and reducing water consumption.

Future Land rejects the use of packaging materials. Resource consumption from the operation of Future Land's city complexes within the reporting period is shown as below⁴:

A2.1&A2.2 Resource consumption	Consumption	Unit
Natural gas	293	10,000m3
Consumption of direct energy	31,678	MWh
Power	250,600	MWh
Heating power	86,482	GJ
Consumption of indirect energy	274,623	MWh
Total energy consumption	306,300	MWh
Energy consumption intensity	0.077	MWh/ sq.m.
Water consumption	3,305,216	Metric tons
Water consumption intensity	0.833	Metric tons/sq.m.

Green Office

- Turn off idle lights and computers or switch computers to energy saving mode during noon break or overtime; turn off all electric appliances including lights and air-conditioners of conference rooms after work;
- Turn off lights and air-conditioners of conference rooms timely;
- Turn off water faucets timely;
- Equip each office with a water dispenser so that employees can drink water using their own bottles instead of paper cups;
- Discourage bottled water so as to avoid waste;
- Encourage information delivery by E-mail or sharing hard copies to reduce use of copy paper;
- Encourage re-use of paper that's been printed and copied single-sided;
- Encourage the use of recycled paper, refillable pens, toner cartridges, rechargeable batteries and other recyclable articles;
- Promote green meetings by encourage teleconferences and online meetings;
- Encourage employees to use public transportation.

⁴ Resource consumption from city complexes operated by Future Land includes resources used by tenants.

Green Construction

- Water conservation: monitor water use, furnish low-flow equipment and devices, and reduce construction water use by re-using rain water or wastewater etc. where possible;
- Power conservation: monitor power efficiency, furnish power saving lights and devices, use light and sound sensor lighting system and power saving machines, and schedule construction properly to reduce power consumption;
- Material conservation: make meticulous procurement, keep materials in proper custody, reduce packaging, improve process, and cut down material use by increasing turnover of amortization materials etc. to raise material efficiency.

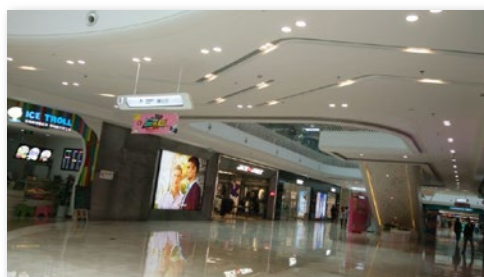
Green Operation

- Open and shut air-conditioning, lighting and elevator systems on the hours prescribed in Project Management during Operations;
- When purchasing electronic appliances, energy saving and green products shall be given priority with prices being similar such as accelerometer-triggered elevators and LED bulbs;
- Collect and analyze monthly energy consumption and submit Energy Consumption Summary to the Head Office according to Head Office requirements through operation procedures;
- Manager of Project Department is responsible for arranging energy analysis workshops involving supervisors of all technical positions to make assessment of energy use and prepare a report;
- Lavatory sinks and flushing equipment in business plazas are subject to checks and inspections for leaks; water for household, fire-fighting and air-conditioners are used efficiently;
- When changing toilet cleaning devices, energy saving and green products shall be given priority with prices being similar such as automatic faucets and water-saving tools; and
- Take measures to save water and strengthen water use management to avoid waste.

Case: Energy and Water Conservation in Injoy Plaza

In response to energy conservation and consumption reduction, Injoy Plazas at different places actively take measures to save water and electricity.

- Travel switches are installed in equipment rooms of Injoy Plazas in Wujin and other places to ensure that lights are turned off when the doors are closed;
- Only lights above the lanes are turned on while lights above the parking space are turned off in underground garage in Injoy Plazas in Wujin and other places;
- Faucets are locked to prevent anyone other than cleaners from using the water;
- Given that the unit price of electricity during off-peak hours is relatively low, the electric boilers in Injoy Plaza in Changzhou are turned on to heat water in the storage pool from 0:00 pm to 8:00 pm every day for heating supply during the daytime;
- Lights in public areas of Injoy Plazas in Danyang and other places are replaced with LED.



— Lights in public areas of Injoy Plazas in Danyang and other places are replaced with LED. —

1

Corporate
Information

2

High-quality
Products and
Considerate
Services

3

Pass on
Love and
Care through
Charity

4

Integrity,
Compliance
and Win-win
Cooperation

5

Talent Growth
and Rights
Protection

6

Energy
Conservation
and Sustainable
Development

2017

Environmental,
Social and
Governance Report

Environment and Natural Resources

Future Land adopts green building and prefabricated construction to mitigate impact on the environment and natural resources. Future Land follows the Law of the People's Republic of China on Prevention and Control of Noise Pollution to control noise and abides by Emission Standard for Community Noise to manage noise up to standard.

Green Buildings

Future Land promotes green buildings and has formulated Green Building Implementation Guide as per Green Building Evaluation Standards (GB/T 50378-2014). Future Land dedicates a chapter to green building design in the planning part, which encourages the adoption of technologies for energy and water conservation, reduction of material use and ultimately environmental protection.

Case: Changshu Deluxe Villa Project

Changshu Deluxe Villa Project is appropriately planned and designed based on the realities and related standards in terms of land saving, energy and water conservation, material saving and indoor environmental quality.

Energy conservation

- 1. Energy-efficient lightings
- 2. Energy efficiency building design
- 3. Renewable resource utilization
- 4. High performance equipment and systems

Water conservation

- 1. Properly planned water system
- 2. Utilizing water-saving equipment
- 3. Water-saving irrigation
- 4. Utilizing infiltration of rainwater and harvesting rainwater

Indoor environmental quality

- 1. Installing split-type air-conditioners
- 2. Providing ventilation and air exchange equipment
- 3. Applying outer insulation materials with high performance
- 4. Abundant sunshine, daylighting and ventilation

Sustainable construction sites

- 1. Satisfactory acoustic environment
- 2. Sound outdoor luminous environment free from light pollution

Saving materials

- 1. Using ready-mixed concrete in a properly manner
- 2. Material-saving designed architecture



Prefabricated Construction

Future Land actively adopts a new model of prefabricated construction to increase the prefabrication ratio for fulfilling its green environmental responsibility.

Case: Prefabricated Construction Project on Shengli Road in Shanghai

The project is a prefabricated sandwich thermal insulation system. The peripheral walls, doors, windows, air-conditioning panels, balconies and stair sections are prefabricated in factories and assembled on-site, and the floor slabs are prefabricated laminated ones. The prefabrication ratios of the plot and the outer walls of residence are over 30% and 50% respectively, which largely improves the project quality and efficiency and effectively reduces the waste of construction resources, significantly contributing to energy conservation and emission reduction.



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Appendix I: ESG Reporting Guidance Index

Aspect	General Disclosure	Index
A1 Emissions	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. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	6.1. Emissions
KPI A1.1	The types of emissions and respective emissions data.	6.1. Emissions
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	6.1. Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	6.1. Emissions
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	6.1. Emissions
KPI A1.5	Description of measures to mitigate emissions and results achieved.	6.1. Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	6.1. Emissions
A2 Use of Resources	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	6.2. Use of Resources
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).	6.2. Use of Resources
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	6.2. Use of Resources
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	6.2. Use of Resources
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	6.2. Use of Resources
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A
A3 The Environment and Natural Resources	Policies on minimising the issuer's significant impact on the environment and natural resources.	6.3. Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	

Aspect	General Disclosure	Index
B1 Employment	Information on: the policies; and 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.	5.1. Employees' Rights and Interests 5.2. Staff Activities
B2 Health and Safety	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.	5.3. Health and Safety
B3 Development and Training	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	5.4. Development and Training
B4 Labour Standards	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.	5.5. Labour Standards
B5 Supply Chain Management	Policies on managing environmental and social risks of the supply chain.	4.2. Partners
B6 Product Responsibility	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.	2.1. Product Quality 2.2. Customer Services 4.1. Compliance Management
B7 Anti-corruption	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.	4.1. Compliance Management
B8 Community Investment	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.	3.1. Colorful Light Project 3.2. Activities for Public Good

Appendix II: Readers Feedback Form

Thank you for reading the Future Land Development Holdings Limited 2017 ESG Report. In order to provide more valuable information to the Group's stakeholders and improve its ability and level of fulfilling social responsibilities, we would welcome any feedback or suggestions you might have about this report.

You can send this form to any of the following:

E-mail address: ir@futureholdings.com.cn

Mailing address: Future Holdings Tower A, No.6, Lane 388, Zhongjiang Road, Shanghai, PRC

1. How would you rate your opinion of the Future Land 2017 ESG Report?

☐ Very High ☐ High ☐ Neutral ☐ Low ☐ Very Low

2. How would you rate your opinion of the economic, social and environmental responsibilities of Future Land?

Economic responsibility	<input type="checkbox"/> Very High	<input type="checkbox"/> High	<input type="checkbox"/> Neutral	<input type="checkbox"/> Low	<input type="checkbox"/> Very Low
Social responsibility	<input type="checkbox"/> Very High	<input type="checkbox"/> High	<input type="checkbox"/> Neutral	<input type="checkbox"/> Low	<input type="checkbox"/> Very Low
Environmental responsibility	<input type="checkbox"/> Very High	<input type="checkbox"/> High	<input type="checkbox"/> Neutral	<input type="checkbox"/> Low	<input type="checkbox"/> Very Low

3. Please rate the effectiveness of this Report in reflecting the economic, social and environmental impact the Future Land has brought about through its social responsibility practices?

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Terrible

4. How would you rate your opinion of the clarity, accuracy and completeness of the information, data and indicators this Report has disclosed?

Clarity	<input type="checkbox"/> Very High	<input type="checkbox"/> High	<input type="checkbox"/> Neutral	<input type="checkbox"/> Low	<input type="checkbox"/> Very Low
Accuracy	<input type="checkbox"/> Very High	<input type="checkbox"/> High	<input type="checkbox"/> Neutral	<input type="checkbox"/> Low	<input type="checkbox"/> Very Low
Completeness	<input type="checkbox"/> Very High	<input type="checkbox"/> High	<input type="checkbox"/> Neutral	<input type="checkbox"/> Low	<input type="checkbox"/> Very Low

5. Do you find this Report in easy-to-read contents and formatting?

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Terrible

6. Feel free to share any comments or suggestions you may have on Future Land and this report:

Thank you very much for your gracious gesture and valuable time!



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HOLDINGS