

JINMAO 中国金茂



2017

Sustainable Development Report



2017

Sustainable Development Report

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Message

As the socialism with Chinese characteristics enters a new era, the performance of corporate social responsibility has become inseparable from the business development of enterprises. In 2017, we reshaped the corporate vision of "Unleashing Future Vitality of the City" and the corporate mission of "Build Quality for Better Life" . Meanwhile, by taking the 10th anniversary of the listing as an opportunity, we renewed our brand image, fully incorporated the concepts of humanistic care and sustainable development into our operating management, and were committed to bringing "new life" to the city and creating maximum economic, environmental and social values.

Reinforce the Direction of Strategic Development

In the year, we continued to consolidate the strategic positioning as a "City Operator", gave full play to the empirical advantages of "Two Drivers" including one driven by planning and the other driven by capital, continuously pushed ahead the upgrading of the "Two-Wheel and Two-Wing Driven" strategy and promoted the continuous increase of our overall strength. We actively explored the ways of innovation, established an innovative ecosystem, accelerated the innovations in business models, products, services, systems and mechanisms and created a cultural atmosphere of innovation for all employees to help boost corporate transformation and upgrading.

Create Extraordinary Quality Experience

In the year, we earnestly implemented the quality requirement of "Exquisite Craftsmanship and Quality, Green Health and Smart Technology", raised operational efficiency by closely combining market characteristics, upheld a people-oriented approach, established the benchmark of high-tech residential products, continuously optimized and innovated technology systems, and promoted comprehensive product upgrade, pushed on the Rock Action" to improve product quality, innovatively applied the APP of quality inspection, "Jinmao Quality", and made it a carrier of information management. We strengthened the service principle of "Customer's Demand is Our Pursuit". The overall customer satisfaction of the company has increased for 5 consecutive years, reaching an excellent level of the industry.

Release Urban Green Potential

In the year, we deepened the concept of ecological friendliness and harmonious symbiosis, upgraded the green strategy from 3 aspects, including "eco-city", "life-building" and "zero-carbon operation", strengthened the research, development and application of green technologies and green products and incorporated the concept of green development into design, procurement, construction and operation. We have cumulatively received a total of 109 green building labels, accounting for over 90% of the developed projects, ranking first in China. The green building business obtained the qualification of national high-tech enterprise and passed the certification of energy management and other systems, facilitating the smooth implementation of the first regional energy station in Changsha and making us a benchmark company for green real estate.

Protect the Dream of a Better Life

In the year, we worked with our partners to deepen urban operation and strived to build a responsible supply chain, cared for employees' capability development and physical and mental health, stimulated employees' work enthusiasm through "long-term, medium-term, and short-term incentives" mechanisms, promoted systematic management of public welfare, responded to the call of the national "Targeted Poverty Alleviation" policy, increased the input in charity and public welfare, carried forward "Charitable Activities in Southwest China" series activities, provided targeted help to the poor schools in the remote mountain areas in Guizhou, Chongqing and Yunnan by donation for "China Jinmao Mobile Libraries", and carried out community charity activities such as charity sale to promote social harmony and development by practical actions.

In the future, we will take the "In Science We Trust" core value as our belief, strive for innovation, accelerate development, carefully listen to voices from all walks of life, analyse in depth the requirements of different stakeholders, and improve the company's duty performance capability and level constantly, inject health vitality for cities and make more contributions to the sustainable development of society.



Figures for Jinmao

Economy

RMB
222,044.4 million

Total assets

HKD
18 cents

Stock dividend

80 %

Customer satisfaction for residential housings

97.33 %

Rate of closed complaints for the development sector

Environment

109

Various green building labels cumulatively obtained

RMB
31,074.8 million

Operating revenue

46.16 million m²

Total land reserve

85 %

Customer satisfaction for retail

RMB
8,824.8 million

Pretax profit

95.4 points

Average score of third-party actual measurement

99.6 %

Customer satisfaction for office buildings

Community

15,252

Total registered suppliers

76,360 person times

Safety training

100 %

Signing rate of labor contracts

RMB
7.69 billion

Tax payment




RMB
73,185,600

Safe production input

RMB
15.756 million

Charitable input

Our Honors

Field	Time	Prize	Issuer
 Economy	2017/3	Jinmao Hotel was named "The Best Hotel Owner in China"	Asia Hotel Forum Center, and China Hotel Starlight Awards
	2017/4	Go High CMB-Jinmao Chemsunny asset-backed special project was granted the "Outstanding Deal of the Year" Award	China Securitization Forum
	2017/5	China Jinmao was named the "2017 Top 10 China Mainland Real Estate Enterprises Listed in Hong Kong by Consolidated Strength", "2017 Top 10 China Mainland Real Estate Enterprises Listed in Hong Kong by Wealth Creation Capability", "2017 Top 10 China Mainland Real Estate Enterprises Listed in Hong Kong by Investment Value", and "2017 Excellent Commercial Development and Operation Enterprises of China Mainland Real Estate Enterprises Listed in Hong Kong"	Enterprise Research Institute of the Development Research Center of the State Council, The Institute of Real Estate Studies of Tsinghua University and China Index Academy
	2017/5	Beijing Jinmao Palace was rated "China GSD Harvard China Trip Urban Design Research Base"	Harvard Graduate School of Design
	2017/6	Jinmao Property was ranked 3rd place among "The Excellent Chinese Office Property Management Enterprises in 2017", and "China Top 100 Property Service Enterprises in Service Quality in 2017"	China Index Academy, and China Real Estate TOP10 Research Group
	2017/9	Jinmao Hotel was titled "2017 Best Hotel Owner in China"	21st Century Business Herald, and the College of Tourism and Service Management of Nankai University
	2017/11	China Jinmao won the "TOP No.1 PRC City Operator"	The Organising Committee of China Industrial Park Conference and China Decision Makers Consultancy
	2017/12	Grand Hyatt Shanghai and Beijing Yizhuang Jinmao Residence were honored the "China Architectural Decoration Award"	China Building Decoration Association
	2017/12	Grand Hyatt Lijiang was honored with the "National Quality Engineering Award"	China Association of Construction Enterprise Management
	2017/12	Grand Hyatt Lijiang was honored with the "National Quality Engineering Award"	China Association of Construction Enterprise Management
 Environment	2017/3	Jinmao Green Building was granted the "Award for Outstanding Green Real Estate Developer"	British Building Research Establishment (BRE)
	2017/12	China Jinmao was Ranked 3rd place among the "2017 Top 10 Competitive Green Development Enterprises", 2nd place among the "2017 Top 10 Competitive Green Real Estate Operating Enterprises", and 1st place among the "2017 Top 10 Competitive Green Central/State-owned Enterprises"	China Real Estate Business, CIHAF Committee, and China Green Building Materials Industry Development Alliance
	2017/12	Shanghai Daning Jinmao Palace Residential Project (west section) was granted the 2nd prize of "National Green Building Innovation Award", and "CIHAF 2017 Top 10 Green Projects"	China Real Estate Business, CIHAF Committee, and China Green Building Materials Industry Development Alliance
	2017/12	China Jinmao President Li Congrui was honored as one of the "Top 10 Green Driving Persons" of China green building Top 10 ranks	China Real Estate Business, CIHAF Committee, and China Green Building Materials Industry Development Alliance
 Community	2017/8	China Jinmao was granted the "Real Estate Enterprises with Awareness of Social Responsibility for the Year of 2017 Award"	The Organizing Committee of Boao Real Estate Forum
	2017/11	China Jinmao was honored with the "Social Responsibility Award"	China Business Journal

About Us

Company Overview

China Jinmao Holdings Group Limited (hereinafter referred to as "China Jinmao") is a platform enterprise under the real estate and the hotel segment of Sinochem Group Co., Ltd., one of the Top 500 World's Enterprises. On 17 August 2007, the Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: HK.00817). It is now one of the component stocks of the Hong Kong Hang Seng Composite Index. Sinochem Group Co., Ltd. is one of the central state-owned enterprises approved by the State-owned Assets Supervision and Administration Commission to engage in property development and hotel operations.

Upholding its vision of "Unleashing Future Vitality of the City" and insisted on its adherence to top positioning and boutique line, China Jinmao has focused on the city operations model of "Two Drivers and Double Upgrades" based on its strategy of "Two-Wheel and Two-Wing Driven" anchoring on leading quality, with the aim to be the leading city operator in China.

Given our foresight on city potentials, China Jinmao has integrated the world's leading premium resources and introduced mutually beneficial city planning concepts to the cities to achieve the overall enhancement in regional functions and city vitality. As of April 2018, the Company has succeeded in entering the markets in 31 core cities and creating the high-end product series under the core brand name "JINMAO". "JINMAO" is a famous trademark in China. Since 2005, "JINMAO" Brand has been included in the "China s Top 500 Most Valuable Brands" on 13 consecutive occasions. In 2017, "JINMAO" ranked the 198th with the brand value of RMB18.658 billion.

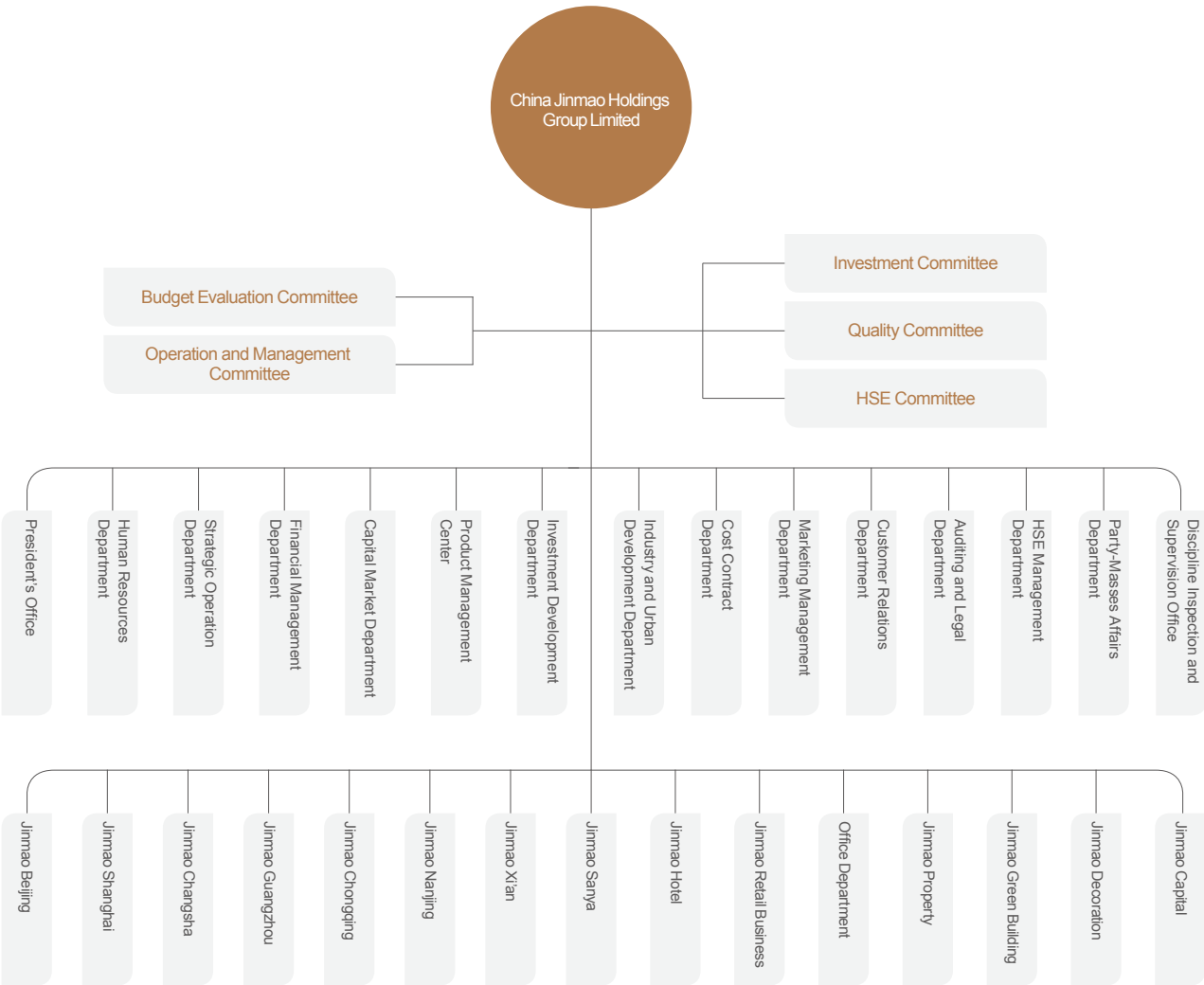
31 Core Cities
100 + Boutique Projects



Organisational Structure

China Jinmao has established a corporate governance structure of listed companies meeting the regulatory requirements of the Stock Exchange of Hong Kong Limited, implemented the code provisions and most of the recommended best practices in the *Corporate Governance Code* set out in Appendix 14 to the *Listing Rules* of the Stock Exchange of Hong Kong Limited and provided a full picture of the Company's overall abidance with the *Corporate Governance Code* by the *Annual Report 2016* and *Interim Report 2017* issued in 2017.

China Jinmao has set up the scientific decision-making and operation model of authorised management, close connection and professional collaboration among the General Meeting, the Board of Directors, special committees under the Board and the operation management. The Board is scheduled to review the operation of empowerment and make corresponding updates at the end of each year to continuously improve the corporate governance structure. In 2017, the Board and special committees thereunder convened 32 meetings and passed 66 written resolutions for 202 issues covering the Company's significant investment and financing transactions, remuneration and incentive, Board governance, information disclosure of listed company, etc.

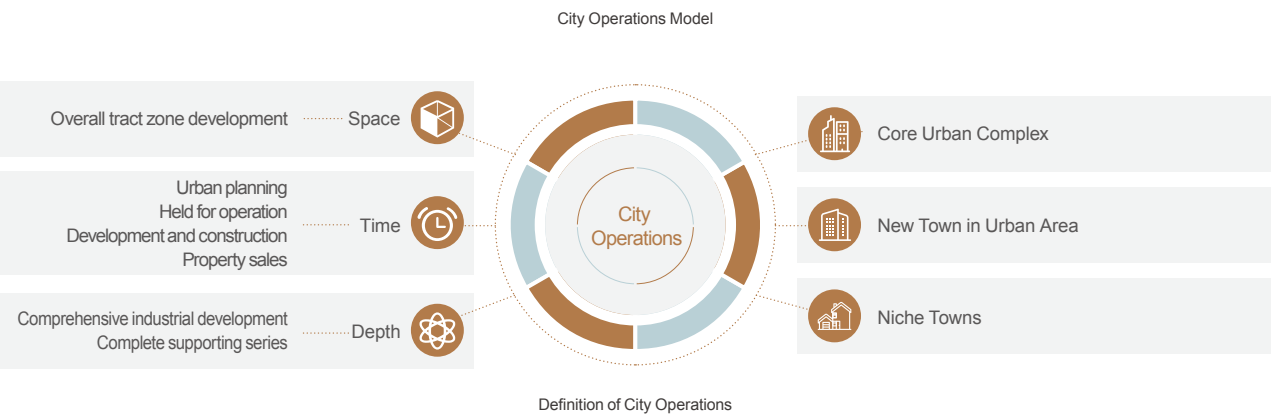
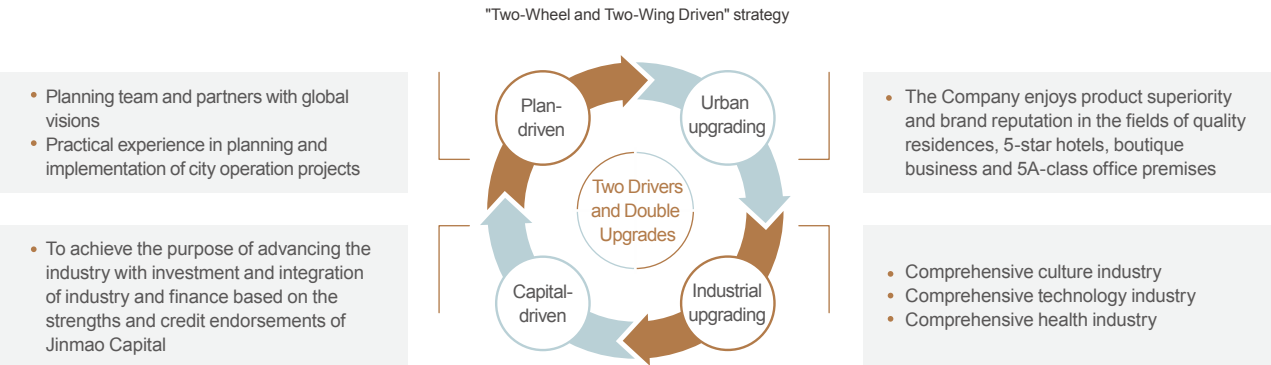
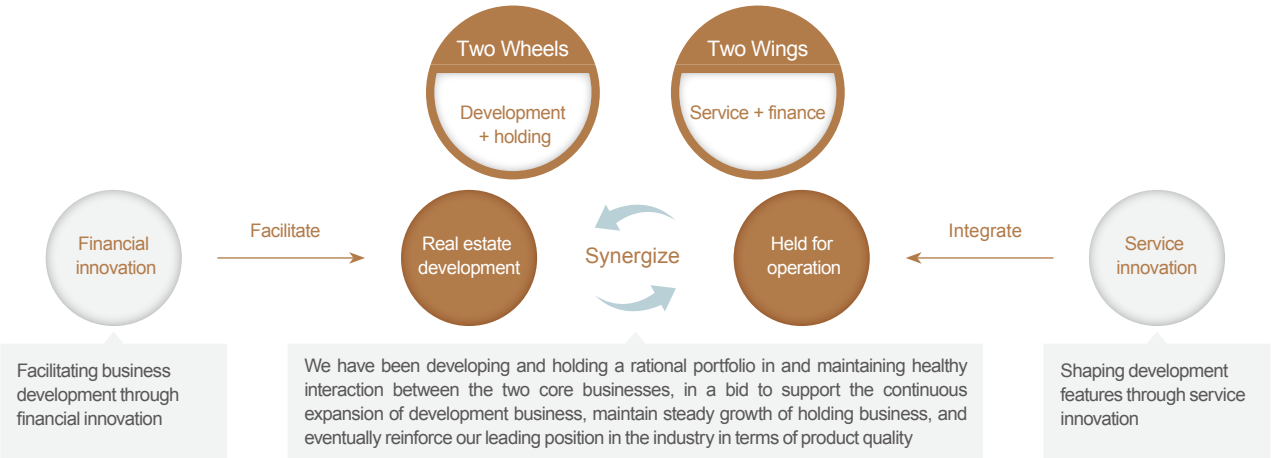


Corporate Governance

Adhering to the development philosophy of "Dash Forward, Dare to Think and Act Swiftly", China Jinmao realises the leapfrogging development by focusing on the city operations model of "Two Drivers and Double Upgrades" based on its strategy of "Two-Wheel and Two-Wing Driven" anchoring on leading quality. It sticks to compliance operation, guards against operational risks, strengthens operating management, and creates outstanding value for stakeholders.

Strategic Upgrading

Insisting on the leading quality as the primary demand, we keep reinforcing the foundation of the two businesses of development and holding, and promote financial innovation and service innovation. Guided by the "Two-Wheel and Two-Wing Driven" strategy, we actively carry out exploration and practice and give full play to our advantage in overall real estate development and operation to help the government build the new core of the city through plan-driven and capital-driven.



Law Compliance

Law is the bottom line of business development. On the basis of strictly observing national laws and regulations and various regulatory provisions, we formulated perfect rules and regulations, conducted audit throughout the business process and established a sound risk management system and anti-corruption system, so as to promote standardised enterprise management.

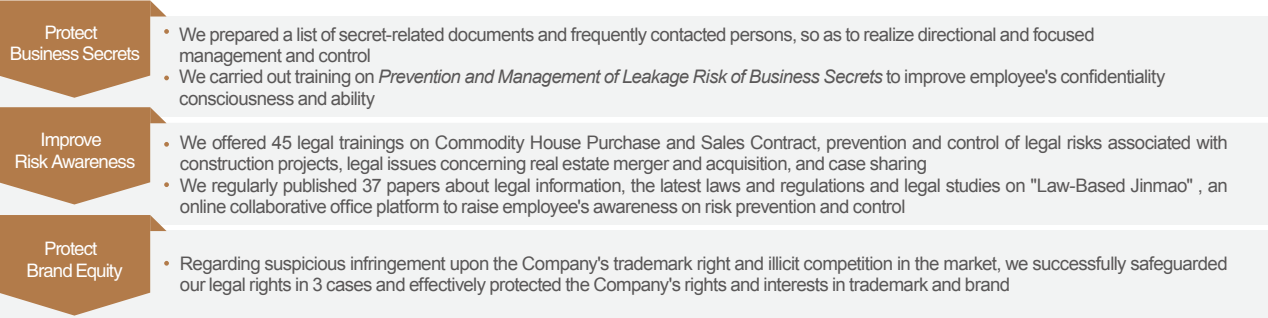
Supervision and Audit

We organised redline action, regular audit, off-office audit and follow-up rectification to ensure that the assets were used properly and compliance risks were prevented. We strengthened the building of the audit team, encouraged participation in anti-fraud alliance meetings, group audit training, audit training of external institutions and other activities to enhance the auditors' experience and capabilities.



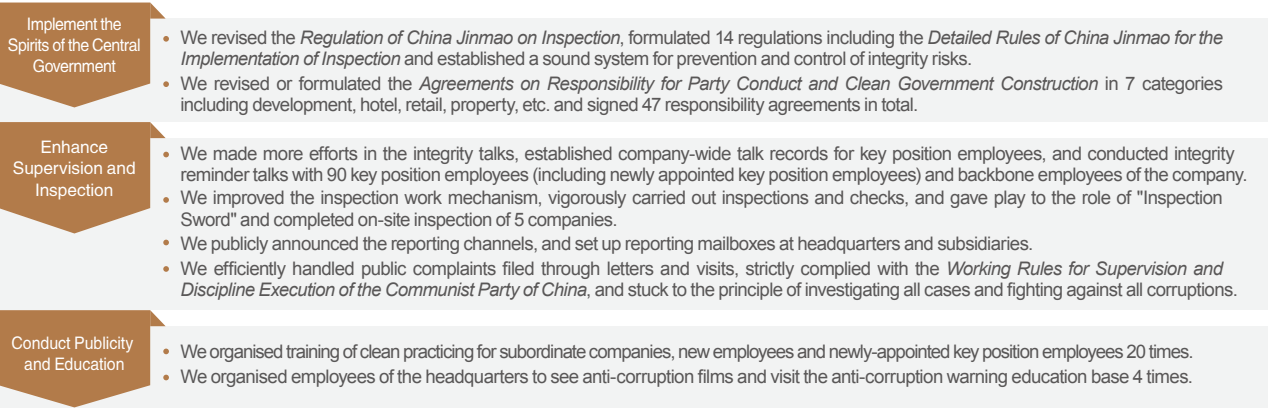
Risk Management and Control

We attached great importance to risk management, improved the internal control and risk management systems and gave full play to risk prevention and pre-judgment abilities to provide guarantee for the compliant development of the company. In 2017, all the contracts passed legal review. We incurred no major risk event.



Anti-Corruption

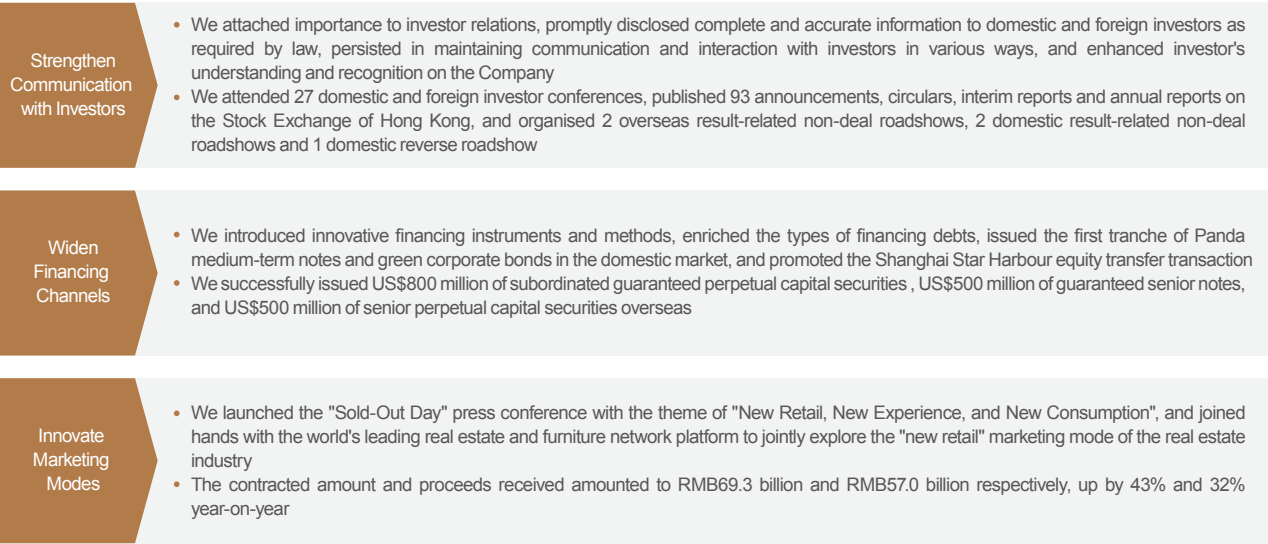
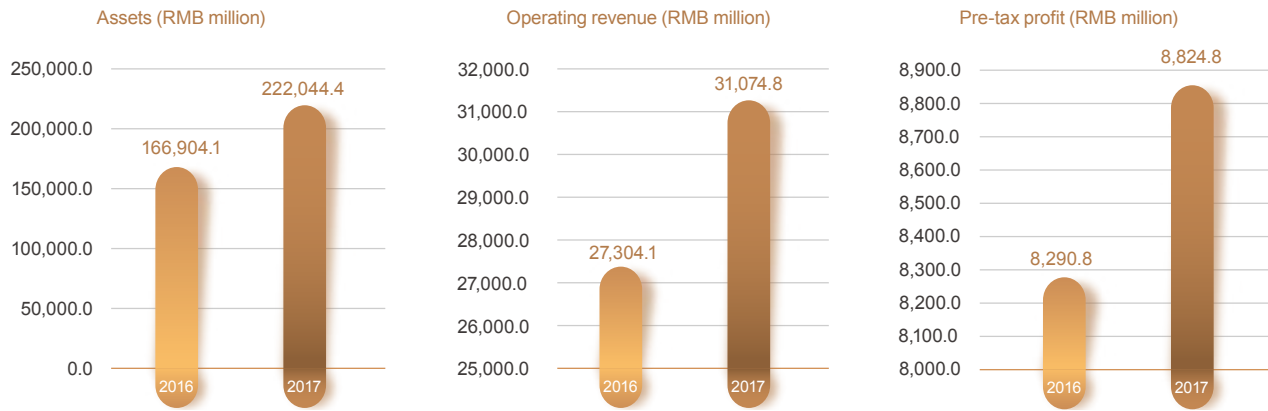
We constantly consolidated the overall work layout of "grasp two ends and bring along the middle", actively implemented the "positive propaganda and punitive warning" work strategy, exerted effort to build an "incorruptible" system and mechanism, and kept building and consolidating a sound political atmosphere and working environment. In 2017, no event of corruption of the company occurred.



Operating Management

We adhered to the performance philosophy of "Pursuit of Excellence", took the trust and support of shareholders as the cornerstone, tried to raise our ability in operating management, maintained continuous and healthy development momentum and raised the economic value of the company. In 2017, we entered 6 new cities, increased land reserve of approximately 10 million square meters, the total land reserves amounted to 46.16 million square meters and the land reserve in the secondary market was 27.72 million square meters.

Index	2015	2016	2017	Year-on-year growth (%)
Assets (RMB million)	133,126.4	166,904.1	222,044.4	33
Operating revenue (RMB million)	17,770.7	27,304.1	31,074.8	14
Pre-tax profit (RMB million)	6,408.3	8,290.8	8,824.8	6
Revenue from city and property development (RMB million)	14,384.0	23,593.0	26,869.2	14
Revenue from commercial leasing and retail operations (RMB million)	1,198.5	1,274.5	1,370.0	7
Revenue from hotel operations (RMB million)	1,814.4	1,890.0	2,070.0	10
Stock dividend (HKD cent)	8.0	9.0	18.0	100
Basic earnings per share (cent)	30.64	23.76	37.27	57



Responsibility Management

With "Build Quality for Better Life" as its mission and "Unleashing Future Vitality of the City" as its vision, China Jinmao integrated social responsibility into corporate strategy, daily management and business operations, and the employees' pursuit of value and job responsibilities, so as to achieve a win-win situation and value sharing with employees, the society, environment and other interested parties.

Organisational System

China Jinmao gradually optimised its social responsibility management, established a well-structured social responsibility-related work system featuring well defined rights and responsibilities and all level collaboration, regulated institutional and process management, set up a leading group and defined the person in charge of social responsibility work and contact person in each group, laying a good foundation for fulfilling its social responsibilities. The leading group reports major event about sustainable development to the Board of Directors, and the Board of Directors are responsible for the final review of sustainable development report.



Responsibility Honors

China Jinmao earned the title of "China Real Estate Developer of Social Responsibility of 2017" at the Boao Real Estate Forum.

China Jinmao was honored with "Corporate Social Responsibility Award" at China Corporate Social Responsibility Summit organised by *China Business Journal*.

China Jinmao was honored the title of "Golden Bee Enterprise" at the 12th PRC Corporate Social Responsibility International Forum organised by *China WTO Tribune*.



Responsibility Communication

China Jinmao strengthened its communication with interested parties, stayed informed of and promptly responded to interested parties' expectations and demands through diversified communication channels and means, and consolidated the basis of common development of the Company and interested parties.

Interested parties' expectations and demands

Interested parties	Expectations and demands	Communication and actions
Government/Regulator	<ul style="list-style-type: none">Abide by the lawPay taxes according to lawSupport regional economic developmentEnsure value protection and appreciation of state-owned assets	<ul style="list-style-type: none">Integrity managementProject cooperationStrategic cooperation
Shareholders	<ul style="list-style-type: none">Enhance profitabilityImprove corporate governance structureFulfill information disclosure obligation	<ul style="list-style-type: none">Hold general meetingsIssue reports on a regular basisTelephone interviewRoadshow/reverse roadshow
Customer	<ul style="list-style-type: none">Honor an agreement with integrityInformation transparencyHigh-quality products/servicesMeet diversified and personalized demands	<ul style="list-style-type: none">Performance of contractJinmao LuxurianceSuggestions and feedbackUnified national customer service hotline
Partners/Suppliers/Industry	<ul style="list-style-type: none">Fair competitionPromote industry technological progressExtend the industrial chain and expand industrial services	<ul style="list-style-type: none">Participate in industry development forumsParticipate in the compilation of industrial standardsSemi-annual and annual performance appraisal of suppliers
Employees	<ul style="list-style-type: none">Guarantee of rights and interestsOccupational development and trainingHealth and safetyHumanistic care	<ul style="list-style-type: none">Construction of trade unionsEducational trainingLabor protectionRecreational and sports activities
Environment	<ul style="list-style-type: none">Development of green buildingsEnergy conservation and emission reductionPromote healthy and green lifestyle	<ul style="list-style-type: none">Promote green strategyGreen constructionPractice environment protection
Public/Community	<ul style="list-style-type: none">Community involvementCharity	<ul style="list-style-type: none">China Jinmao Charity FoundationChangsha Jinmao Public Welfare Education Foundation
Media	<ul style="list-style-type: none">Open and transparent informationCompliant publicity	<ul style="list-style-type: none">Regular seminarsWe Media + Alliance Summit"Green Jinmao" series activities of the media

Issue Management

On the basis of communication with interested parties, China Jinmao studied and analysed in depth the national macro policies, industry development trends and other information, initiatively identified and refined key responsibility issues of China Jinmao in view of its development features and actively responded to interested parties' expectations and requirements to achieve common development with the interested parties.

Bank of Key Issues					
• Fine design	• Quality management	• Service upgrade	• Customer communication	• Green design	• Green construction
• Green operation	• Green charity	• Win-win cooperation	• Industry development	• Employee care	• Social welfare

Special Column on Responsibility

Deepen City Operations and Demonstrate Sustainable Charms

Meixi Lake not only witnessed the self-transcendence of China Jinmao in city operations but also demonstrated the great vitality of the new Changsha. Since 2011 when China Jinmao joined the city operations of Meixi Lake, it has applied advanced city operation concepts and forward-looking planning management to deepen city development, operations and services from the dimensions of time and space. Today, the Meixi Lake area has taken on a new look, which not only retains the charms of old Changsha, but also brings new hopes, new opportunities and new ways of life to the local people. In the future, China Jinmao will honor the comprehensive value of the Meixi Lake area, upgrade and build an international new Changsha center, and shoulder responsibility to make the future of Changsha a reality.



Promoting Industrial-Urban Integration to Gain Insight into the Needs of Urban Development

We pay attention to the future potential of the city, dare to break through the limitations of the city, and build projects based on the city's own development potential and local conditions. In just 6 years, with our meticulous efforts, the Meixi Lake area of Changsha has been developed by leaps and bounds and become a model of international ecological and livable urban district.

As the exclusive operator in the core area of Meixi Lake International New City, we guide development and construction by the concept of "ecology, energy-saving, innovation and technology", aim for "integration of green buildings in China", integrate world-class supporting resources and continue millennial cultural heritage of Yuelu Academy. We successively built a series of benchmark projects such as Jinmao Palace, Jinmao Residence, Jinmao Meixi Lake, Jinmao Plaza, Meixi Lake International R&D Center, Green Cube Center, Jinmao Luxury Hotel Collection, and Jinmao Mall of Splendors and initiatively introduced R&D centers, headquarters economy, innovation centers, health and medical centers, and Universal World of Fun and other industries. Through cross-sector combination, innovation and cooperation, we successfully integrated business centers, cultural centers, and science and technology centers and created an urban complex consisting of various architectural spaces, including residence, hotel, shopping center and office building to effectively enhance the value of land use, enrich people's life experience and help Changsha complete the upgrade of urban functions.

- In accordance with the "goal of total amount + parallel planning" approach, the ecological planning indicator system was established and improved. It includes 1 general indicator (per capita carbon emission indicator), 8 aspects (urban planning, architectural planning, energy planning, water resource planning, ecological environment planning, traffic planning, solid waste planning, and green culture), and 47 sub-indicators
- An efficient, intensive, three-dimensional transportation network comprising subways, buses, light rails for the area, water transportation, and buses and walkways along lakes was built to achieve the design that integrates a livable mode of "mountains, lakes and rivers" with the outstanding low-carbon transportation
- It is provided with 5 free parks including Meihualing Park, Meiling Park, Sports Park, Lusong Park and Constructed Wetland and enjoys 5km long bank of the Xiangjiang River, 6,000mu of urban wetland, 6,000mu of riverbank wetland and other urban ecological environments
- 17 primary schools and 11 secondary schools that are the best in the province were introduced to bring together a wealth of educational resources
- A high-standard class-A tertiary general hospital that integrates medical treatment, teaching, scientific research, prevention, health care and rehabilitation was established. In the future, a health service industry cluster centering on "international first-rate high-end specialized hospital cluster" and integrating such functions as medical R&D, health management, rehabilitation and old-age care will be built

Our Story

Co-organise Meixi Lake Forum for International Cooperation on Medical and Healthcare Industry

Meixi Lake Forum for International Cooperation on Medical and Healthcare Industry is themed by "Development of medical and healthcare industry cluster" and "Cooperation of international medical service". Experts from home and abroad were invited for in-depth discussions in the aspects of promoting the development of the medical, healthcare and old-age care industries in Meixi Lake, and establishing a complete "medical + old-age care" industrial ecology.



The Kickoff Ceremony of the Forum



Old Look of Meixi Lake



New Look of Meixi Lake

Aiming to be Ecological and Livable to Realise Green Transformation of the City

We always adhere to the development strategy of "Green Technology and Leading Quality". We applied advanced environmental protection concepts and introduced green industry model, green economy model, green management and green life model in the planning, design, construction, and operation stages of Changsha Meixi Lake to realise comprehensive green transformation of the entire structure of the area.

Green Design

We realised 100% green buildings, 100% green construction and 100% smart buildings by applying green technologies such as heat preserving and energy saving exterior walls and glass, rainwater collection, ground source heat pumps, wind-solar hybrid streetlights, municipal reclaimed water, ventilated roof, roof greening, etc.

Our Story

Control Rainwater from the Source through the Design of "Sponge City"

We innovatively applied the "Sponge City" technology in the design of Meixi Lake International New City to provide the city with a good "elasticity" function. The system controls rainwater from the source, simulates the hydrological characteristics of the site before development with permeation, filtration and storage facilities and diminishes rainwater runoff from the very beginning. When it rains, the system is able to absorb, store, seep and purify water. When necessary, it can "release" and utilize the stored water, thus significantly improving the ability of Meixi Lake International New City to adapt to environmental changes and cope with natural disasters.

Schematic Diagram of "Sponge City"

Green Operation

We adopt the concept of green operation and continuously explore and introduce advanced energy conservation and environmental protection technologies at home and abroad to raise the level of green operating management and practice in Meixi Lake, Changsha. By building a new-type green city centering on "lake" , backed by "mountains" and veined by "rivers" , we become a new business card for the construction of ecological civilization in Changsha.

Green Property

Work out innovative ideas and models for green property management to safeguard the green and low-carbon construction and development of the new city

Green Education

Build China's first green education base, establish 28 green schools with distinctive features, and form a perfect green and low-carbon education and publicity system

Green Monitoring

Establish China's first low-carbon city-level platform for energy consumption data monitoring and analysis in the whole construction process to conduct statistical analysis of all types of energy consumption data in the whole process of construction and operating management

Our Story

Regional Energy Station in Changsha Meixi Lake International New City

We established Changsha Meixi Lake International New City regional energy station by making the best use of the renewable sewage resources and abundant natural gas resources in the area and applying technologies such as sewage source heat pump and triple generation of natural gas, providing cooling, heating and hygienic hot water for 3.42 million square meters of buildings in the Meixi Lake International New City area. It is expected to save 7,514 tons of standard coal and reduce 19,687 tons of CO2 emission annually after it reaches its production capacity, achieving a great effect on energy conservation and environmental protection.

Operation Mechanism of the Energy Station for Energy Conservation and Environmental Protection

Our Story

Establish Changsha Meixi Lake Carbon Neutral Alliance

We, together with Hunan Xiangjiang New Area Administrative Committee and Beijing Environment Exchange co-initiated Changsha Meixi Lake Carbon Neutral Alliance consisting of more than 80 enterprises and public institutions, in a bid to share the staged development situation and frontier trends, jointly promote and popularize low-carbon concepts and technologies, guide the people from all walks of life in Changsha City, Hunan Province, and even the whole China to shoulder more social citizen responsibility and contribute to the construction of ecological civilization.

Our Story

Offset Carbon Emissions from Operating Management

Via Beijing Environment Exchange, we purchased the certified voluntary emission reductions of the wind power project in Nanshan, Chengbu, Hunan to offset the carbon emissions from the operating management of Changsha Meixi Lake International New City since operation till 30 June 2017, realising carbon neutral, first ever among the city operation projects in China.



Establishment Ceremony of Carbon Neutral Alliance



Meixi Lake International New City



Enhancing Service Quality to Unleash Future Potential of the City

We focus on constructing high quality properties based on local conditions, insist driving development by customer demand, continuously improve service levels and enhance regional functions and city vitality. Taking honesty and integrity as the foundation for our business, we strive to achieve mutual benefit and a win-win situation in cooperation and jointly promote the sustained prosperity of Meixi Lake International New City.

Customer Experience

We provide the owners with not only finely-built residential products but also living experiences that satisfy the wishes of a better life. Indoors, they enjoy the multiple sensory experiences brought by aesthetic design and a healthy living system and out for a trip, they feel the comfort and convenience brought by high-end and perfect facilities.

We organised large activities such as Meixi Lake Lighting Festival, Eco-tourism, Green Run, and Meixi Lake Charity Show to have the owners of Meixi Lake and the citizens of Changsha experience the ecological, healthy and high-class "Green Jinmao Living Model".



Meixi Lake Lighting Festival



Meixi Lake International Culture & Art Week



Meixi Lake Green Run



Meixi Lake Flower Show

Partners

We carefully select partners based on international standards, integrate the resources and advantages of multiple parties to create new development opportunities for our partners, bring about unlimited market value, and jointly create "Changsha New Center" and "International Service Area and Technology Innovation City".

Since 2011, more than 5,000 enterprises have settled in Changsha Meixi Lake, forming 5 major industrial clusters: science and technology research and development, health care, electronic information, business and commerce, and cultural tourism. We join hands with "famous enterprises" for a win-win situation, deepen city operation and accelerate the release of the future vitality of the new city.



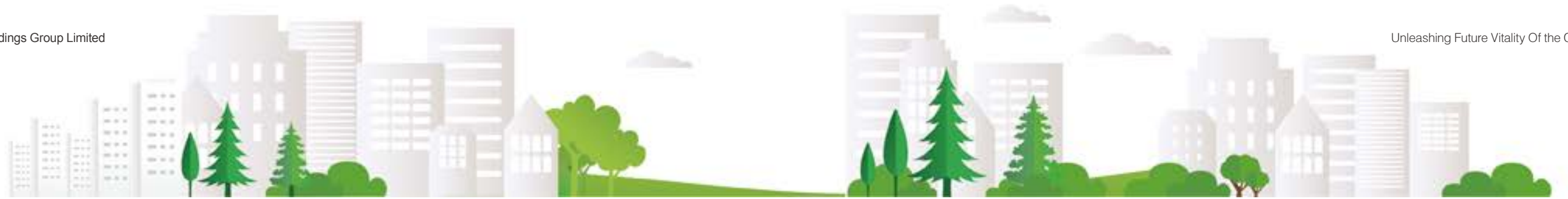
The Settled Representative Enterprises

Honors

- In December 2012, Meixi Lake International New City was granted the title of a green ecological demonstration area, becoming the first green ecological demonstration area in Central China and China's first batch of 8 green ecological demonstration areas
- In April 2013, through comprehensive review of the Ministry of Housing and Urban-Rural Development, Meixi Lake International New City became one of the first national pilot smart cities
- In December 2013, Green Cube Center won British BREEAM top award – Green Building Excellence Award, the first winner in Asia. It is the first green building winning BREEAM 2013 Excellence Certification (international version) in the world
- In October 2016, Meixi Lake International New City won the "Global Human Settlements Award on Planning and Design" of the United Nations. It is the only one Chinese project winning this honorable title in China that year



Nightscape of Meixi Lake International New City



Starting a New Chapter in City Operation

We intensively excavate the potential of each region with forward-looking vision and thinking, focus on every piece of land beneath our feet with innovative planning and design, and manifest the civilization space of modern cities through architecture to continuously realizes dreams about the future living environment and the city.

Shanghai Star Harbour

Inheriting the 100 Years of Glory of the Bund

Shanghai Star Harbour is the largest project of green office buildings in China and even Asia, which has already been granted the certification for 3-star Green Building by the Ministry of Housing and Urban-Rural Development of China, the LEED-CS Gold Level by the U.S. Green Building Council (USGBC), and the BREEAM Outstanding Certificate by the British Building Research Establishment (BRE).



Shanghai Star Harbour

Qingdao China-Europe International City

China-Europe International City: A Stunning City Icon in Qingdao

Qingdao China-Europe International City was granted "China-Europe Green and Smart City Technical Innovation Award" and "China-Europe Low-Carbon Ecological Demonstration Project" as the project integrates urban, industrial and ecological elements, introduces the Eden named as the "Eighth Wonder of the World" to explore a new urban development model.



Qingdao China-Europe International City

Nanjing Qinglong Mountain International Ecology New City

Future of the Ancient Capital Jinling: A New Phase of Prosperity

By leveraging on resources of Qinglong Mountain and based on green technology, introduced international advanced city planning concepts, based on the concept of "Sponge City" in design and the development mode of "PPP", Qinglong Mountain International Ecology City sets an innovative example of the transformation of the old cities by China Jinmao and won the "Global Human Settlements Award on Planning and Design" in 2015.



Nanjing Qinglong Mountain International Ecology New City

Lijiang Jinmao Richmond Town

"Lijiang's Emerging Third Town" in the New Era

Jinmao Richmond Town has joint development and mature operation of a variety of segments including Jinmao Whisper of Jade Dragon, Jinmao Hotel, Jinmao Boutique Hotel and J•LIFE. It is planned for building large public facilities such as Lijiang opera theater, museum, cultural & expocenter, non-heritage cultural street to turn the project into the "window to smart tourism in Lijiang" and "innovative Silicon Valley of culture based on heritage of minorities in Southwest China".



Lijiang Jinmao Richmond Town

Building Fine Workmanship for High Quality

China Jinmao adheres to the service principle of "Customer's Demand is Our Pursuit", integrates human-oriented concept into product design and construction, continuously improves product quality, and strives to demonstrate the civilised space of the city with architecture and build a high-quality life for customers.



Management of key issues:

Key issues

Fine design Quality management Service upgrade Customer communication

Major strategies

- Emphasise user-friendly design and provide diversified products
- Strengthen product quality control and build excellent projects
- Innovate and upgrade customer experience and build a Golden Sunflower "5-Good Community"
- Establish a customer communication platform and listen to customer demand from multiple channels

Core management performance

95.4 points

Average score of third-party actual measurement

80 %

Customer satisfaction for residential housings

85 %

Customer satisfaction for retail

99.6 %

Customer satisfaction for office buildings

97.33 %

Rate of closed complaints for the development sector



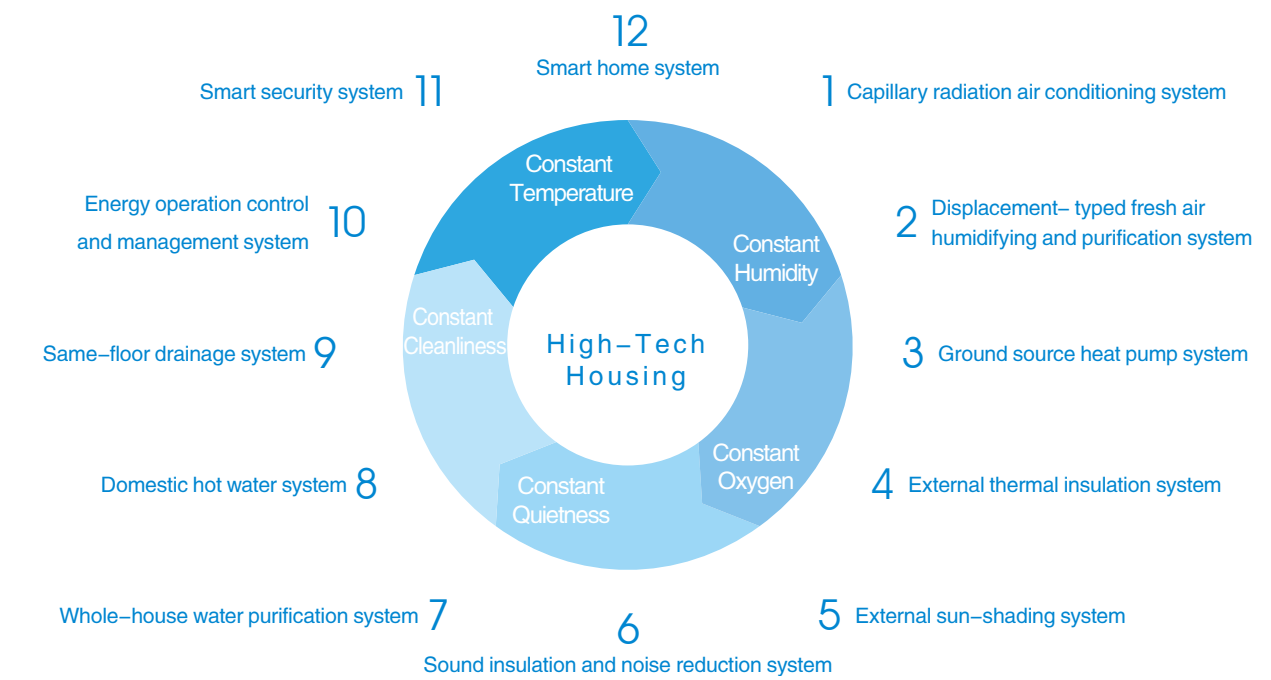
Forging Innovative Products with Originality

We provide customers with quality products that exceed expectations, use cultural insight to drive all-round improvement of urban vitality and regional functions, understand and meet customer needs for life in all aspects, and create surprises and impressions for customers with Jinmao's leading quality and elegant taste, truly realising the future dreams of human settlement and cities.

Optimising Product Design

We focus on building quality products in line with local conditions and pay attention to more advanced science and technology applications, more exquisite travel and accommodation experiences, more complete supporting facilities for shopping and life and more innovative office space design during planning and design, creating a comfortable, harmonious, rich and colorful living atmosphere for customers.

Housing	More advanced science and technology applications	We integrate advanced technology applications including the 12 major technology systems to create Jinmao high-tech housing and provide the owners with a quality life of health and comfort, energy conservation and environmental protection, personalized customization and wisdom.
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Case

Shanghai Daning Jinmao Palace

Shanghai Daning Jinmao Palace makes full use of the technology system to solve the problems of residential comfort and provide customers with a residential experience of constant temperature, constant oxygen, and constant humidity. It uses a high-efficiency and energy-saving thermal insulation system in external windows, a high-efficiency external thermal insulation system and a tight thermal insulation system on the roof and the floor to save energy by about 80% compared with traditional residences while maintaining constant temperature.

Hotel	More exquisite travel and accommodation experience	We promote product innovation and upgrading, provide customers with the ultimate experience of "life elsewhere" while traveling, and dedicate to creating unique local cultural landmarks.
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Case

Jinmao Purelax Mountain Hotel Lijiang

As the only hotel in the Lijiang 5A Snow Mountain Scenic Area, Jinmao Purelax Mountain Hotel Lijiang is located in the Ganhaizi Meadow area, 3,100 meters above sea level, at the eastern foot of Jade Dragon Snow Mountain. The hotel has 89 Naxi-style suites, all with 180° view of the snow-capped mountains.

Office Buildings	More innovative office space design	We adopt new spatial planning concepts in the office space design to create a comfortable and cosy office atmosphere.
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Case

Sinochem Tower

Sinochem Tower 12-storey Jinmao "Creation & Sharing Space" (for self-use). We built an open, collaborative and innovative office space with new office concepts to encourage employees to realise cross-department and cross-field exchange and learning and provide space for the collision of creative thinking.

Sinochem Tower 3-storey J-WORK (for lease use). To cater to the current development concept of sharing and social-type office space, we adopt a dual product model of standard office building + joint office and meet customer demand in form of fine decoration and short-term lease.

Building Fine Workmanship for High Quality
Striving to Harmonise with the Nature
Cultivating Morality and Benefit for People

Guaranteeing Product Quality

Average score of third-party actual measurement

95.4 points

Quality is the foundation of products, and also the foundation of responsibility. We aim to prevent quality and safety risks, promote the 1234 quality management strategy, strengthen the 3 level quality control model (headquarters, region and project), and improve the whole-process quality control system that covers the full life cycle of the products. As a result, the physical quality was improved obviously and the 3-year goal of the "Rock Action" was fulfilled.

Strengthening quality management. We revised and promulgated the *Standardisation Manual for Engineering Quality Control* to establish a refined engineering quality management system and promote the construction and management of engineering quality standardisation. We keep in step with the Company's development strategy, optimised the existing system, strengthened management of weaknesses and formed a regime, for example, the *Guidelines for the Management of Foundation Pits*, the *Guidelines for the Management of Municipal Projects*, etc. to prevent quality risks in a timely manner.

Conducting quality assessment. Through the 3 inspection mechanisms, including quarterly quality inspection of the headquarters, unannounced quality inspection and delivery assessment, we conduct multi-dimensional and full-coverage quality assessment and manage project quality by stages in a targeted manner to promote the continuous improvement of project quality. In the year, we completed quarterly inspection 121 times, unannounced quality inspection 30 times, and delivery assessment 18 times.

Promoting technical upgrading. We promote the sustainable development of the construction industry, apply "Four New Technologies" in the construction process, improve the construction quality, and shape a responsible brand. We continuously optimised and upgraded the functions of mobile terminals, developed the mobile quality inspection APP "Jinmao Quality", and won the second prize at the Innovation Competition of Sinochem Group.



Tips

What is unannounced quality inspection

Unannounced quality inspection, is a form of follow-up inspection, which performed by the inspection department on-site without notification in advance.



Our Story

Mobile Quality Inspection APP "Jinmao Quality" – Informationized Carrier for the Management of Engineering Quality

We actively promote informationized construction and use advanced mobile Internet technologies to control all aspects of engineering quality management, efficiently identify early-onset quality hazards and reduce problems. By the end of 2017, the mobile quality inspection APP "Jinmao Quality" covered all the 53 projects under construction or land parcels and cumulatively completed quality inspection 9,132 times.



Interfaces of the Mobile Quality Inspection APP



Our Story

Apply "Four New Technologies"

In order to adapt to the rapid development of the construction technologies, we accelerated the promotion and application of the "Four New Technologies" during construction to lead improvement by innovation.

- Non-hardened waterproof material, which is non-hardened, durable, environment friendly and has desirable resistance to fatigue and high-low temperature and good self-healing performance.
- Plastering by mortar spraying, which greatly improves mortar feeding and hollow cracking, reduces rework and significantly quickens the construction progress of the plastering works.
- BIM technology, which simulates the site condition, raises the accuracy of pre-embedding, makes the layout of elevations, pipelines, valves and equipment more eye-catching and reasonable, reduces changes, and saves costs.



Tips

What is "Four New Technologies"

"Four New Technologies" mainly refers to the technologies that adopt new technologies, new processes, new materials and new equipment in the industry. It first appeared in the documents of new technologies that the Ministry of Construction mainly promoted, and was later promoted to other industries, becoming new development direction and yardstick of the industries.

Creating Comfortable Experience with Consideration

"Customer's Demand is Our Pursuit" is our persistent service principle. Based on urban development and customer demand, we accelerate the promotion of service upgrade, and actively communicate with customers. We are committed to providing the most beautiful environment and the most considerate protection and guarantee for more customers.

Promoting Service Innovation

We use innovative thinking and modes to upgrade customer experience, satisfy customers' ever-growing needs for a better life, and create a sense of happiness and a sense of belonging for owners.

Developing Golden Sunflower "5-Good Community". By adhering to the service tenet of "Whole Heartedly Creating a Good Life", we put forward "Originality and Quality, Comfortable Housing and LOHAS, Good-neighbourliness and Etiquette, Sunlight and Symbiosis" value proposition for community service as well as "5-Good Community" construction strategy, and carried out work step by step with emphases in 4 stages, including "Ploughing in Spring, Weeding in Summer, Harvesting in Autumn and Storage in Winter", providing the most considerate butler service for customers.

Ploughing in Spring - "Good Environment"

From January to March, we carry out the spring ploughing operation in focus on "SOP (Standard Operating Procedure) of Cleaning", "Control of Lawn Spots" and "Improvement of Park Environment" to improve the quality of the park.

Weeding in Summer - "Good Service"

From April to June, we carry out work in focus on customer data management, customer interviews, customer response efficiency and quality, and customer complaint handling.

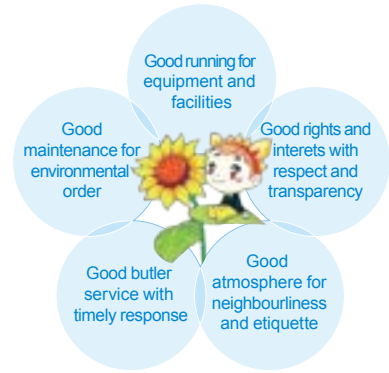
Harvesting in Autumn - "Good Reputation"

From July to September, we carry out a variety of community activities in focus on children and special festivals in summer, with the participation of owners increasing by more than 30% year-on-year.

Storage in Winter - "Rest Assured"

From October to December, we carry out gas safety hazard and household fire inspections in a unified way in combination with the winter drills and HSE safety community assessment.

Extending good-neighbourliness service. We continue to extend service business to customers and actively carry out the pilot work of good-neighbourliness service, with a view to providing personalised services for more customers and meeting customer's diversified demands.



Golden Sunflower "5-Good Community" Construction Strategy



Mascot "Bonny" of Jinmao Property Implying that "I'm right here to help you"

Service Category of Good-neighbourliness	Measures
Good-neighbourliness · Real Estate Agent	We try out in Changsha and have completed 31 transactions of second-hand house trading and leasing to take care of stock assets for customers
Good-neighbourliness · Decoration	We try out in 8 newly delivered projects and have provided hard and soft decoration services for 366 customers
Good-neighbourliness · Storehouse	We try out in Beijing and have built small storage spaces with a total area of 100 cubic meters for leasing to meet the customer demand for storage of idle items
Good-neighbourliness · Preference	We try out in Beijing and Changsha and have organised 5 times nationwide joint group buying such as Spring Festival grand sale
Good-neighbourliness · Tourism	We have introduced 4 domestic and foreign routes and carried out individualised study tours, customised family tour, Jinmao exclusive tour, etc. to promote communication among neighbors
Good-neighbourliness · Growth Center	We try out in Shanghai and provide infant early-education, 4:30 Class, hobby cultivation, holiday outreach and other services for the owners of Jinmao

Innovating carefree customer service. Adhering to the principle of "Quality Life, Love + Experience", we initiated "Jinmao Housing U+ Center" to provide professional consultation and service for housing maintenance, individualised housing decoration and furnishing services, convenient, rapid and carefree move-in service and other extended services based on the actual demand of customers after house delivery, with a view to facilitating the improvement of residing comfort and a quality life.

Our Story

"Wonderful Family-- Owner's Family Day" Activity

On the occasion of the 10th anniversary of the listing of China Jinmao, we launched the first Wonderful Family with the theme of "Wonderful Family • Accompany children to grow up for 10 years". We invited more than 600 owners from all parts of China to Shanghai Disneyland to spend the family day together. Through the cosy and touching fantasy trip, parents were encouraged to spend more time with their children.



Scene of "Wonderful Family"

Our Story

Jinmao Family Day

Jinmao Guangzhou initiated "Humanistic Care" of the blue paper for improvement of service quality. In addition to promote quality housing, it created a happy homeland that is full of joy for owners and children. Featuring family, friends, fitness and travel, the "Jinmao Family Day" let more than 200 owners spent a relaxing, carefree and joyful weekend with their families.



Scene of Family Day

Listening to Customers'Opinions

We proactively communicated with customers through various channels, analysed and explored in depth the requirements of different customer groups for enhancing city experience, improved the customer communication and feedback mechanism and raised our customer service capability. In 2017, the residential customer satisfaction was 80%, a year-on-year increase of 9% attaining an "Excellent" standard in the industry.

Optimising basic management

We regulated risk management and control through the comprehensive implementation of standard initiatives such as "Sunshine Manifesto", "Voice Recorder" and "Visitor Service Card" to avoid customer risks. We strengthened the management of dimension evaluation and published the *Customer Dimension Evaluation Standard of China Jinmao* to improve the customer evaluation system. In adherence to the direction of developing core competence in customer service, we established a characteristic customer relationship management system for China Jinmao and brought customer satisfaction up to the first echelon.



Building communication platforms

We launched the "Jinmao Luxuriance" quarterly special issue for customer, collecting manuscripts from the owners to set up a platform for customer communication. We released "Jinmao Luxuriance" service account online and managed the official customer service WeChat accounts in all regions. By 2017, "Jinmao Luxuriance" service account had a total of 136,394 followers in China. We organised "Golden Banquet China" owner activity to promote information exchange between owners and between Jinmao and owners. We also launched "I am on duty today" frontline practical activity, organised festival and customer birthday visits, face-to-face meetings with designers, and other initiatives, so as to actively listened to customers' needs and solved the practical problems encountered by our customers.

What is "Jinmao Luxuriance"

"Jinmao Luxuriance" is a customer service brand of China Jinmao. Adhering to the concept of "Customer's Demand is Our Pursuit", it develops 4 characteristic theme platforms including "Family and Business Prosperity", "Bring Warmth to Community", "Better Living Planning" and "Brilliance for You". Meanwhile, it provides full cycle customer service for Jinmao owners to meet the multi-dimensional demands of owners and offer owners with a professional, sustainable and high-quality life.

Honest and sunshine sale	Open construction sites	One-stop convenient delivery	Sunshine and transparent Proactive and responsible Extremely considerate
Proactive house maintenance	Care for old communities	Cultivation of community culture	

Content of Full Cycle Customer Service of "Jinmao Luxuriance"

Protecting customer privacy

We built a basic data platform for Jinmao Property to achieve information processing for 22 residential projects in China. We independently developed a customer service system and established a customer relationship data platform to protect customer privacy. In 2017, 2 complaints about disclosure of customer information were reported, representing a year-on-year decrease of 84.62%.

Dealing with complaints actively

With the national unified customer service hotline 4001-817-817 and timely solicitation of customer opinions, we perfected and promulgated the *Customer Complaint Handling Guidelines of China Jinmao* to regulate various customer complaint handling mechanisms and process. We handled customer complaints by grade and category and gave prompt response to raise our ability in handling customer complaints. By the end of 2017, the rate of closed complaints for the development sector was 97.33%.

Our Story

"Legendary Feast, Shine with Legend" - Customer Appreciation Banquet

Jinmao Beijing held "Legendary Feast, Shine with Legend – 2017 Jinmao Beijing Customer Appreciation Banquet & KOOZA Show", providing a visual feast for more than 2,000 Jinmao owners. Through a splendid circus show, we have demonstrated that we are always customer-oriented and driven by innovation, constantly upgrading our service experience and striving to provide owners with a wonderful time for parents and children.



Our Story

Appreciate Owners with "Golden Banquet" and Pay a Tribute to Good Life with "Quality"

In December, the annual "Golden Banquet China" was held with success. Owner representatives and cross-sector experts were invited to attend the banquet. Through a cross-sector cultural feast and a fantastic trip of life aesthetics, China Jinmao shared its pursuit of life aesthetics with Jinmao owners.



Our Story

"I am on Duty Today" Face-to-face Customer Meeting

We continuously held "I am on duty today" activities, carefully listen to customers and solve the actual problems by accompanying customers to inspect and accept the house and carrying out in-home interview, which fully demonstrated the service principle of "Customer's Demand is Our Pursuit" of China Jinmao.



Striving to Harmonise with the Nature

China Jinmao always respects urban functions, ecological environment and humanistic ideas, pursues the harmonious coexistence of buildings with the people, city and nature and strives to build ecological cities with an international level and Chinese characteristics, and contribute to a beautiful China.



Management of key issues:

Key issues

Green design Green construction Green operation Green charity

Major strategies

Implement a green strategy and explore “zero carbon” operating model
Incorporate green concept into the full life cycle of buildings and develop green buildings
Advocate green lifestyle and encourage the public to involve in and support green public welfare activities

Core management performance

0.1198 ton of standard coal/RMB 10,000

Comprehensive energy consumption per RMB 10,000 of production value

27

Green building labels certifications cumulatively obtained all year



Creating the "Ever Green" Life with Perseverance

We adhere to the high-end real estate positioning of "Exquisite Craftsmanship and Quality, Green Health and Smart Technology". Based on the spirit of "Striving for Excellence" in craftsmanship, we continuously upgrade our green strategy from 3 aspects including "eco-city", "life building" and "zero carbon operation" to build the "Ever Green" living model, namely "Ever Green quality, Jinmao Model".



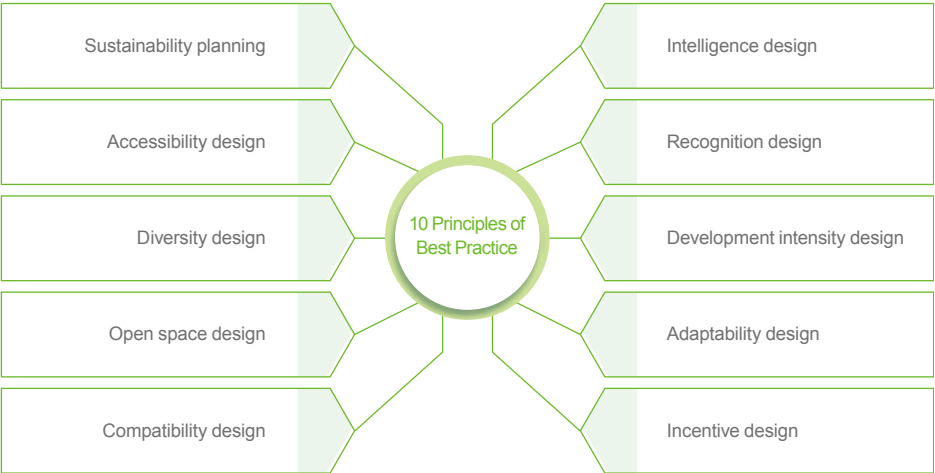
As the comprehensive upgrading and innovation of the green strategy of China Jinmao, Jinmao Green Building focuses on the professional operation of green, energy-saving technology and is committed to becoming a leading system integrator of green building industry chain in China. In December 2017, Jinmao Green Building officially obtained 4 certifications, including ISO 9001, ISO 14001, OHSAS 18001 and ISO 50001 (quality, environment, occupational health and energy). Providing professional service in the whole process of investment, design, construction and operation, we optimised the urban energy supply solutions and facilitated the realisation of "Ever Green quality".



Our Story

Nanjing Qinglong Mountain International Ecology New City

Nanjing Qinglong Mountain International Ecology New City is located in the key area of Dongshan Sub-City Area, Nanjing, with a total site area of approximately 3.92 square kilometers. Its business segments include high-end residences, a 5-star hotel, 5A office buildings and serviced apartments. Relying on the 80 square kilometers of forest landscape resources, China Jinmao formulated a new design framework for the construction and development of an eco-city, namely "10 Principles of Best Practice", built a green and ecological urban area with the significance of international demonstration and obtained the first BREEAM Communities certification in China.



Tips

What is BREEAM

BREEAM, Building Research Establishment Environmental Assessment Method, is referred to as a green building assessment system of BRE. Established in 1990, BREEAM is the world's first green building assessment method most widely used in the world.

Building Green Homes with Carefulness

We integrate the concept of green development into our production and management and actively carry out environmental protection activities throughout the life cycle of the buildings, with a view to promoting green buildings and building green homes in which people and nature live in harmony.

Indicator	2015	2016	2017
Comprehensive energy consumption (10,000 tons of standard coal) ^①	1.4175	1.6217	1.4380
Electricity (10,000 kWh) ^①	8,340.83	8,973.45	8,401.15
Natural gas (10,000m³) ^①	295.08	390.15	304.89
Comprehensive energy consumption per RMB 10,000 of production value (tons of standard coal per RMB 10,000)	0.1223	0.1321	0.1198
CO2 emission (ton)	-	Direct emission (Scope 1): 4,598.53 from gasoline consumption of official business cars ^③ Indirect emission (Scope 2): 89,465,297 from purchase of electricity ^①	Direct emission (Scope 1): 4,615.80 from gasoline consumption of official business cars ^③ indirect emission (Scope 2): 83,759,466 from purchase of electricity ^①
Gasoline (ton) ^③	-	5,858	5,880
Oxysulfide (ton) ^③	-	0.117	0.118
Oxynitride (ton) ^③	-	19.791	19.865
Suspended particle (ton) ^③	-	0.495	0.497
Total water consumption (ton) ^①	806,681	866,605	734,504
Unit water consumption (ton/RMB10,000) ^①	45.39	31.74	29.38
Hazardous wastes generated and discharged ^②			
Battery (piece)	2,500	2,000	2,124
Ink box (piece)	16	15	37
Paint (ton)	0	0	0
Coating (ton)	0	0	0
Fluorescent tube (piece)	1,400	1,200	1,717
Coating tank (piece)	45	16	12

Remarks:
① The scope of statistics covers related projects such as Chemsunny World Trade Center, Sinochem Tower, Jinmao Tower and Nanjing Xuanwu Lake Jinmao Plaza
② The scope of statistics covers Chemsunny World Trade Center and Sinochem Tower
③ The scope of statistics covers official business cars in the Headquarters

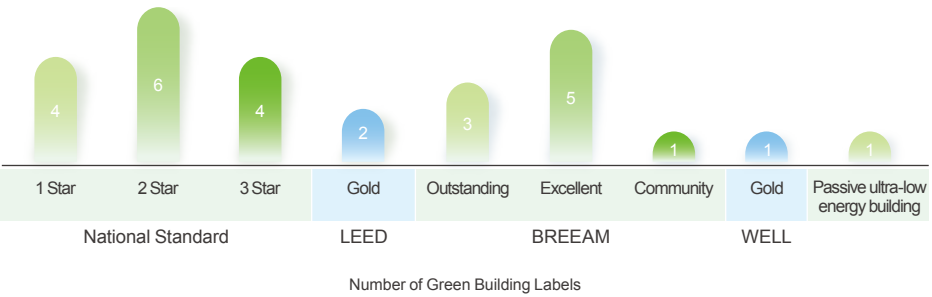
Explanation on the statistics of general wastes:
The Company has established relevant standards such as the *Solid Waste Management Regulations*, collects general wastes by category and hands them over to qualified companies for disposal. However, due to the inconsistent types of wastes generated by various business segments and non-uniform disposal standards and measurement units among third-party companies, no statistics was made on the amount of general wastes. It is expected that Jinmao Hotel will be served as a pilot spot in the next year to formulate the statistical methods for recycling and disposal of general wastes in light of the actual conditions of each hotel, and to effect supervision and management of the recycling and disposal of general wastes.

Note to the disposal of hazardous wastes:
The Company collects hazardous wastes by category and hands them over to qualified companies for disposal.

Explanation on the total amount of all packaging materials of finished products:
The total amount of packaging materials used in finished products (calculated in tons) and (if applicable) volume per production unit volume are not applicable to the Company.

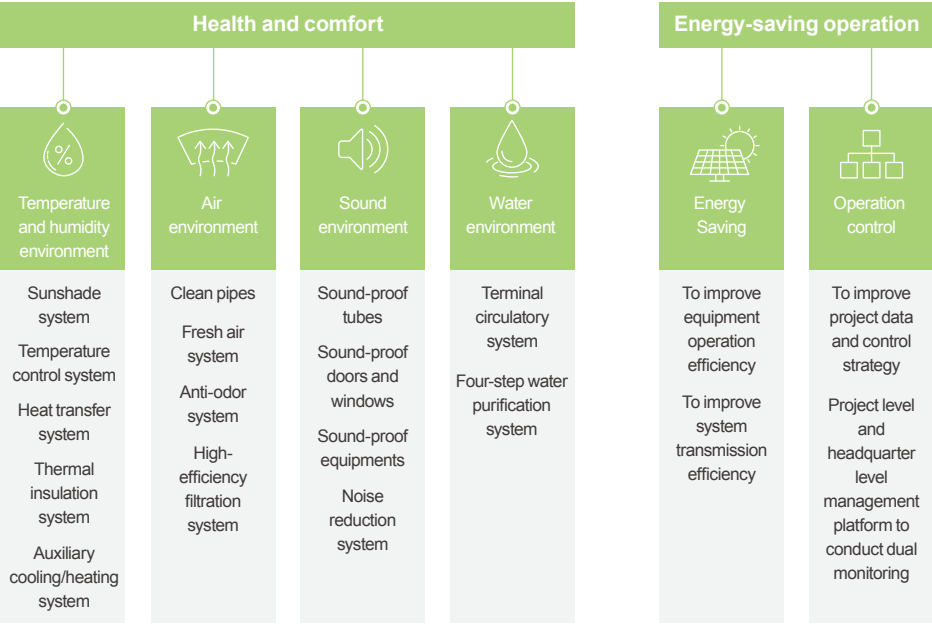
Green Design

We advocate the concept of "Suiting Measures to Local Conditions, Passive Priority, High Efficiency and Health". We continue to standardise green design in product planning and design, actively and comprehensively innovate and promote green technologies, raise product applicability and service life, and hence maximise the integration of products and the nature.



Regulating green design. We unify the green building project process, provide a template for review of green building projects, and improve the green building design standard.

Improving the technology system. On the basis of the original 12 technology systems of Jinmao, we give further stress on 2 themes, namely health and comfort, and energy conservation of operation and maintenance, and improve temperature comfort, air quality, noise reduction, consumption reduction, water use experience, and energy operation control.



27
Green building labels obtained by 25 projects all year

Tips

What is WELL Certification

WELL Certification is the world's first indoor building standard for people's health and comfort. The rating is based on the performance of buildings and focuses on the support of human physical health, productivity, happiness and comfort in physical construction environments, and explores the relationship between the health and well-being of buildings and their occupants.



Innovating environmental protection products. We carried out R&D of the supporting products of the fresh air, intelligent and technical systems and obtained 16 patent certifications to provide customers with a healthier, more comfortable and safer living environment.

Information List of Granted Patents

No.	Patent	Type	Date of grant
1	Jinmao Green Building asset and energy management (the headquarters) platform – environment monitoring system	Software copyright	2017/3
2	Jinmao Green Building asset and energy management (the headquarters) platform – energy station efficiency evaluation system	Software copyright	2017/3
3	Jinmao Green Building asset and energy management (the headquarters) platform – asset and equipment management system	Software copyright	2017/3
4	Control device for energy-saving reconstruction of hotel building	Utility model patent	2017/11
5	Integrated device for solar photovoltaic power generation and energy storage	Utility model patent	2017/11
6	Water purifying system for residence	Utility model patent	2017/11
7	Intelligent external sun-shading device for extra-low energy building	Utility model patent	2017/12
8	Single cold source advanced dehumidification multifunctional fresh air handling unit	Utility model patent	2017/12
9	Integrated control cabinet for transmission and distribution systems	Utility model patent	2017/12
10	A ventilation pipeline	Utility model patent	2017/12
11	A manhole mechanism for ventilation pipeline	Utility model patent	2017/12
12	A diversion mechanism for ventilation pipeline	Utility model patent	2017/12
13	Inlet air device	Utility model patent	2017/12
14	A dehumidifier	Utility model patent	2017/12
15	Cleaning device for winding ventilation pipeline	Utility model patent	2017/12
16	Air outlet of central air conditioning system	Utility model patent	2017/12

Green Construction

Green construction is a key link for resource conservation, energy saving and emission reduction in the real estate sector. We continued to strengthen construction management, strictly implemented project construction in accordance with the laws, regulations and standards, reduced the harm of building wastes and noise to surrounding residents and communities during construction to comprehensively promote green construction.

Observing law and discipline. We strictly followed the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Environmental Impact Assessment* and other environmental laws and regulations on the development of all projects, carried out environmental impact assessment, and strictly implemented the "Three Simultaneous" policy.

Following the standards strictly. We strove to create green, safe and standardised local sites and develop our projects into models of national green construction projects, evaluated our construction projects in accordance with the *Green Construction Demonstration Project Evaluation Criteria* and set up a comprehensive system for the classification, measurement and statistics of water, electricity and material consumption on construction sites.

Reducing pollution. We published the *Guidelines of China Jinmao for Environmental Protection Management*, strictly carried out the *Guidelines of China Jinmao for Dust Emission Control at the Construction Sites of Building Projects* and the *Guidelines of China Jinmao for Environmental Conservation Management at the Construction Sites of Building Projects*, in which we specified the measures for controlling potential dust pollution, noise pollution and solid waste pollution during the construction of building projects. We also tried to reduce emission of waste water, waste gas, construction waste and other solid waste and recycled concrete blocks and other construction waste.



Tips

What is the "Three Simultaneous" Policy

The "Three Simultaneous" policy means that for any new, reconstruction and expansion project of an enterprise or public institution, the facilities for the prevention and control of pollution and other hazards must be designed, built and operated simultaneously with the principal works.

Green Operation

We commit to saving resources and raising the efficiency of resource use. We continue to strengthen energy management, provide smart energy services, implement energy-saving reforms and advocate the concept of green office. In 2017, we upgraded the concept of healthy building operation, completed WELL pre-certification of Chemsunny World Trade Center and obtained a pre-certification gold certificate.



Chemsunny World Trade Center

Building an intelligent energy system. We built and operated an intelligent energy system covering regional energy, renewable energy, energy storage, peak regulation, frequency modulation and smart micro-grid to provide comprehensive energy services. We also employed big data, Internet of Things, artificial intelligence and other means to establish a sound smart energy cloud platform.

Implementing energy-saving reconstruction. We upgraded the lighting of the underground car parks of 7 projects in Beijing and Changsha by using LED induction lights to save energy. We updated 15,370 T8 lamp tubes in the car parks at a cost of 50% of the market price. After the upgrading, the electricity charges will drop by RMB 997,000.

Advocating green office. We actively advocated the concept of green office and encouraged employees to save water and electricity and develop saving awareness and energy saving habits. We conducted video conference to reduce expenditures and strengthened the office information system and promoted paperless office through informatization to reduce unnecessary waste.

Our Story

Asset and Energy Management Platform

The asset and energy management platform system that was developed mainly by us and has independent intellectual property was launched for trial operation. This platform effects all-round operation supervision on asset, energy, system energy consumption, site temperature, humidity, PM2.5 concentration, operation and maintenance. Through data comparison on month-on-month and year-on-year bases and multi-dimensional analysis of the operating trends, it can identify the optimal operation strategy, optimise equipment configuration, reduce energy consumption of the system and ensure operation safety.



Asset and Energy Management Platform

Our Story

Energy Station for Shanghai International Shipping Service Center

We provide regional heating, cooling and natural gas distributed energy services for cities. The energy supply area of energy station under construction and operation cumulatively reaches 10 million square meters, providing clean and stable energy services for more than 100,000 energy users. The energy station of Shanghai International Shipping Service Center is one of the typical energy stations.

- Energy supply area: Of the 1.6 million square meters of Grade A office buildings within a radius of 2 kilometers from the Oriental Pearl Tower, 45 5A office buildings were developed or are under construction by us. Most of these buildings are powered by regional energy systems
- Investment scale: The total investment of the project excluding civil engineering costs is RMB 130 million, the cooling capacity is 32.7MW and the heating capacity is 20.4MW
- Energy saving and emission reduction: On average, 2,674 tons of standard coal may be saved and 7,006 tons of CO2 emission may be reduced annually after the project reaches its capacity
- Major technologies: River water source heat pump + ice thermal storage technology



Shanghai International Shipping Service Center

Our Story

Carry out Savings and Consumption Reduction Activities

In order to promote a resource-saving enterprise and establish a good custom of disgracing wasting and honoring saving, Jinmao Guangzhou actively organised a series of activities featuring such as saving food, saving water, and saving paper, and encouraged employees to give active response and make joint commitment. During the activities, a spokesperson for saving was elected and posters and slogans for saving were posted to remind employees of saving, hardworking and thrift.



Spokesperson for Saving

Delivering the Concept of Environmental Protection with Enthusiasm

We encouraged companies and citizens to practice green production and life styles, actively participate in the exchange of green topics and pass on China Jinmao's green, low-carbon and environment protection concept, with a view to promoting global ecological civilisation. We organised environmental protection charity activities to contribute to the protection of ecological environment and the construction of a beautiful China.

Green Exchange

We actively addressed global climate changes, initiatively participated in environmental protection exchange activities, and exhibited the green practices and achievements of China Jinmao on the international stage.

List of Green Exchange Conferences Attended in the Year

Date	Name
2017/3	The 13th International Conference on Green and Energy - Efficient Building & New Technologies and Products Expo
2017/6	Green Building Association series salon - "Name of Green – Attention to Sustainable Development of the Building Industry"
2017/7	Green Building Association series salon - "Vibrant Green Productivity – Opportunities and Challenges for the Development of Green Buildings in the Real Estate Adjusting Period"
2017/8	2017 Livable China Summit on Innovation of the Green Real Estate Industry Chain
2017/9	2017 International Green Building Conference
2017/11	The 23rd World Climate Conference
2017/11	The 4th China Passive Extra-low Energy Building Conference
2017/12	2017 China Summit on Green Building Industry Chain & the 19th CIHAF

Our Story

Attend the United Nations World Climate Conference

In November 2017, the 23rd United Nations World Climate Conference was held in Bonn, Germany where various countries exchanged their views on climate change and their own contribution targets. China Jinmao, as a responsible central state-owned enterprise, has been taking an active role in coping with climate change. On this occasion, China Jinmao attended the China Pavilion of the United Nations Climate Change Conference on behalf of the PRC real estate sector to share its practices in carbon market trades and achieving "carbon neutral" in China.



China Pavilion at the UN Climate Change Conference

Green Charity

We organised activities such as Green Run China Challenge, green cycling, and tree planting welfare. We encouraged employees and the public to actively work together to create a green, healthy and comfortable living environment and contribute to a low-carbon society.

Our Story

Organise "Green Run China Challenge" Q4

The "Green Run China Challenge" Q4 covers 17 cities across the nation. With the theme of "Run for You" and the innovative form of "online running", we promoted the "green, healthy and go beyond yourself" living style to the public.



"Green Run China Challenge" Q4

Our Story

Organise Green Cycling Event

Jinmao Property organised a green cycling event with the theme of "Sunshine and Etiquette, Love for Cycling" to promote the concept of low-carbon travel. The activity effectively enhanced employees' sense of responsibility and sense of mission for protecting the ecological environment.



"Sunshine and Etiquette, Love for Cycling" Green Cycling Event

Our Story

Carry out Tree Planting Welfare Event

Changsha Jinmao Public Welfare Education Foundation and 6 elite schools in Meixi Lake, including Meixi Lake Secondary School affiliated to Hunan Normal University and Bocai Meixi Lake Primary School jointly held the Q2 "Jinmao in Campus" tree planting welfare event, inviting the owners of Jinmao together with thousands of teachers, students, parents and volunteers to add green to the city.



"Jinmao in Campus" Tree Planting Welfare Event

Jinmao Chongqing organised "Hold Hands with Children for Greening – I Grow with Bashu, Yubei District" 2017 First Parent-Child Tree Planting Festival of Chongqing Jinmao International Ecological New City on the football field, Bashu Primary, Yubei District, Chongqing City, attracting nearly 100 people from 40 families.



First Parent-Child Tree Planting Festival of Chongqing Jinmao International Ecological New City

Cultivating Morality and Benefit for People

China Jinmao fully considers the relationships between people and people, between people and communities, and between people and cities, works together with suppliers to achieve a win-win situation, pays attention to the health and development of employees, promotes the building of harmonious communities, actively participates in public welfare undertakings and makes unremitting efforts to promote the sustainable development of the society.



Management of key issues:

Key issues

Win-win cooperation Industry development Employees care Social welfare

Major strategies

Carry out diversified cooperation to promote industrial development

Extend the responsible value chain to improve suppliers' performance accountability

Safeguard employees' rights and benefits, strengthen employees' work safety, and care for employees' growth and happiness

Promote systemised public welfare management, focus on targeted poverty alleviation and carry out social welfare activities

Core management performance

4,928 times

Organised training

53 times

Public welfare and charity activities

RMB
15.756 million

Charitable input



Cooperating with Sincerity for a Win–Win Situation

Taking "Honest and Cooperative" as our character, we actively promoted the establishment of partnerships, realised resource sharing, and built a win-win responsibility chain for sustainable development.

Carrying out Diversified Cooperation

With comprehensive technology, comprehensive culture and comprehensive health as the directions of industrial development, we strengthened our cooperation with governments, enterprises and research institutes to gather resources and strengths from multiple sources.

Cooperating with the government. We planned as a whole the management of public relations, coordinated the high-level resources of Sinochem Group, China Jinmao and the government to deepen city operations. In 2017, we visited 17 cities and met with the governments for 44 times.



Signing Ceremony of the Letter of Intent for Cooperation of Guangzhou, Foshan, Jiangmen and Zhuhai



Signing Ceremony for Strategic Cooperation in Wenzhou Oujian River Estuary Project



Signing Ceremony for Strategic Cooperation in Binhai Area Project, Shibei District, Qingdao City

Cooperating with enterprises. By the end of 2017, we had reserved industrial resources from 500 enterprises and signed contracts with 22 leading companies. By establishing a worldwide industrial resource platform, we make progress together with our partners.

- We signed a strategic cooperation agreement with British BE Education Group to jointly build Qingdao Jinmao Wycombe Abbey International School
- We integrated the bilateral resources and professional advantages with French Vichy Group to carry out cooperation in the spa industry
- We signed a strategic cooperation agreement with Proprium Capital Partners (UK) to jointly tap into the long-term rental apartment market in China

Facilitating Industry Development

We integrated diversified industrial resources, fully demonstrated our industrial influence, actively participated in the formulation of industry standards and norms, organised, undertook or participated in industry forums to facilitate the sustainable development of the industry.

Subject Research

Together with the Science and Technology Promotion Center of the Ministry of Housing and Urban-Rural Development, we jointly carried out the "Research on the Planning and Construction of Green and Ecological Urban Areas" project and compiled the *Technical Guidelines for the Planning and Construction of Green and Ecological Urban Areas*.

Participation in the Compilation of Standards

We participated in the revision of the *Standard for Green Residential Areas* and the compilation of the *Assessment Standard for Healthy Building*, the *Design Standard for Energy Efficiency of Residential Buildings*, the *Standard for Monitoring of Energy Saving of Heating Systems*, the *Energy Efficiency Testing Standard for Air Conditioning Cold Source System* and other industrial and national standards, setting definite requirements for environmental quality and cultural services of residential areas and other buildings and promoting the enterprises in the building industry to improve product quality and service level.



"Natural Eco-city Operations and Practices" Sub-forum

Industrial Exchange

We attended the 13th International Conference on Green and Energy-Efficient Building & New Technologies and Products Expo and organised the subforum on "Natural Eco-city Operations and Practices" to fully demonstrate Jinmao's low-carbon and energy-saving environmental protection concept and R&D strength in green technology.

Enhancing Suppliers' Performance Accountability

We adhered to the strategic positioning of a "City Operator" , improved the supplier management system, protected the rights and interests of suppliers and worked together with suppliers to create greater value.

Supplier management system

We formulated the *Supplier Management Standard*, the *Contract Purchasing Management Standard*, the *Strategic Bidding Management Standard*, the *Supplier Brand Library Management Standard* and other supplier management standards and corresponding operation guidelines.

Classification	Jinmao Headquarters	Jinmao Beijing	Jinmao Shanghai	Jinmao Changsha	Jinmao Guangzhou	Jinmao Chongqing
Number of existing suppliers	22	2,281	3,450	429	1,254	1,329

Classification	Jinmao Nanjing	Jinmao Xi'an	Jinmao Sanya	Jinmao Retail Business	Jinmao Green Building	Jinmao Decoration
Number of existing suppliers	1,538	5	30	137	30	179

High-level reciprocal visit mechanism

We established a mechanism for high-level reciprocal visits with key suppliers. Through direct communication with senior leaders of the companies, we formed a "green channel" for quick response to and efficient solution of problems.

Supervision and assessment mechanism

We established a sound working system for bid monitoring. The members of the discipline inspection committee monitor the bidding and purchasing process on the spot and sign their names. We also developed a supplier assessment APP. Through pre-categorisation of assessment information, online assessment and scoring and other functions, we realised online and offline efficient collaboration and raised assessment quality and efficiency. The supplier contracts must be attached with "Sunshine Agreement" or anti-corruption clause to ensure a clean and fair supply chain by legal means.

Assessment of supplier's performance accountability

We conducted semiannual and annual assessments on performance accountability of all suppliers and established an incentive mechanism for outstanding suppliers to raise supplier's ability in sustainable development. In 2017, we assessed suppliers on contract performance, involving 7,276 contracts.

Joint performance accountability of suppliers

We called on suppliers to donate money for the construction of the "China Jinmao Mobile Library" campaign as well as books, warm clothes and other supplies to children in Cha'erma Township Primary School, Jiangrong Township Primary School and Longri Township Primary School in Hongyuan County in Aba prefecture, Sichuan.

Our Story

Host National Supplier Conference

The 2017 National Supplier Conference with the theme of "Jinmao Ingenuity" conveyed the development strategy and concept of the Company to partnering suppliers by sharing the positive and negative cases in the aspects of quality, customer service and contract performance, which fully demonstrated the influence of Jinmao on the suppliers' systems.

National Supplier Conference

Drawing a Happy Blueprint with One Heart

The development of the Company comes from the driving force of the employees. Through humane business management, an encouraging working atmosphere and a complete talent cultivation plan, we make employees grow together with the Company.

Safeguarding Employees' Interest

We earnestly safeguarded the legitimate rights and interests of employees, improved the democratic management mechanism and formed a democratic management and supervision system centering on the workers' congress system. We improved the corporate affair disclosure system and paid attention to and gave response to employees' requirements.

Indicator		2015	2016	2017
Signing rate of labor contracts		100%	100%	100%
Employee headcount (persons)		7,480	8,100	9,149
Gender composition	Male (person)	4,584	5,014	5,647
	Female (person)	2,896	3,086	3,502
Age composition	30 or below (person)	3,014	3,365	3,594
	31-40 (person)	2,608	2,940	3,630
	41-50 (person)	1,386	1,343	1,466
	51 or above (person)	472	452	459
Education background	Master degree or above (person)	494	607	873
	Bachelor's degree (person)	2,283	2,676	3,536
	Junior college education or below (person)	4,703	4,817	4,740
Percentage of female managers		20.5%	17.2%	15.1%
Employee turnover rate		14.4%	10.3%	12.7% ⁽¹⁾

Note: ① Specifically, the turnover rate in development segment, holding segment, value-added business segment and functional departments of the Headquarters was 12.14%, 20.26%, 12.70%, and 9.19% respectively.

Equal Employment

We strictly abide by the *Labor Law* and other relevant laws and regulations. Our employment principle is primarily based on labor contract employment, supplemented by labor dispatch employment and part-time employment. We engage and treat employees in an equal and impartial manner despite their nationality, ethnic group, race, sex, religion belief and cultural background, firmly prohibit the employment of child labor and oppose all forms of forced Labor.

In 2017, the Company introduced 261 medium and high-end talents and 562 core professionals and recruited 236 talents through the "Ark Students (Fresh Graduates)" plan.

Democratic Management

The Headquarters and subsidiaries all have established labor unions to safeguard employee's interests; they also have established the democratic management and democratic supervision system based on the employee representative congress system. In 2017, the Company convened 3 employee congress meetings, and the labor union establishment rate and the membership rate were both 100%.

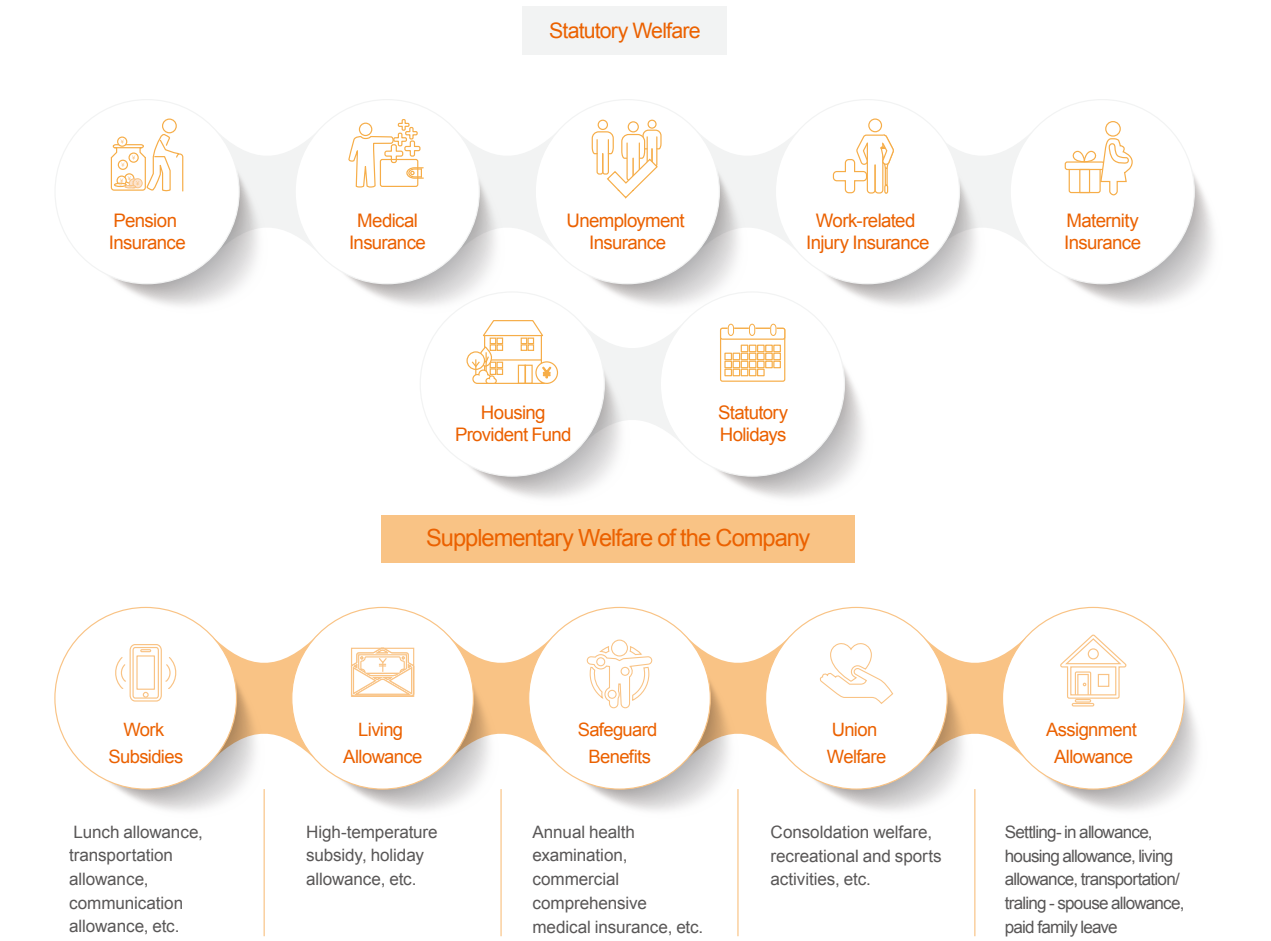
Path for employee feedback:



Optimising Remuneration & Welfare

We make innovation in assessment and incentives, optimise the remuneration distribution system, continue to improve the incentive system integrating "long-term, medium-term, and short-term incentives", and establish a multi-level and multi-angle employee welfare system, with a view to contributing to the enhancement in both corporate value and employee value.

- We provide employees with competitive remuneration and boost the interaction between remuneration and work performance
- We improve the distribution mechanism that links employees' salary with their positions, individual contributions, and company's business performance to fully mobilise employees' work enthusiasm and initiative
- We pay social insurance premiums for all employees and provide supplementary commercial comprehensive medical insurance and family property insurance for employees and their children (below 21 years age) to protect employees' work and life from multiple angles

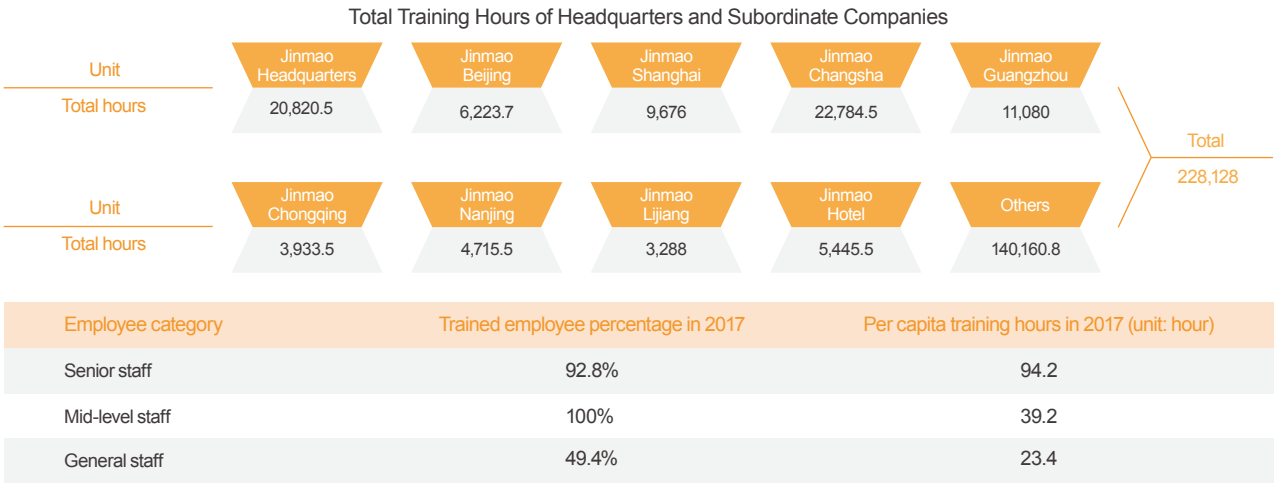


Facilitating Employees' Growth

We have diversified training platforms, provide individualised training plans and develop distinctive training programs to improve employees' quality and skills and broaden their career paths.

Employee Training

We pay attention to the growth requirements of employees, offer a systematic training system for employees, create a good learning atmosphere and raise the matching rate between the professional competence and job positions of employees.



Our Story Development of Professional Course and Experience Sharing

We set up a resource sharing platform, fully exploited the excellent practical experiences in the development and operation of the Company's internal projects, promoted the exchange, sharing of experiences among regions and rolled out professional courses of Jinmao covering marketing, engineering, design, HSE, etc. to help employees improve their professional skills.



Posters of Professional System Course

Occupational Development

Our dual channel (management & profession) vocational development mechanism provided favorable conditions for employees' vocational development. Since the establishment of the "Management & Profession" Dual Channel Talent Development System, 15 core profession sequences were established, including design, engineering, cost, contract, customer service, HSE, strategic operation, investment and industry, law, finance, IT, audit (discipline inspection), human resources, party-masses relationship construction, and administration. In 2017, 375 employees got promoted through the profession sequences.

Our Story Help Employees Develop "International Styles"

At the first "International Youth Development Competition", 64 young employees participated in the competition. After 13 preliminary and semi-final matches, the winning team was selected for the Sinochem International Youth Competition. Relying on the outstanding performance in knowledge quiz, English speech and scene play, Jinmao team secured the first place in professional scores.



The First "International Youth Development Competition" of China Jinmao

Our Story Create an Innovation Atmosphere to Inspire Employees

We organised the first "Innovation and Creativity Contest" of China Jinmao. Through rounds of selection, 8 innovation projects from different companies stood out from more than 300 innovation proposals and won success at the "Huaxiang Cup" Innovation and Creativity Contest of Sinochem Group.



The First "Innovation and Creativity Contest" of China Jinmao

Strengthening Production Safety

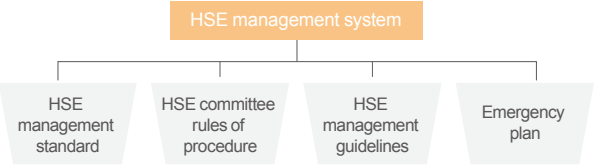
Adhering to the HSE principle of "People Foremost, Safe Development, Prevention First, Giving Priority to Environmental Protection, Lean Management and Focusing on Implementation", we improve the HSE management system and organisational system, establish a 3 level occupational health and safety management system, and deepen the safety training for all employees and carry out activities such as Occupational Health and Safety Publicity Week, Work Safety Month, and Fire Safety Publicity Week to raise employees' safety production capacity and awareness.

HSE Management

We established the HSE Committee and carried out every work requirements of "Safety Improvement Year" with an occupational health and safety management system as the core, through which we kept improving the 3 level (the headquarters-regional companies/professional operation centers-projects) management and control system, focused on hidden danger investigation of teams, and launched the building safety campaign centering on "5 enhancements and 3 upgrades" to raise the level of HSE management.

Strengthening the Institutional System

We comprehensively revised the HSE management system. In 2017, we introduced the *Guidelines of China Jinmao for the Management of Pipeline Gas Safety*, the *Guidelines of China Jinmao for the Management of HSE Risk Prevention and Control*, the *Guidelines of China Jinmao for the Management of HSE Leadership* and other systems.



Improving the Organisational System

We established the HSE Committee headed by the President. The office is located in the HSE Management Department. HSE departments are established and full-time responsible persons are engaged for each tier-2 company. They switch positions in turn and carry out joint inspection to raise professional capabilities. By the end of 2017, we had 142 HSE management staffs in total.

Establishing a Redline System

We established an HSE redline system, improved the HSE control mechanism, strictly controlled major risks, and strengthened implementation of HSE entity responsibilities at all level. Also, we held meetings of the HSE Committee on a quarterly basis, summarising the implementation of HSE work and arranging work priorities for the next step.

Our Story

HSE Benchmark Creation

We actively pushed ahead HSE benchmark creation, put emphasis on benchmark creation, and constantly improved systematic HSE management by solving realistic problems and breaking through bottlenecks.

Learn Advanced Experience

Various regional companies formulated plans for the implementation of advanced Japanese engineering experience in HSE management, selected some good practices and implemented them in new projects according to local conditions.

Create Safe Communities

Jinmao Property compiled the *Brochure of HSE Management Standards of Jinmao Property*. Every central city company had 1 project that passed the safety community acceptance.

Build Benchmark Projects

Jinmao Decoration compiled the *Brochure of Safe and Civilized Construction Standards of Jinmao Decoration*; Suzhou Gusu Jinmao Palace built an HSE management benchmark. In 2017, China Jinmao had a total of 11 HSE benchmarking projects.

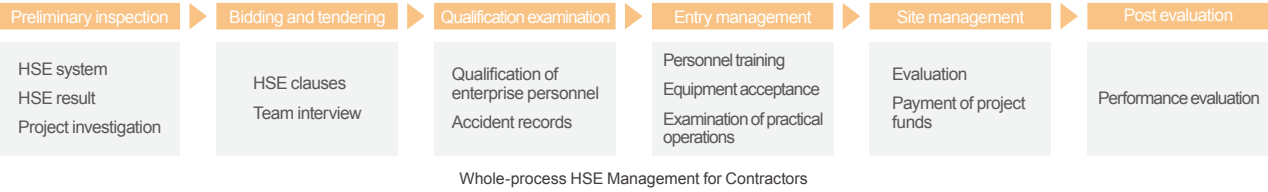
Promote the Evaluation of Benchmark Creation

Jinmao Retail Business established the HSE evaluation system for suppliers in the preparation and operation periods, and established the security supervision system for merchants.

Our Story

Contractor Management

We conducted whole-process HSE management for contractors, insisted on upward management of contractors, promoted strategic general contracting, strengthened self-management capability, implemented periodic HSE assessment of professional subcontracting and promoted the contractors to continuously raise their HSE management ability.



Safety Actions

We carried out safety training, strengthened the publicity of safety culture, carefully conducted safety inspection, raised emergency management ability, and improved safety awareness and ability of all employees. In 2017, we injected RMB 73.1856 million in safety production, the death toll from work was 0, the number of working days lost due to work-related injuries was 25 ^① and several projects were commended for safety and civilisation, all of which contributed to a good reputation of HSE.

Note: ① The employee was injured in a traffic accident on the way to work. After the incident, the Company actively rescued and arranged follow-up issues such as work-related injury certification to protect the legitimate rights and interests of the employee.

- Beijing Yicheng X91 Project was rated as a standardised construction site for construction safety of a construction project (state-level AAA construction site)
- A project in Qingdao National High-Tech Industrial Development Zone was rated as a standardised construction site for construction safety of a construction project (state-level AAA construction site)
- Changsha Jinmao Harbour Project was rated as "Model Construction Site for Safety and Civilisation in Hunan"
- Westin Beijing Jinmao Hotel was named the "Advanced Collective of Construction for Civil Defense for National Security" by the Ministry of State Security

Safety Training

We worked out an HSE training plan and matrix, independently developed safety training courseware and organised multidimensional and frequent trainings on fire safety, operation safety, leadership, HSE management and HSE qualification authentication. In 2017, all types of safety training and education cumulatively covered 76,360 person-times in 135,896 hours in total and there were 95 registered safety engineers, all creating record highs.

Safety Campaign

We carried out thematic activities such as Safety Speech Contest, Office Safety Improvement Season, Safety Skills Competition, Safety Knowledge Competition, Work Safety Month, Fire Safety Month, and Safety Class to further strengthen publicity of safety culture.

Our Story

Compete on Safety Skills and Promote Spirit of Craftsmanship

Jinmao Beijing held the "Compete on Safety Skills and Promote Spirit of Craftsmanship" safety skills contest. The event had 4 sections: questions about safety knowledge, pre-work safety speech, technical disclosure of safety and hidden danger investigation, striving to strictly implement HSE requirements in specific work. Through this activity, employees gained more safety knowledge and had a deeper insight into HSE principle.

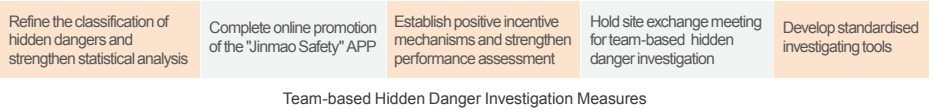
Safety Inspection

We strengthened supervision and inspection on risk control, supported key projects, carried out special inspections such as safety inspection and gas check, and an overall evaluation on building projects 3 times a year and on held projects 2 times a year. In 2017, 1,639 hidden dangers and problems were found after evaluation and 403 suggestions were put forward. All the hidden dangers and problems were rectified.

Our Story

Team-based Hidden Danger Investigation

Combining with the actual situation of the real estate industry, we made innovation in working mechanisms and carried out team-based hidden danger investigation. We cumulatively investigated 20,131 items, rewarded frontline workers for 18,014 person-times, strengthened supervision and guidance and implemented positive incentives.



Emergency Management

We optimised the emergency management guidelines, defined the rights-responsibilities and coordination mechanism concerning safety accidents, quality accidents, public opinion crisis, customer crisis events and informatisation related emergencies, urged the headquarters and subsidiaries to implement emergency response plans of various levels and make an overall investigation from the emergency organisation system to emergency materials. In 2017, we held 804 emergency drills with 55,358 participants.

HSE leadership training

530 person-times

HSE training of key position employees

346 person-times

New employee's induction HSE training

454 person-times

HSE management system training

220 person-times

HSE-specific training

2,198 person-times

Note: The statistical scope is the HSE training organised by the HSE Management Department of the Headquarters

Caring for the Happiness of Employees

We took cultural development as the cornerstone, carried out diversified recreational and sports activities, cared about employees in life, encouraged employees in spirit, and enhanced the cohesion of employees.





Cultural Development

We actively developed corporate culture and created a good cultural atmosphere. In 2017, we held special training on corporate culture 43 times. Total attendees reach 3,961 person-times and the average training duration is 1.5 hours.

Our Story

Establish a Publicity Matrix

Apart from existing carriers of cultural publicity such as "Staff World" corporate culture wall, enterprise journal, OA News and Party – Masses World, we built a publicity matrix featuring "One Brochure, One WeChat Public Account, Two Publications, Two Walls" to promote positivity and spread good voices. In total, we published 18 articles in 3 issues of *Sinochem Party – Masses* and 86 articles on Jinmao Culture WeChat and released 6 special issues of *Jinmao Party – Masses* and 3 issues of *China Jinmao*.



Internal Publications of Company

Care for Employees

We established a sound mechanism for supporting distressed employees to share care for every employee. We carried out various recreational and sports activities to enrich employees' amateur life and inspire employees.

Carrying out Care Survey

The headquarters handed out 180 employee survey questionnaires, collected 43 suggestions through the labor union and 7 main suggestions from various forums to further know employees' care requirements and provide a strong guarantee for the implementation of employee care schemes.

Assisting Distressed Employees

We established a mechanism for assisting distressed employees and increased relevant input so that employees and their immediate families suffering from serious diseases can be helped.

Caring for Employees' Lives

We paid attention to humane care for employees, strengthened communication with young employees, met their demands from life, emotion, growth and other aspects, paid visits to retired employees and understood employees' actual demand through the workers' congress.

Paying Attention to Occupational Health

We cared for the physical and mental health of employees, provided regular health examination service and paid half-day leave for health examination for employees, arranged nearly 50 health examination items according to the gender and age of employees, and continuously increased and optimised health examination items in view of the factors such as environmental changes and disease incidence. In 2017, the coverage rate of employee health examination and health files was 100% with no occupational accident occurred.

Organising Activities for Employees

We established organisations featuring 4 major ball games (soccer, basketball, badminton and table tennis) and 2 fitness clubs (Jinmao Running Team and Jinmao Jogging Team) and organised 7 holiday activities for employees on Lantern Festival, Women's Day, Children's Day, World Hello Day, etc.



Women's Day ActivityEmployee's Birthday Party


Our Story

Celebrate the "10th Anniversary"

On the occasion of the 10th anniversary of listing in Hong Kong, we carried out the "Four One" series celebration activities to enhance employees' cohesiveness and sense of participation.

- A show: Jinmao people enjoyed a warmly feast
- A cartoon: Jinmao mascot implies the creative spirit and future of Jinmao

- A collection of works: Jinmao people wrote their entrepreneurial stories
- A song: Jinmao people work with one mind and embark on a new journey



The 10th Anniversary Show of China Jinmao

Building a Harmonious Society with Love

We adhered to the mission of "Helping the Poor, Proactively Participating in Charity, Promoting Social Harmony and Development" and saw ourselves as a part of the community. We paid attention to establishing a harmonious, friendly, mutual trust and win-win relationship with communities, maintained good communication with communities, and actively participated in public welfare undertakings to perform CSR. In 2017, we carried out 53 charitable activities and made RMB 15.756 million of charitable donations.

Promoting the Systemic Development of Public Welfare Management

We continued to promote the systematisation of public welfare management and kept improving the public welfare management mechanism by establishing charitable foundations, cooperating with other foundations and building volunteer service teams. We encouraged and supported employees and owners to participate in public volunteer activities and developed a public welfare and charity brand that matches the development concept of the Company.



Focusing on Targeted Poverty Alleviation

We proactively responded to the national call of "Targeted Poverty Alleviation" by giving top priority to targeted and educational poverty alleviation so that public welfare truly played a role and generated value, highlighting the responsibility of a central state-owned enterprise.

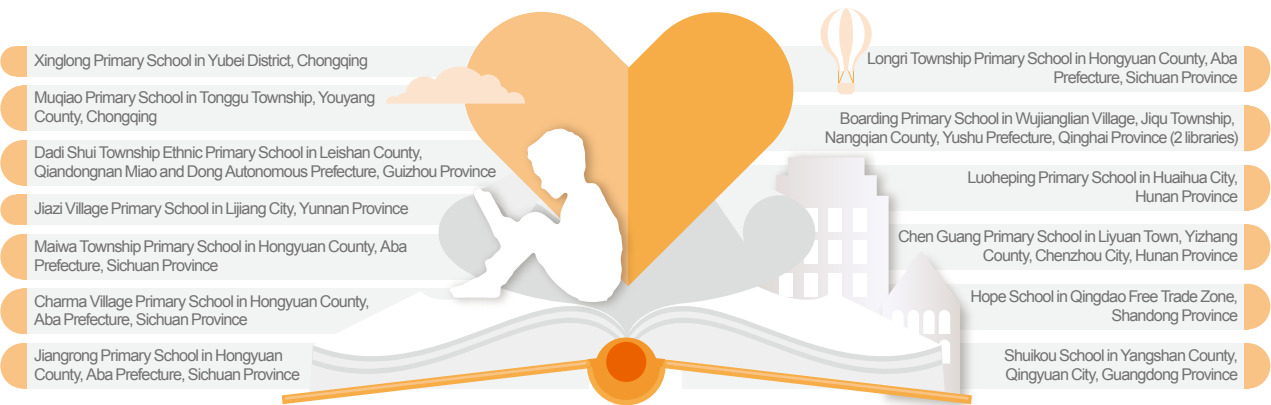
- We carried out "Charitable Activities in Southwest China" series activities in Chongqing, Guizhou, Yunnan and other places to support education development in the deprived areas of Southwest China and care for the healthy development of young children. By the end of 2017, we had invested in and built 14 China Jinmao Mobile Libraries.
- We carried out pertinent educational assistance to Tibet, Qinghai, Inner Mongolia and other places and provided timely donations and assistance to the disaster affected areas, amounting to RMB 6.7661 million.



Our Story

China Jinmao Mobile Libraries

In order to further improve the educational infrastructure and children's reading environment in the poverty stricken areas, we have donated China Jinmao Mobile Libraries in Sichuan, Guizhou, Yunnan, Hunan and other places to improve rural children's extra-curricular reading experience, increase their knowledge and broaden their horizons.



The volunteer team and Jinmao owners of Jinmao Guangzhou visited Shuikou Village, Yangcheng Town, Yangshan County, Qingyuan City and donated China Jinmao Mobile Library and delivered recreational and sports equipment and supplies to teachers and students



Jinmao Chongqing donated China Jinmao Mobile Library as well as clothes and study stationery to Maiwa Primary School in Hongyuan County, Aba Prefecture



China Jinmao Headquarters and Jinmao Beijing donated 2 China Jinmao Mobile Libraries to the old and new campus of the Boarding Primary School in Wujianglian Village, Jiqu Township, Nangqian County, Yushu Prefecture, Qinghai Province

Giving Back to the Community

We actively carried out social welfare activities. For instance, we assisted underprivileged groups and supported educational undertakings. By organising employees to attend social charity activities, we constantly raised employees' awareness of social responsibility.

Our Story

Care for Orphaned and Disabled Children

Jinmao Shanghai and Jinmao Hotel held the "Central State-owned Enterprises Charity Alliance" campaign to care for orphaned and disabled children and organised orphaned and disabled children to visit Jinmao Tower and other city landmarks to pass on the charity forces of Jinmao to the society.



Organised Orphaned and Disabled Children to Visit Jinmao Tower

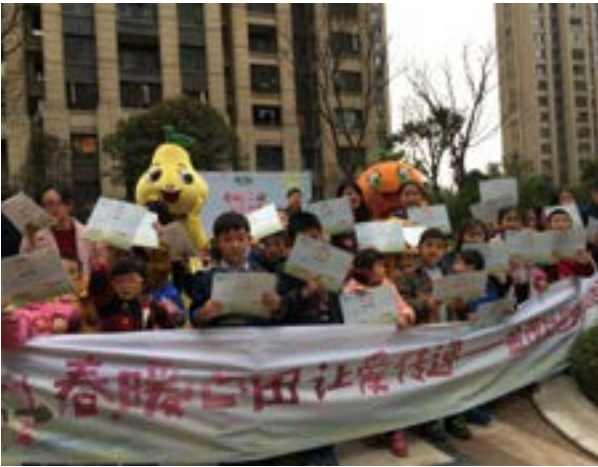
Our Story

Jinmao Community Charity Sale

Our Story

Consolation Activity on the Children's Day

Jinmao Mexi Lake and Jinmao Residence community held the "Pass Love in the Warm Spring" community charity sale to help special children through donations to Changsha Jinmao Public Welfare Education Foundation.



All the Children Participating in the Activity Received "Community Practice Certificate"



Volunteer Consolation Activities

Our Story

Volunteer Service for the Elderly

Jinmao Beijing visited Chuncao Chunhui Nursing Home to provide volunteer service for the elderly. The volunteers communicated and interacted with the elderly and brought joy and warmth to them.



Volunteer Service for the Elderly

Our Story

"9 Letters" Art Show of Changsha Special Education School

The art show themed by "Jinmao • 9 Letters" sponsored by the Changsha Jinmao Public Welfare Education Foundation was held at the Grand Theatre of Meixi Lake International Culture & Art Center. The "Wing Dream" Art Troupe from Changsha Special Education School presented a wonderful art show to the audience to arouse the care and love of the whole society for special groups of people.



"9 Letters" Art Show

Outlook

We will actively transform ourselves into an innovative company under the direction of the "In Science We Trust" core value. We will lead the development of cities with technological means and innovative thinking, continue to explore characteristic social responsibility management model, carry out responsible operation and commit ourselves to sustainable development of economy, environment and society.

Adhering to City Operations and Fulfilling Economic Responsibility

Taking innovation as the direction for thinking and working, we will deepen our endeavour in cities, integrate high-quality industrial resources, enrich industrial import methods, explore smart city models, promote the innovative development of holding and Two-Wing businesses, and unleash sustainable vitality of the Company.

Refining Quality and Practicing Customer Responsibility

With the mission of "Build Quality for Better Life", we will carry out total quality management, pay close attention to risk management and control, and achieve a 3-level leap from quality to character to taste, insist on the orientation of customer service, suit measures to local conditions, build quality habitats and consolidate the "leading quality" core competence.

Paying Attention to Ecology and Environmental Protection and Assuming the Responsibility for Environmental Protection

We will promote the green strategy, raise our ability in green design, construction and operation, popularise green technologies in an all-round way, and further build a green supply chain, take "carbon neutral" as an entry point, promote energy conservation and environmental protection, explore "zero-carbon" operating models, and keep our green strategy in a leading position.

Promoting Humanistic Care and Assuming Social Responsibility

We will regard talents as a core resource, advocate the employee concept of "Co-creation, Sharing and Common Development", listen to employees' opinions and truly understand our employees, promote community development and charity work, actively prepare a nationwide public charity foundation and develop charity brand projects to promote social harmony and development.

Expert Comments

This is the second Sustainable Development Report released by China Jinmao. The report centers on "City Operator" – the strategic positioning of China Jinmao and manifests "Unleashing Future Vitality of the City" performance accountability practice from multiple aspects. I deeply feel the efforts made by China Jinmao to continue to create the harmonious development of people, building and nature.

Paying Attention to Social Frontiers and Systematically Disclosing the Practice of Performance Accountability

The report focuses on social hot issues such as customer communication, service upgrades, green design, green construction, caring for employees and social welfare. In 3 chapters, including "Building Fine Workmanship for High Quality", "Striving to Harmonise with the Nature" and "Cultivating Morality and Benefit for People", the report elaborates the highlights of performance accountability and the business performance of the Company in the economic, environmental, and social sectors in 2017 and actively responds to the concerns of the interested parties. It combines the business features of China Jinmao business and displays the Company's human-oriented brand image with "originality", "consideration", "perseverance", "carefulness", "enthusiasm", "sincerity", "one heart" and "love".

Adopting Various Forms of Expression and Providing a Good Reading Experience

The report integrates China Jinmao's landmark buildings, nature, human and other elements, generating a refreshing and pleasing visual feeling. It not only displays China Jinmao's concept of future vitality of cities but also reflects China Jinmao's pursuit to harmonious coexistence and sustainable development of cities, nature, human and society. In addition, the report is well organised, highlights key performance data and provides many cases. The flexible illustrations, distinct logic diagrams and concise design style make the report more vivid and readable, creating a relaxing and enjoyable reading experience.

I hope China Jinmao will deepen its ambition for city operations, keep in mind its mission of "Build Quality for Better Life", and continuously improve its performance accountability and achieve sustainable development.

President/Chief Editor of China WTO Tribune



ESG Index

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	A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	P34
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	P34
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Not yet counted, has been explained, P34
	A1.5	Description of measures to mitigate emissions and results achieved	P37
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	A2: Use of Resources		P16-P17, P34-P35, P37-P38
	A2.1	Direct and/or indirect total energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (per unit of production volume, per facility)	P34
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	A2.3	Description of energy use efficiency initiatives and results achieved	P17
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	P16
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Not applicable, has explained, P34
	A3: The Environment and Natural Resources		P35-P38
	A3.1	Description of the significant impacts of business activities on the environment and natural resources and the actions taken to manage them	In 2017, the Company's business activities didn't cause significant impact on environment and natural resources
B. Social	Employment and Labor Practices B1: Employment		P46
	B1.1	Total workforce by employment type, age group and geographical region	P46
	B1.2	Employee turnover rate by age group and geographical region	P46
	B2: Health and Safety		P50-P51
	B2.1	Number and rate of work-related fatalities	P51
	B2.2	Lost days due to work injury	P51
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	P50-P51, P53

Aspect		Indicator Description	Pages/ Remarks
B3: Development and Training			P48-P49
B3.1		The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	P48
B3.2		The average training hours completed per employee by gender and employee category	P48
B4: Labor Standards			P46
B4.1		Description of measures to review employment practices to avoid child and forced labor	P46
B4.2		Description of steps taken to eliminate child and forces labor practices when discovered	In 2017, the Company didn't have violations
Operating practices B5: Supply Chain Management			P45
B5.1		Number of suppliers by geographical region	P45
B5.2		Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	P45
B6: Product Liability			P24-P29
B6.1		Percentage of total products sold or shipped subject to recalls for safety and health reasons	In 2017, the Company didn't have this phenomenon
B6.2		Number of products and service related complaints received and how they are dealt with	P29
B6.3		Description of practices relating to observing and protecting intellectual property rights	P8, P36
B6.4		Description of quality assurance process and recall procedures	P26
B6.5		Description of consumer data protection and privacy policies, how they are implemented and monitored	P28
B7: Anti-corruption			P08
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	P08
B7.2		Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	P08
Community B8: Community Investment			P54-P57
B8.1		Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	P54-P57
B8.2		Resources contributed (e.g. money or time) to the focus areas	P54-P57



Assurance Statement of Sustainable Development Report

TUV Asia Pacific Ltd. ('TUV NORD') has been commissioned by the management of China Jinmao Holding Group Limited ('China Jinmao') to carry out an independent assurance of the 2017 Sustainable Development Report ('the Report').

China Jinmao is responsible for the collection, analysis, aggregation and presentation of information within the Report. TUV NORD's responsibility in performing this work (assurance of the report) is in accordance with terms of reference agreed in the scope of engagement with China Jinmao. China Jinmao is the intended users of this statement.

This statement is based on the assumption that the data and information provided in the Report is complete and true. This Report is the fifth comprehensive non-financial report for China Jinmao, and it's the second time for China Jinmao to invite TUV NORD give an independent assurance.

Assurance Scope

- The Report revealed the accuracy and reliability for key performance, information and management system which happened during year 2017.
- Assurance address is in Sinochem Tower, No. A2 Fuxingmen Wai Avenue, Beijing, which is the headquarters of China Jinmao. The subsidiaries and branch company of China Jinmao were not visited, neither the project sites.
- We evaluate the collection, analysis, aggregation of the information and data.
- Due to finance data had been audited by the third party, and published in China Jinmao 2017 Annual Report, So the correctness of the financial data in the Report is not in our assurance scope.

Assurance of the Report was done on 14-15.05.2018.

Assurance Methodology

Assurance process includes the following activities:

- Review the document information provided by China Jinmao;
- Interview the person who collected the report information;
- View the related websites and media reports, verify the data and information through sampling method;
- Refer to CSR requirement of Environment, Social, and Governance Guideline made by SEHK;
- Refer to AA1000AS (2008) Assurance Methodology, and ISO 26000 Social Responsibility Standard.
- Assurance activity is based on TUV NORD CSR report assurance management system.

Assurance Conclusion

China Jinmao 2017 Sustainable Development Report provides an objective view of the performance accountability and progress made during the year 2017.

- Materiality
The company's 2017 Sustainable Development Report reveals the important objective performance in the economic, social and environmental fields of this year, and timely responds to the expectations of investors and other stakeholders;
- Quantitative
In the Report, the key performance of the environment and society is disclosed in a quantified form, which has certain quantification;
- Balance
The Report discloses the case and data such as the complaint number and the customer information disclosure, which has certain balance;



- Consistency
Through sampling verification, the information in the Report is reliable and objective, and TUV NORD does not find systematic or substantive errors.

Suggestion for Improvement

Through assurance and evaluation, we had following improvement suggestion on CSR practice and management:

- For big changes in some key performance data, it is suggested to strengthen the internal data analysis;
- It is suggested to strengthen to trace the major projects and looking back of the past sustainable development report, in order to reflect the sustainability report ;
- It is recommended that the organization infuse its social responsibility impact and requirements into its supply chain, such as subcontractors, and conduct periodic reviews.

Special Statement

This statement excluding:

- The activity outside information reveal;
- The position, idea, faith, object, future developing direction, and promise which stated by China Jinmao.

Statement of Independence and Competence

TUV NORD Group is the world's leader in inspection, testing and verification, operating in more than 70 countries throughout the world and providing services which includes management systems and product certification; quality, environmental, social and ethical auditing and training; environmental; social responsibility and sustainability report assurance.

TUV Asia Pacific Ltd. affirms its independence from China Jinmao and confirms that there is no conflicts of interest with the organization or any of its subsidiaries and stakeholders when performing the assurance of the Report. TUV Asia Pacific Ltd. was not involved in any manner with China Jinmao, when the latter was preparing the Report.

TUV Asia Pacific Ltd.

Team leader: Huangli
Date: 2018.5.23

Authorized person: Song Haining
Date : 2018.5.23

About the Report

This report is the second Sustainable Development Report issued by China Jinmao Holdings Group Limited. The Company has issued 3 corporate social responsibility reports previously. The Report aims to communicate frankly with interested parties on corporate social responsibility concepts, practices and performance.

Duration

January 1 - December 31, 2017, part of the contents is beyond this duration to enhance the comparability of the Report.

Release Cycle

This report is an annual report.

The Scope of the Report

Headquarters and affiliated companies.

Basis of Preparation

This report is prepared with reference to *the Environmental, Social and Governance Reporting Guide*, of Hong Kong Exchanges and Clearing Limited, the *Sustainability Reporting Guidelines* (GRI Standards) of the Global Reporting Initiative, the Chinese National Standard GB/T 36001-2015 *Social Responsibility Report Preparation Guidelines* and so on.

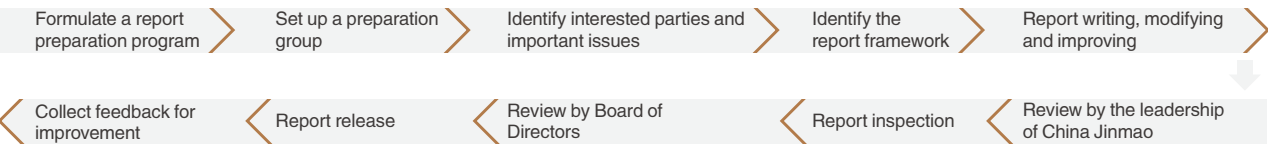
Data Sources

The data used in the Report are sourced from the official documents and statistics of the Company. The Company warrants that there are no false representations, misleading statements or material omissions in this report.

Reference Instruction

In order to facilitate the presentation and reading, "China Jinmao Holdings Group Limited" in the Report is also represented by "China Jinmao" , "the Company" or "We".

Preparation Process



The Report is written in traditional Chinese and English, and released in printed and PDF electronic documents. Please visit the company website www.chinajinmao.cn to obtain the electronic version of the Report.

Reader Feedback

In order to continuously improve the social responsibility work of the Company, we hope to receive your feedback, which will be important basis for our improvement and enhancement. We hope that you will express your valuable comments on this report and our work in your busy schedule.

Your information:

Name:

Company:

Tel:

E-mail:

Your evaluation:

1. What do you think about the report as a whole:

☐ Very good

☐ Good

☐ General

☐ Bad

☐ Very bad

2. What do you think about the information disclosed in the report:

☐ Very abundant

☐ Abundant

☐ General

☐ Less

☐ Much less

3. What do you think about the quality of the information disclosed in the report:

☐ Very high

☐ High

☐ General

☐ Low

☐ Very low

4. What do you think about the layout design in the report:

☐ Very reasonable

☐ Reasonable

☐ General

☐ Bad

☐ Very bad

5. Please put forward your comments on our work of corporate social responsibility and the preparation and release of the sustainable development report here:

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China Jinmao
Official Wechat Account

A SINOCHEN Company