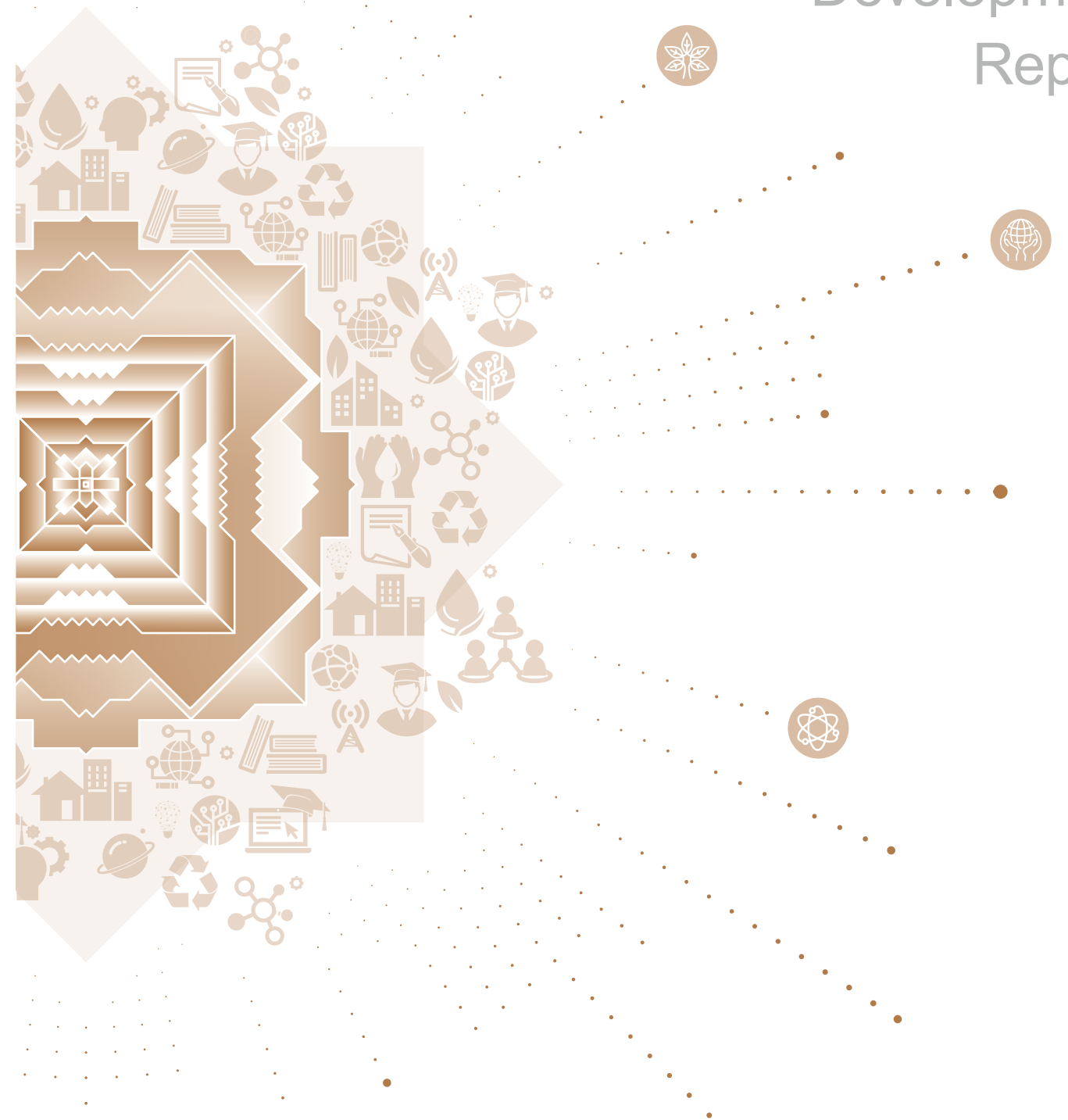


# 2018

# Sustainable Development Report



# Sustainable Development Report



Contents

03	04	05
Message	Figures for Jinmao	Our Honors
06	08	
About Us	Corporate Governance	
12 Special Column on Responsibility: In Science We Trust and Empowering the Future of the City		
20	28	38
<div>Unparalleled Excellence in Luxuriance Products</div> <div>Creating Luxuriance Quality 22</div> <div>Providing Luxuriance Service 24</div>	<div>Ever Green Quality in Harmony between Man and Nature</div> <div>Pushing ahead Green Strategy Together 30</div> <div>Building Green Home Together 32</div> <div>Promoting Green Living Together 36</div>	<div>Nourishing Everything Like Water</div> <div>Cooperating for Development Together 40</div> <div>Training for Growth Together 44</div> <div>Building Prosperity Together 52</div>
56	60	61
Sustainable Development Management	Outlook	Expert Comments
62	64	66
ESG Index	Assurance Statement	Reader Feedback
67		
About the Report		

Message

At present, while the accelerating urbanization is driving the rapid development of China's economy, the cities are facing an increasingly serious ecological crisis. Exploring ways of sustainable development for city development and better satisfying the people's longing for a better life is the goal that China Jinmao repeatedly thinks about and pursues as a city operator. In 2018, adhering to the core value of "In Science We Trust", we endeavored to explore the key of city operations led by smart technology and characterized by green health with a view to maximizing the integrated values of the economy, environment and community and adding vitality to creating a beautiful life.

Deepening City Operations

In 2018, we continued to strengthen our strategic positioning of city operator and established the implementation system of our city operations strategy by upholding the "Two Drivens and Two Upgrades" business philosophy and adhering to the principle of "In City We Gather People and Boost Business". Centering on the three major industry layouts of "big technology, big culture and big health", we facilitated the contract signing for 309 strategic partners and entered into framework cooperation agreements for 26 new city operation projects to effectively promote the results of many city operation projects in an effort to consolidate the positioning of city operator.

Driving Quality Upgrade

In 2018, driven by innovation and upgrade and led by customer demand, we endeavored to optimize the innovation and technology system and promoted Jinmao Palace 2.0 product upgrade from two perspectives namely green health and smart technology. We adopted the "four new technologies" in the course of construction and kicked off the "Rock Campaign 2.0", while strengthening the quality control of various segments of the projects with surveying results setting industry benchmark. Capitalizing on "Jinmao Luxuriance" platform, we endeavored to enhance the customer service management system. The Company's overall customer satisfaction increased for the sixth consecutive year and attained industry benchmark level.

Leading Green Development

In 2018, we persistently stood on to the whole cycle green strategy starting from the three areas namely eco-city, living building and "zero-carbon" operations and integrated the concepts of green strategy into design, procurement, construction and operation. We cumulatively obtained 140 green building labels locally and broad. By working with the municipal government of Nanjing, we kicked off the citizens' green commuting carbon neutral project to explore the possibilities of the brand new "zero-carbon" city operations in China. As the only company being invited to speak at the "China Corner Meeting" of the United Nations Climate Change Conference for 2018 to share our experience in greenhouse gas emission reduction, we strove to make contributions to the low-carbon and green development of the cities.

Contributing to a Harmonious Society

In 2018, we pushed ahead diversified cooperation and promoted resource sharing to facilitate the development of big technology, big culture and big health of the city. In addition to optimizing remuneration benefits, we stepped up our efforts in empowerment and authorization to achieve creation, sharing and growth together with our employees. In active response to the state's call for "Targeted Poverty Alleviation", we endeavored to improve the mechanism of public welfare management, penetrated into poverty alleviation through education and poverty alleviation through industry and explored the model of party building plus public welfare. We organized 60 charity events and made commitments of RMB27.97 million. By taking practical actions to fulfil our responsibilities, we achieved the integration of our enterprise and community development.

Looking ahead, as guided by the core value of "In Science We Trust", we will continue to shoulder our mission and bear in mind our dreams with focus on city operations and innovative development while enhancing our capabilities of obligation performance for a better city environment and better life as part of our efforts to support the sustainable development of the community.

Figures for Jinmao



Economy

RMB	RMB	RMB	HKD
271,638.2 million	38,732.7 million	11,714.7 million	22 cents
Total assets	Operating revenue	Profit before tax	Dividend
14	96.01	84 %	86 %
New cities penetrated	Average score of third-party actual measurement	Customer satisfaction for residential properties	Customer (tenant) satisfaction for retail properties
89 %	99 %	99.87 %	
Customer (shopper) satisfaction for retail properties	Customer satisfaction for office premises	Rate of closed complaints for the development sector	



Community

15,308	100 %	36 hours	RMB 97.9516 million
Total no. of registered suppliers	Signing rate of labor contracts	Hours of training per capita	Safe production input
100,576 person times	RMB 9.484 billion	RMB 27.97 million	
Safety training	Tax payment	Cumulative charitable input	



Environment

140	64	RMB 28.2624 million
Various green building labels cumulatively obtained	Projects implemented in accordance with green building standards	Total environmental investment

Our Honors

Aspect	Time	Prize	Issuer
Economy	2018/3	China Jinmao was honored with "2018 China Top 100 Real Estate Developers by Profitability Top 10", "2018 China Top 100 Real Estate Developers by Robustness Top 10" and "2018 China Outstanding Commercial Real Estate Developers"	Enterprise Research Institute of the Development Research Center of the State Council, Institute of Real Estate Studies of Tsinghua University and China Index Academy
	2018/3	Jinmao Hotel was awarded the "Best Hotel Owners of China"	The Center of Asia Hotel Forum and China Hotel Starlight Awards
	2018/6	Beijing Jinmao Palace was named "2018 Property Service Industry Demonstration Base in China"	China Index Academy
	2018/6	Jinmao Property was titled "2018 China Top 100 Leading Property Management Companies by Service Quality", "2018 China Leading Office Property Management Companies", "2018 China Leading Specialty Property Management Companies – HSE Management System" and "2018 China Top 100 Property Management Companies"	China Index Academy
	2018/6	China Jinmao was ranked among the "15th China Blue Chip Real Estate Developers for 2018"	<i>Economic Observer</i>
	2018/7	China Jinmao was granted "2018 City-Industry Operator Innovation Award"	E-House Corporate Group · CRIC
	2018/9	Jinmao Property was titled "2018 Leading Brand Enterprise of Professionalized Operation of Property Service in China"	China Index Academy
	2018/9	Jinmao Hotel was honored with "2018 Best Hotel Owners of China"	<i>21st Century Business Herald</i>
	2018/9	China Jinmao was awarded "Leading City Operators"	China Real Estate Chamber of Commerce, <i>China Real Estate Business</i> , creb.com.cn and China Real Estate Newspaper Research Institute
	2018/11	China Jinmao was granted "2018 Excellent Performance Award – Best Product Innovation Award"	<i>China Business Journal</i> and National School of Development of Peking University
	2018/12	Jinmao Retail Business was titled "Excellent Commercial Real Estate Enterprise of the Year"	winshang.com
	2018/8	China Jinmao earned the title of "2018 PRC CSR Real Estate Enterprise of the Year"	Organizing Committee of Boao Real Estate Forum
Community	2018/8	China Jinmao was honored with "Social Responsibility Contribution Award of the Year"	<i>China Business Journal</i>
	2018/8	Jinmao Retail Business' Changsha Jinmao Mall of Splendor was granted "Top 10 Outstanding Contribution Award of City Rail Culture"	China Rail Transport Cultural Development Summit
	2018/12	China Jinmao was granted "GoldenBee Excellent CSR Report 2018 · Growing Enterprise" award	<i>China WTO Tribune</i>
	2018/12	Jinmao Green Building was awarded the medal of "2018 National Excellent Energy Storage Power Station Development Unit"	IAC training center under the organizing committee of China Energy Storage Industry Investment Development Forum
Environment	2018/12	Jinmao Green Building was awarded the certificate of "Outstanding Case of Urban Renewal and Existing Buildings Renovation"	Urban Renewal and Existing Buildings Renovation Branch of China Real Estate Chamber of Commerce
	2019/1	China Jinmao was ranked first among the "2018 Top 10 Green Development Competitiveness Enterprises"	<i>China Real Estate Business</i> , China International Real Estate & Architectural Technology Fair and China Green Building Materials Industry Development Alliance
	2019/1	Chang'an Jinmao Palace was honored with CIHAF's 2018 Top 10 Green Projects and "Model of China Green, Healthy and Smart Habitat of the Year"	<i>China Real Estate Business</i> , creb.com.cn and organizing committee of CIHAF

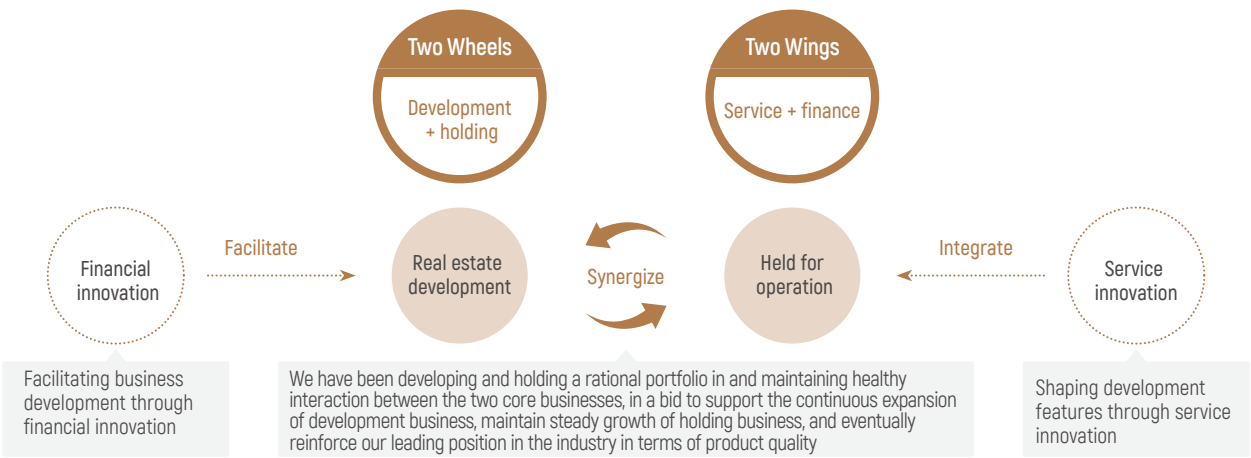




About Us

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. [hereinafter referred to as "Sinochem Group"], 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). Sinochem Group Co., Ltd. is one of the central state-owned enterprise 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 operation model of "Two Drivens and Two 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.



"Two-Wheel and Two-Wing Driven" strategy

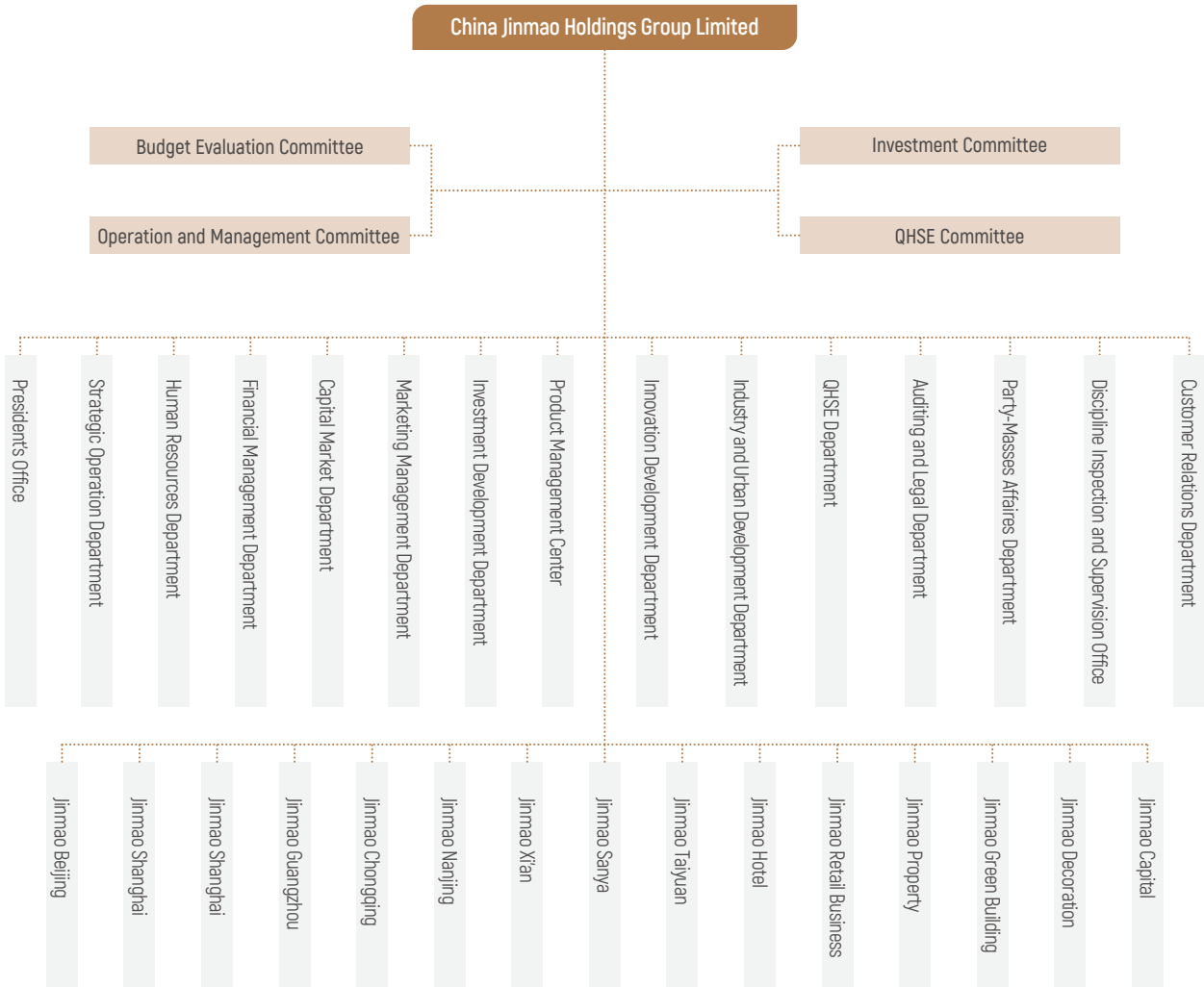


City Operations Model



Definition of City Operations

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. By the end of 2018, the Company has succeeded in entering the markets in 40 core cities and creating the high-end product series under the core brand name "JINMAO". Since 2005, "JINMAO" Brand has been included in the "China's Top 500 Most Valuable Brands" on 14 consecutive occasions. In 2018, "JINMAO" ranked the 194th with the brand value of RMB23.265 billion.



Company Organizational Structure

Corporate Governance

We have established a comprehensive governance structure of listed companies in accordance with the *Company Law of the People's Republic of China* and the regulatory requirements of the Hong Kong Stock Exchange, thoroughly implemented all the code provisions and most of the recommended best practices in the *Code on Corporate Governance Practices* set out in Appendix 14 to the *Listing Rules of the Hong Kong Stock Exchange*, and published the Annual Report and Interim Report to fully reflect the Company's compliance with the *Code on Corporate Governance Practices* as a whole.

We have built a scientific-decision making and business model of mandate management, close connection and professional cooperation for the general meeting, Board of Directors, various professional committees under the Board of Directors. The Board of Directors summarizes on the use of mandate at the end of each year and renew accordingly to improve the corporate governance structure. In 2018, 30 meetings were convened by the Board of Directors and the professional committees under the Board of Directors to consider 330 proposals and 97 written resolutions were approved regarding the Company's material investment and financing transactions, remuneration and incentives, governance of the Board of Directors, information disclosure of listed companies and etc.

Law and Compliance

In strict compliance with the PRC laws and regulations and various regulatory requirements, China Jinmao has built a big surveillance system, formulated a comprehensive set of rules and regulations, published the *Manual of China Jinmao on Information Disclosure and Compliance Management*, carried out audit work covering all business processes and built a sound risk management system and anti-corruption mechanism to facilitate the regulated management of the Company and various subsidiaries.

Supervision and Audit

We organize routine audit, accountability audit and redline audit, strengthen pre-checks on and training of companies established in new cities in connection with the fast-growing conditions of China Jinmao, to prevent and avoid compliance risks associated with new projects and new teams. We strongly promote the implementation of project enquiry on audit, strengthen onsite vertical and in-depth audit and strengthen audit reporting enquiry to enhance the quality of audit work. We step up the training of audit personnel on internal audit knowledge and discussion on audit matters to enhance the overall competency of the audit team. We actively cope with external audit special inspection entities including National Audit Office to coordinate with the filing of information and communication on audit issues identified.

Accelerating the development of audit talent	<ul style="list-style-type: none"><li>We adopted a cross-profession and cross-audit model to overcome barriers of different professions so as to comprehensively enhance the overall audit capabilities</li><li>We endeavored to enhance the professional qualities of audit personnel through internal experience sharing and external audit training</li></ul>
Continuously pushing ahead the routine audit	<ul style="list-style-type: none"><li>Audit subjects cover six major regional companies of the development segment and Jinmao Hotel and the audit contents involve 9 professional areas including procurement, marketing and finance to fundamentally achieve full coverage of key business segments</li></ul>
Strengthening redline audit action	<ul style="list-style-type: none"><li>We carried out comprehensive redline audit of the 5 companies that were newly established during 2017 to achieve full coverage of key business segments</li><li>We carried out audit compliance training on companies in 7 cities and organized audit case sharing to strengthen compliance awareness</li><li>We timely responded to audit issues by means of question list and required the audit subjects to rectify immediately</li></ul>
Strictly regulating the audit procedures	<ul style="list-style-type: none"><li>We have formulated the <i>Manual of China Jinmao on Audit Standards</i> which summarizes 68 areas of concern in relation to audit standardization under 9 professional lines</li><li>We strengthened pre-audit communication and obtained information of the audit subjects to increase the relevance of the audit implementation proposal</li><li>We strengthened the regulation of all the processes in strict accordance with the regulatory requirements of Sinochem Group on audit quality to achieve audit proposal, onsite audit, audit working papers, audit report, rectification and follow-up closed-loop management</li></ul>

Risk Management and Control

We attach great importance to the management of statutory risks, optimize the internal control and risk management systems, formulate the manual on risk management and control and carry out the promotional events on rule of law which give full play to risk prevention and pre-judgment capabilities, thus providing guarantee for the compliant development of the Company. In 2018, all the contracts passed the statutory review. No incident of major risks was identified.

Big data of law dissemination

Organized 110 legal trainings during the year

30 articles in relation to real estate policies and legal practices published on "Law-Ruling Jinmao" column

36 articles in relation to real estate policies and legal practices published by "Franshion Legal Professional"

27 trainings and seminars in relation to investment and compliance held in Beijing, Shanghai, Chongqing, Changsha, Guangzhou and Nanjing



Business Confidentiality

We strengthen the regulation and management of fundamental works including confidentiality and business ethics compliance and promote self-investigation of issues to ensure employee behaviors are legal and compliant. We classify the work of business confidentiality into three levels namely "core, key and confidential", organize business confidentiality classes and dissemination and invite external lecturers to conduct special training to raise the awareness of the employees of the Company on business

Anti-Corruption

We actively practice the principles of anti-corruption advocated by the United Nations Global Compact in accordance with the requirements of Sinochem Group and joined China Enterprise Anti-Fraud Alliance in 2017 in an effort to create a clean business environment. Led by the Company’s Discipline Inspection and Supervision Office, we endeavor to strengthen the overall layout to “grasp the two ends to bring along the middle” and actively implement the strategy of “positive propaganda and education and negative warning” to continuously monitor the intensive operation of the “zero corruption” system so as to create and consolidate a clean and righteous political atmosphere and work environment. In 2018, the Company did not have any incident of corruption.

System enhancement

- Improved the supervision system and published *China Jinmao’s Big Supervision System 1.0*
- Completed the amendments to the system of powers and responsibilities on rolling basis to further regulate the use of powers
- Strengthened the party supervision and managed the synergies of supervision to effectively integrate the supervision efforts with respect to internal inspection, disciplinary supervision, internal audit and etc.
- Improved the confidentiality system of complaint by mail and case proceedings to protect the relevant information of the informants

Strict discipline

- Strictly supervised and seriously investigated the issues of “eating, taking, spending and asking” that took place in the area of project construction
- Implemented strict employment and carried out integrity checks on the proposed key position promotion. 35 person-times were issued a disciplinary inspection letter in 2018
- Insisted on “investigation, punishment for corruption and disciplinary violations”; made use of the “four forms” of supervision and discipline; properly handled the complaints by mail; and stepped up efforts in communication and correspondence to enhance the handling quality and efficiency

Strengthened supervision

- Continued to strengthen the supervision of various levels of management, and implemented the primary responsibility to run the party comprehensively with strict discipline by interviewing with 15 persons-in-charge of the relevant units
- Carried out 5 internal inspections; completed the first round of full coverage inspection; and supervised the performance of duties by various levels of management and members and the implementation of the party accountability system for promoting clean administration, system for democratic centralism as well as honest and efficient governance

Education against corruption

- Widely promoted the requirements of anti-corruption practice including “15 Prohibitions” through watching admonitory videos on educational anti-corruption, group learning, micro-class videos and quizzes
- Provided intensive anti-corruption trainings and talks to frontline employees. In 2018, we organized approximately 400 anti-corruption educational trainings and approximately a total of 190 reminder talks on anti-corruption

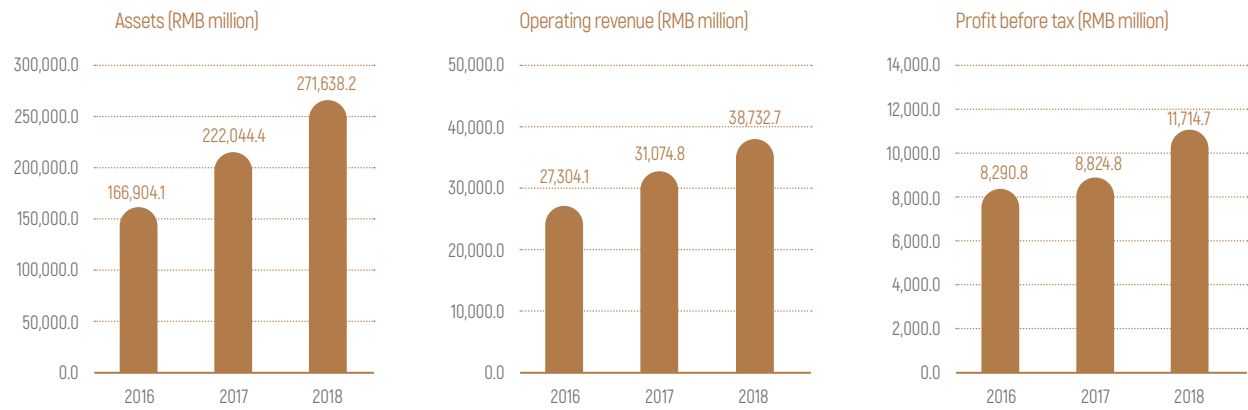
Intellectual Property Rights and Brand Protection

We endeavor to strengthen the management of intellectual property rights in strict compliance with the *Patent Law of the People’s Republic of China*, *Trademark Law of the People’s Republic of China*, *Anti-Unfair Competition Law of the People’s Republic of China* and other laws and regulations. Through patent and copyright application, trademark registration, trademark monitoring, rights protection and counterfeit hunting, we safeguard the intellectual property rights. In 2018, we obtained 52 new utility patents, 6 software copyrights and 2 outlook patents; made some 200 applications for trademark registration; filed 15 trademark disputes; filed 10 applications to those possessing similar trademarks to “revoke usage for three years”; and won 21 lawsuits to protect our trademark rights.

Operational Management

Shareholders’ trust and support are our cornerstone. By focusing on city operations and driving innovation development, we set another record high in operating results and profitability and became Sinochem Group’s first business segment to record profits exceeding the RMB10 billion threshold. In 2018, we entered 14 new cities with newly acquired land reserve of 22.64 sq.m. Primary land reserve was 21.30 million sq.m. and land reserve for secondary development was 41.48 million sq.m.

	2016	2017	2018	Year-on-year growth(%)
Assets (RMB million)	166,904.1	222,044.4	271,638.2	22
Operating revenue (RMB million)	27,304.1	31,074.8	38,732.7	25
Profit before tax (RMB million)	8,290.8	8,824.8	11,714.7	33
Revenue from city and property development (RMB million)	23,593.0	26,869.2	33,734.2	26
Revenue from commercial leasing and retail operations (RMB million)	1,274.5	1,370.0	1,449.8	6
Revenue from hotel operations (RMB million)	1,890.0	2,070.0	2,047.9	-1
Dividend (HK cents)	9.0	18.0	22.0	22
Basic earnings per share (RMB cents)	23.76	37.27	45.28	21



**Information disclosure:** Strengthened communication and exchange with stakeholders including investors and disclosed the updates on investment and operating conditions to domestic and overseas investors in accordance with the laws and regulations to ensure complete, accurate and compliant information disclosure. In 2018, the Company participated in a total of 35 investor meetings at home and abroad, made 106 publications including announcement, circular, interim report and annual report on the Hong Kong Stock Exchange, organized 8 overseas non-deal roadshows on results performance, 8 domestic non-deal roadshows on results performance and one domestic reverse roadshow.

**Innovative financing method:** Further pushed ahead “Zhongxin Scheme” and developed RMB dim sum bonds, perpetual medium-term notes and other financial products to achieve low-cost and multi-channel financing; and implemented the *Administrative Measures on Investment and Financing Matching* to optimize the system of resource allocation.



## SPECIAL COLUMN ON RESPONSIBILITY

In Science We Trust and Empowering the Future of the City



3 GOOD HEALTH AND WELL-BEING



7 AFFORDABLE AND CLEAN ENERGY



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION

“Real estate is also science.”

— NING Gaoning, Chairman of Sinochem Group

Science and technology is the core driver to promote social progress and corporate development. Given the parent Sinochem Group's strategy of “comprehensive transformation into an innovative platform company driven by science and technology”, with respect to the key nodes of transforming into a city operator, China Jinmao continued to explore the area of technology and innovation and endeavored to implement the philosophy of product and service upgrade as well as city development and operations upgrade in adherence to the core value of “In Science We Trust” while actively innovating the management systems, enhancing product technologies and applying smart resources by leveraging technological powers including the Internet, artificial intelligence and big data to push ahead its own innovation and development in an effort to create a green, smart and beautiful future for city life.





# Creating Innovative System

We continue to strengthen the traction of innovation and center on the "Innovation Triangle" to build an innovative system comprising "multi-stage innovation subject, multi-class innovation method and multi-dimensional innovation culture" and to optimize the mechanism to protect innovative development, thus providing guarantee for the upgrade from information to creativity, from creativity to products and from products to commercialization.

## "Innovation Triangle"

- **Multi-stage innovation subject:** Fully mobilize the initiative and enthusiasm of innovation subjects at all levels and gradually clarify the focus of innovation for different subjects.
- **Multi-class innovation method:** Encourage multiple innovation methods based on the characteristics of innovation subjects and push ahead implementation of innovation business through technology R&D, innovation incubation, M&A cooperation, etc.
- **Multi-dimensional innovation culture:** Actively carry out a variety of innovative events to create a culture of "anytime, anywhere, and anybody innovation".



## Three Major Mechanisms

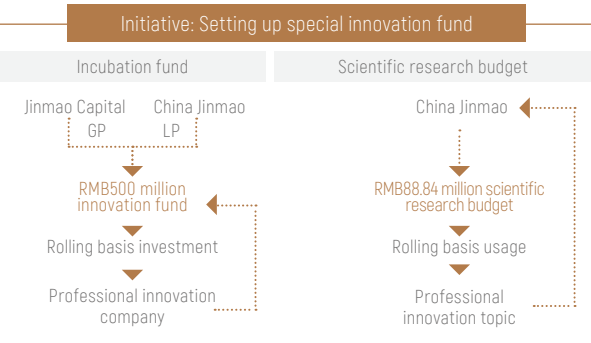
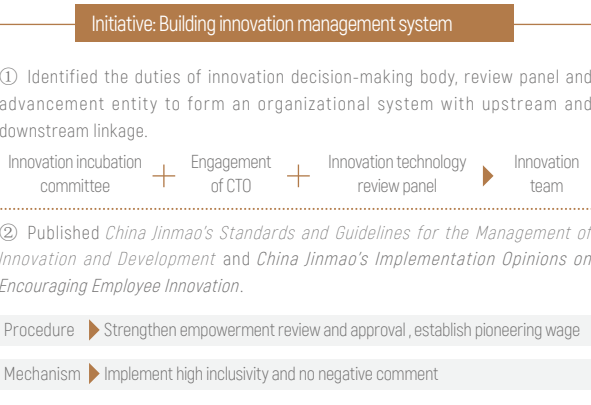
- **Opening up information mechanism:** Accelerate information transmission and transformation through J-IDEA platform, drawing closer everything from demand to innovation, technology to application.



- **Matching funding mechanism:** Establish innovation fund (rolling basis usage) and R&D budget to provide funding support for innovation projects.



- **Rationalizing working mechanism:** Identify the work interface at different phases based on the full cycle management requirements of innovation project to ensure orderly advancement of innovation work.



## Our Story I SEEK, discover the innovations around

We encouraged our employees to use the "Random Snap" function of "J-IDEA" app to upload innovation cases around them. Ninety seven innovation cases and 2,474 "Random Snap" videos were received from various business units. Employees were all inspired to participate in the innovation event and build an information sharing channel.



## Our Story In Science We Trust and Unity in Knowledge and Action – Everybody Reading the Same Book

To practice Sinochem Group's core value of "In Science We Trust" and to build a learning organization, we carried out the book reading event of "Everybody Reading the Same Book - *Haier Transformation: Everyone can be CEO*" to call for everybody to think about the way of development along with innovation together.



## Our Story Think Together and Exchange Ideas on Innovation

We organized China Jinmao's second national invitational debate to gather the thoughts of all employees to think and debate on the innovative development of the enterprise. In the contest that lasted some 90 days, 58 debaters centered around 28 topics in relation to the innovative development strategy of the Company and had an intellectual exchange of ideas to come up with plans for the innovative development of the Company.



Chief tutor spoke at the debate

Promoting IT Development

Capitalizing on the opportunities arising from the “Year of IT Enhancement”, we respond to the strategic call for innovation development and accelerate the platform building and access while promoting the Company's informationized and digital development, which effectively facilitates the innovation upgrade and enhancement of management efficiency of the Company.

**Data access:** Pushed ahead data management and set up a data dictionary at company level to ensure the system data truly reflect the actual operating conditions of our business; and set up a data analysis platform setting out various professional indicators through desktop and mobile devices so that the data “can be seen and used” by various units to carry out analysis and assessment based on the system data.

**Business support:** Centered on the key segments of the Company's property development business to build 9 information system platforms including Operational Management Platform, Sunny and Fair Procurement Platform, Investment Management System and Human Resources Management System; and upgraded 9 existing system platforms including Finance System, Marketing System and Costing System, thus achieved digital management of 18 business areas to enhance the management efficiency of the professional lines and functions.

Our Story Ongoing development of Smart Showcase app

We actively introduced innovative technologies and continued to optimize the development of functions of Smart Showcase app to form a multi-dimensional close loop from online display to marketing, sales support and customer information management, which increased the sales efficiency.



Our Story Introducing City Map Big Data Platform

By introducing the City Map Big Data Platform to our Investment Management System, we can quickly obtain the information on bidding, auction or listing and preview online the reality view surrounding the land parcel to achieve sharing of third-party land data.



Enhancing the Quality of Living

Satisfying customers' needs is Jinmao's pursuit. Adhering to the customer-oriented approach and upholding the “Smart + Green” philosophy, we integrate technological intelligence and green eco-concepts into living to provide a more comfortable and convenient living space for the city people while promoting city upgrade with a view to becoming the pioneer in building a beautiful life in the new era.

Actively Engaging in Product R&D

We focus on existing R&D areas of smart energy, heathy habitat and intelligentization and actively carry out integration of application technologies and development of core products.

Category of product R&D	Smart energy	Healthy habitat	Intelligentization	Total
Project established	7	9	12	28

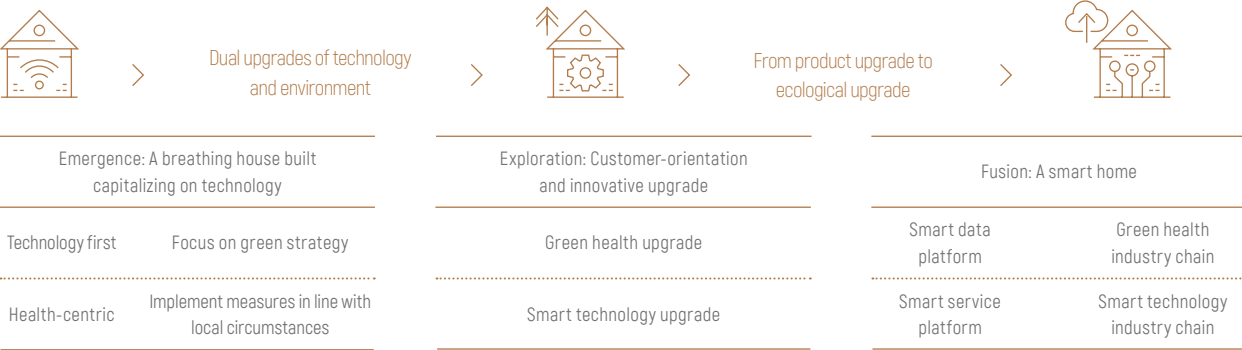
Pushing ahead Patent Application in an Orderly Manner

We endeavor to strengthen our protection over scientific research achievements and push ahead patent application to enhance the Company's core competitiveness.

Type of patent	Utility model patent	Outlook patent	Software copyright	Total
Patent obtained	52	2	6	60

Our Story From technology residence to smart residence

In 2018, we launched Jinmao Palace 2.0 and carried out major upgrade in two areas namely green health and smart technology, taking a great leap forward for Jinmao Palace from technology residence to smart residence. At the launch ceremony of Jinmao Palace 2.0, Mr. LI Congrui, CEO of China Jinmao talked about the force that drove the evolution of Jinmao Palace products – two major technological support platforms and the two major industrial chains’ guarantee.



Jinmao Palace 2.0 launch ceremony



Building Low-Carbon Cities

As the pioneer and leader of green building in China, we persistently draw attention to the city's natural ecology by upholding the green strategy with focus on smart energy. Through the investment, design, construction and operation of whole-process professionalized service, we endeavor to enhance the city's energy utilization rate and reshape the new city's mode of energy utilization with a view to promoting the city's sustainable development with the green gold quality.

Reshaping the City's Mode of Energy Utilization

Targeting at the users' demand for cooling, heating and electricity, we promote the implementation of smart energy storage in city buildings, heating supply by energy storage and peaking of thermal power plants, coal to electricity transformation and other clean heating supply projects to provide comprehensive solutions and whole-process service for city energy from four directions namely the generation, transmission, utilization and storage of energy so as to create good integrated benefits.

In 2018, we focused our efforts in the expansion of regional comprehensive energy and clean heating supply projects in Northern China. As at the end of 2018, we invested in, constructed and operated 35 city or regional energy station projects with cumulative coverage of energy station projects under construction and in operation of 23 million sq.m., providing clean and stable energy service to more than 1 million energy users. It is expected that 100,000 tons of carbon dioxide emission will be reduced each year, translating into the planting of 5,464,500 trees or suspension of use of 36,700 economy sedans for one year<sup>①</sup>.

Note: ① Calculated based on annual absorption of 18.3kg carbon dioxide by a tree and annual emission of 2,721.6kg carbon dioxide by an economy sedan.

Regional energy business	Data center business	Energy storage and peaking business
<ul style="list-style-type: none"><li>• Provide clean regional cooling and heating supply service for cities to facilitate energy saving and emission reduction and to enhance the quality of living of residents in the cities</li><li>• Focus on cooling and heating supply in the Yangtze River region and clean urban heating supply in Northern China</li><li>• Utilize clean energy and renewable energy sources, which are green, safe and reliable</li></ul>	<ul style="list-style-type: none"><li>• Provide data center service with low-energy consumption level (i.e. PUE lower than 1.3)</li><li>• Provide low-energy consumption and efficient data service solutions for operations and general customers</li></ul>	<ul style="list-style-type: none"><li>• Provide multi-scenario energy storage application service by utilizing innovative technology projects</li><li>• Include solutions such as flexible coal-fired peaking, frequency modulation, one-stop storage and charging in buildings as well as one-stop solar energy storage and charging</li><li>• Possess all-round solution capabilities including investment, construction, operation and technology projects</li></ul>

Our Story Jinmao Green Building won the title of "2018 National Excellent Developer of Energy Storage Power Station"

At the 2018 China Energy Storage Industry Investment Development Forum, Jinmao Green Building was titled "2018 National Excellent Developer of Energy Storage Power Station" with Sinochem Tower's energy storage and peak cut project. Sinochem Tower's energy storage and peak cut project made use of the electrochemistry energy storage technology, coupled with Jinmao Green Building's battery management system as part of its technological optimization, the energy storage capacity reached 2MW. This significantly reduced the energy consumption costs of buildings and the peak load level of power grid. Not only did it effectively increase the reliability of electric power distribution system, it also ensured the safe operation of power grid, representing a model project of city building upgrade.



Our Story Qingdao China-Europe Eco New City Energy Station

Our Qingdao China-Europe Eco New City Energy Station under construction will adopt the technology of sewage source heat pump and chiller. Upon commencement of operation, it is expected that 47,500 tons of standard coal, 124,450 tons of carbon dioxide emission, 403.75 tons of sulfur dioxide emission and 351.5 tons of nitrogen oxide emission will be reduced each year.

Exploring the City "Carbon Neutral" Project

Innovatively introducing the "zero-carbon" concept for city operations, we have gradually explored a new path where the government, enterprises and citizens work together to jointly fulfil the responsibilities of building a green and low-carbon city.

- Actively responded to China's first voluntary emission reduction standard – Panda Standard to support Yunnan's bamboo carbon project, representing the first "Panda Standard" transaction

- Chemsunny World Trade Center project successfully sold 1,000 tons of Beijing's carbon emission reduction quota, representing the first carbon transaction in the construction industry of China

- Changsha Meixi Lake International New City became China's first carbon neutral project of city operations
- Led the establishment of "Changsha Meixi Lake Carbon Neutral Alliance" and promoted more than 80 enterprises and institutions within the region to engage in the carbon reduction business

- Leverage on "My Nanjing" app, we made Nanjing the first city in China with city-wide participation in carbon neutrality

Our Story Creating a city with city-wide participation in carbon neutrality

In 2018, China Jinmao quantified the carbon emission reduction of 3.4 million citizens who exercised green commuting in Nanjing using "My Nanjing" app, a smart city platform developed by the government of Nanjing to encourage the public to build the habit of green commuting through a credit incentive system, thus facilitating Nanjing to become the first city in China with city-wide participation in carbon neutrality. The green commuting page of "My Nanjing" app has approximately 30,000 visits per day, adding to more than 10,000 tons of carbon emission reduction per year on average.



"My Nanjing" app green commuting channel V2.0 upgrade ceremony



China Jinmao was granted the "Certificate on Carbon Emission Reduction Transaction"



# UNPARALLELED EXCELLENCE IN LUXURIANCE PRODUCTS

Upholding the philosophy that “Customer’s Demand is Our Pursuit”, China Jinmao promotes the upgrade of products and services by taking a customer demand-oriented approach and driving innovation as support in adherence to the spirit of dedicated and professional craftsmanship to create a more comfortable, diversified and higher standard of quality living space for customers.



## Management of key issues

### Key issues

Exquisite design   High-quality management  
Service enhancement   Customer communication

### Major action strategies

Integrating people-oriented thought and optimizing product design  
Strengthening quality control and guaranteeing product quality  
Building a communication platform to listen to customers' feedbacks  
Responding to customers' needs to drive service innovation

## Core key performance

96.01

Average score of third-party actual measurement

84 %

Customer satisfaction for residential properties

86 %

Customer (tenant) satisfaction for retail properties

89 %

Customer (shopper) satisfaction for retail properties

99 %

Customer satisfaction for office premises

99.87 %

Rate of closed complaints for the development segment



Creating Luxuriance Quality

Our pursuit of quality originates from our dedication to ingenuity. Keeping abreast of the times, we hold on to the high-end positioning and premium quality to create excellence in quality through our products by exquisite craftsmanship and repeated innovation to lead a brand new way of life.

Optimizing Product Standards

Standardization creates long-term value. We endeavor to optimize the product standardization system. In 2018, we issued research papers on 10 topics including the *Administrative Standards on Underground Space Design* and *Guidelines on Standardization of Jinmao Residence Model Area* to facilitate improvement of management levels in areas of design, construction and completion acceptance of the projects, which took a key role in enhancing product design level and ensuring product quality.

Researches			
Item	Topic	Item	Topic
Key topics	<i>Administrative Standards on Underground Space Design</i>	Residential standards	<i>Guidelines on Standardization of Jinmao Residence Model Area</i>
	<i>Standardization of Residential Design Highlights</i>		<i>Standardization of Entrance/Exit of Jinmao Residence Area</i>
	<i>Standards for Design of Low Standard Product Lines</i>		<i>Administrative Guidelines on Design of PC Buildings</i>
	<i>Technological Measures on Technological System Upgrade</i>		<i>Jinmao Residence's Design Evaluation Highlights</i>
Components	<i>Research on Integrated Components for Residential Decorative Insulation</i>	City operations	<i>China Jinmao's Administrative Guidelines on Spatial Planning and Design of City Operations Projects</i>

Optimizing Product Design

Product design is an integral part of the full life cycle of products. Upholding the philosophy of people-oriented design, we endeavor to optimize the living environment, enrich the spiritual and cultural life and create a pleasant and livable experience by taking a customer-oriented approach according to the product positioning of different segments coupled with the local conditions and customs.

Beijing Yizhuang Jinmao Palace

Being the winner of "Outstanding Residential Community – Gold Medal" at the 2018 Tien-yow Jeme Civil Engineering Prize, Beijing Yizhuang Jinmao Palace Project adopts eight state-of-the-art technologies to create a living environment in line with human engineering and implements a professionalized and targeted technological management system to achieve comfort in each corner, each area and each floor of your home.



Hyatt Regency Chongming

Introducing the pet lover concept, Hyatt Regency Chongming has 24 rooms on each floor for guests to check in with their beloved pet in a pet themed guest room which is equipped with a variety of pet supplies and service, thus providing a happy holiday experience for guests and their beloved pet.



Jinmao Green Innovation Center

Jinmao Green Innovation Center innovatively combines the passive ultra-low energy consumption building technology with the "five-constant" technological systems to achieve constant temperature, constant humidity, constant oxygen level, constant cleanliness and constant quietness. While meeting top-tier indoor comfort standards, its energy saving is 60% more than the existing national standards for energy efficient buildings.



Guaranteeing Product Quality

Quality is fundamental to an enterprise's survival and basis foundation. Leverage on the three-stage management model of the headquarters-regional branches-projects for construction quality, we continue to improve the quality control system by implementing the Rock Campaign 2.0 and carrying out events including "Actual Measurement of Projects", "Hammer Action" and "Site Open Day" to supervise the project quality during the process. In 2018, the score for customer satisfaction on quality was 77, representing a year-on-year increase of 6.94%.

Our Story Transparent ingenuity – opening of the real building demo unit of technological processes

China Jinmao's first real building demo unit of technological processes was officially opened in Beijing Yizhuang Jinmao Palace, unreservedly unveiling the intrinsic structures and construction processes that were otherwise invisible in front of the public in a visualized and touchable manner. This showed the Company's core technologies, strict standards and management systems in the area of high-quality residence.

*"We hope to reveal the details that were not accessible by the public before. On the one hand, we hope this will turn supervision into a driving force. On the other hand, we also hope that customers can truly feel the heart of building and at the same time are truly rest assured and can attain peace of mind of their future home."*

—LI Xiaogeng, projects director of China Jinmao, Beijing Yizhuang Project

*"Yizhuang Jinmao Palace reveals the most authentic side to us, thus showing their self-confidence and expressing their enthusiasm towards customer communication and listening to owners' voice, which is hard to come by regardless of the real estate industry or our technology and Internet areas."*

—YANG Yuancheng, co-founder of Shixiang.xin

The average score of third-party actual measurement was

96.01

No complaint in relation to the products and services involving health and safety, advertising and customer privacy that have a material impact was identified



Demo unit of processes on the scene

Enhancing the capabilities of quality control

We endeavor to enhance the quality control system. In addition to organizing trainings, analysis meetings and seminars, we also compile special management system documents to continuously enhance the quality control standard.

- Systematically rationalized the control points and bottlenecks of special projects including elevators, curtain walls, doors and windows as well as compiled and published special management system documents.
- Organized special face-to-face trainings on quality control system to allow the engineering personnel to grasp the quality standards and facilitate the implementation of quality control system.
- Convened project management analysis meetings, formulated rectification measures targeting at quality control issues arisen, and continuously followed up on the subsequent implementation.
- Convened seminars on studying the demo of physical processes and construction methods to strengthen exchange between the regional branches, city branches and projects

Strengthening the special checks on quality

We actively carry out special checks on quality. Capitalizing on three inspection mechanisms namely the quarterly routine quality check, random quality check and delivery assessment, we carry out multi-dimensional and full-coverage quality evaluation to manage the project quality in stages and in a targeted manner such that the quality will be continuously enhanced. In 2018, we completed a total 121 routine checks on projects under construction, 34 random quality checks and 23 delivery assessments, and had 3 assessments on property inspection.

Our Story Carrying out the "Big Competition" of the Rock Campaign

In 2018, we continued to carry out the "Big Competition" of the Rock Campaign which fully mobilized our employees to take the initiative on quality enhancement on a company-wide scale. In the practical test, we innovatively used "Mobile Quality Check" app to determine quality risks, which significantly enhanced the judging efficiency. In addition, there was 46 live streaming to explain to guests so that the audience on live and at home could immediately know the competition dynamics, thus creating a good quality culture.

Promoting the application of mobile and online technologies

We have stepped up efforts to promote the application of mobile and online technologies by upgrading "Mobile Quality Check" app and adding new functions of "Weekly Work Report" and "Actual Measurement Scan" while urging the parties involved in the project construction to use the "Internet+" functions, which generate enormous synergies and discovered quality defects early to minimize the issues identified. In 2018, "Mobile Quality Check" app was promoted to 125 projects or land parcels and more than 34,000 quality checks were carried out.

## Providing Luxuriance Service

Taking a customer-centric approach, we actively respond to the growth trend of customer service innovation and upgrade, and think about the matters from customers' perspective and stance to enhance customer experience by offering diversified services.



### Enhancing Customer Satisfaction

We listen carefully to customers' voice, thoroughly understand customers' needs and respond to customers' expectations. In 2018, according to the statistics published by a third-party investigation agency, China Jinmao's overall customer satisfaction scored 84 points and rose for the sixth consecutive year, meeting the industry's outstanding level. Among which, housing design scored 85 points, landscaping scored 93 points, community planning and amenities scored 85 points and property management service scored 92 points. All of which reached or were close to the industry benchmark level.

### Consolidating fundamental management

We have built a customer relations management system as characterized by China Jinmao's "customer culture as basis, industry benchmark as method, standard implementation as leverage and innovation practice as driver" to continuously enhance customer satisfaction.

Revise and implement *China Jinmao's Manual on Customer Relationship Management* and strictly implement *China Jinmao's 188 Standard Actions on Customer Relationship Management* to regulate the work of customer relationship management.

Enter into letter of responsibility on customer satisfaction to ensure that an accountable person is appointed for each project and each project is implemented properly.

Implement the requirements of the *Management System on Feedbacks to Customer Visual Defects* where 123 defects are reported in 15 projects and feedbacks are made to design team.

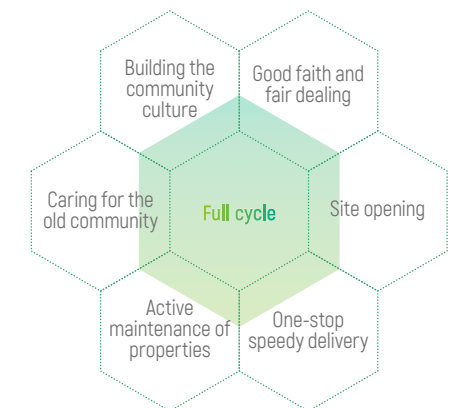
Center around customers' areas of focus from property viewing to checking in and refine the visualized requirements of key process standard actions including onsite service, maintenance service, property management service to enhance customer experience.

Launch events including customer satisfaction report analysis, management system training, special training and "Customer Big Lecture" to enhance our employees' customer service awareness and capabilities.

### Building a communication platform

We endeavor to improve the customer service platform of Jinmao Luxuriance. On the basis of the four major brand services namely "Family and Business Prosperity", "Bring Warmth to Community", "Better Living Planning" and "Brilliance for You", we have additionally set up "J-IDEA" platform targeted to collect owners' ideas and feedbacks, thus forming Jinmao Luxuriance's 4+1 service system. We have also created columns such as "Appointment with Luxuriance Owners" and "Service Role Model" and conducted 208 face-to-face in-depth interviews with owners.

#### 4+1 themed services



#### Tips

#### J-IDEA on Jinmao Luxuriance

To enhance our service capabilities, we have set up J-IDEA segment on Jinmao Luxuriance's customer service platform for gathering customers' innovative ideas and feedbacks. In 2018, we received 750 feedbacks from customers in the areas of smart home, retirement life, product enhancement and service innovation.



Owners of the 3rd Golden Banquet China event shared a classic moment on Zhi Yin Hao

- Organized 21 "I am on duty today" events, inviting 532 participants cumulatively during the year. Among which, 152 participants are management officers of the Company's headquarters and subsidiaries to listen to customers' voice through face-to-face interview.
- Organized the 3rd Golden Banquet China event to provide an interactive platform for owners to exchange views, thus becoming the voice of owners.

### Protecting customers' privacy

We attach great importance to protecting customer's privacy and endeavored to improve the customer service system and customer relations information platform. Necessary customers' particulars are obtained in accordance with the laws and measures such as permission setting and technical protection are taken to protect customers' particulars against divulgement and misappropriation. In 2018, no complaint in relation to divulgement of customers' particulars was identified.

### Handling complaints properly

We have stated customer complaint handling procedures and systems in accordance with *China Jinmao's Working Guidelines on Handling Customer Complaints* to quickly respond to customer complaints. As at the end of 2018, the rate of closed complaints for the development segment was 99.87%.



Unparalleled Excellence  
in Luxuriance Products



Ever Green Quality in Harmony  
between Man and Nature



Nourishing Everything  
Like Water



Driving Service Innovation

We integrate innovative thinking into every subtle area of our service. We respect the lifestyle of each and every customer. Accordingly, we provide personalized service to different types of customers and enable innovation and upgrade become the core element of enhancing customer service experience.

Enhancing customer experience

Organized a range of community and cultural events themed on festivals, charity and convenient activities to the general public during the "Good Neighbor Festival" by centering on the key timing nodes and key customer groups to surprise and inspire our customers. In 2018, we cumulatively organized 164 events, inviting approximately 100,000 participants.

Compiled the *Manual on Refined Management of Office Management Center* to regulate the standards of property management service in office premises; introduced the management model of serviced apartments and implemented micro innovation and extended service to enhance customer experience.



Tea service at the lobby of Beijing Chemsunny World Trade Center



Piano Disk, a US smart piano playing system was introduced and installed at the lobby of West Tower of Beijing Chemsunny World Trade Center



Fourteen convenient services to the general public including charger, reading glasses borrowing and complimentary gift bags at the lobby of Jinmao Tower



Smart customer service and robot vacuum cleaner at Sinochem Tower

Our Story Organizing the 2nd "Wonderful Family" owners' family day

In 2018, the 2nd "Wonderful Family" owners' family day was held, inviting 158 Jinmao families nationwide to Guangzhou Chimelong Safari Park. A "Wonderful Family" micro movie *The Magical Journey of Little White Bears* was produced to call on parents to go home and stay with their kids when they grow up.

*"Today is a fun day at the zoo. I fed the elephants and watched Chimelong International Circus at night. It was amazing. The kids have good memories. Thank Jinmao for giving my kids a happy time in their summer holidays."*  
[Screencap from WeChat Official Account's circle of friends on 22 July]

—An owner of Jinmao Palace



"Wonderful Family" event on the scene



Scan to watch "Wonderful Family" micro movie – *The Magical Journey of Little White Bears*

Providing smart service

We accelerate the innovative integration between customer service and the Internet, endeavor to optimize service flow and provide a "one-stop" solution covering smart property management, transparent property service, community interaction and convenient life for owners so as to create a pleasant living experience for customers.

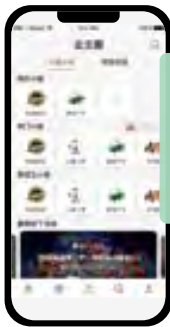
- Enriched the functions of "Jinmao Service Expert" app to achieve entirely online and paperless property inspection and delivery, which not only enhanced working efficiency, but also enhanced customer experience.
- Carried out our own R&D of "Go Home" app to provide smart access control, smart parking, visitor identification, online payment, online appointment service and online shopping, thus providing customers with a digital living experience.



Home page:  
Include property tools,  
activities, promotions,  
property scores



Super housekeeper:  
Chat with designated  
housekeeper for calling  
and repairs in one click

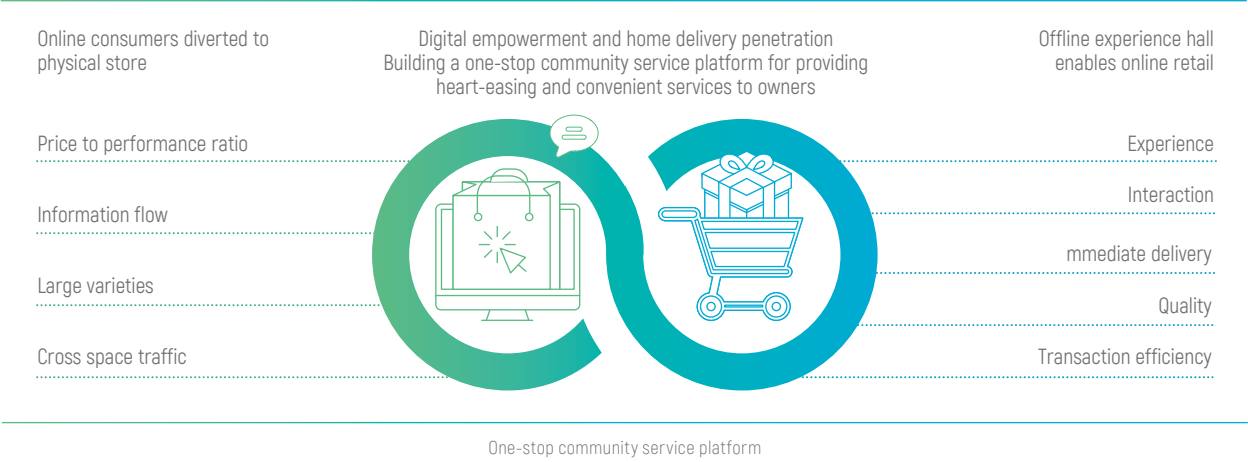


Owners circle:  
Community groups,  
interest groups,  
community events display  
and interaction.

"Go Home" app

Our Story Building a one-stop community service platform

To satisfy customers' needs for convenient life, Jinmao Property built the pilot "Community Convenience Store 1.0" in Wangjing Jinmao Palace as well as simultaneously launched the "Online Good Neighbor Experience Hall" to build a one-stop community service platform for providing heart-easing and convenient services.



# EVER GREEN QUALITY IN HARMONY BETWEEN MAN AND NATURE

Adhering to the strategy of "Ever Green Quality" and the concept of "Green Intelligence", China Jinmao pays attention to the sustainable development of cities and human settlements. We empower our green strategy with intelligence, life with green strategy and integrated humanities, ecological protection and architectural products together to fully discover the harmony between man and nature, man and architecture, as well as architecture and nature, thus contributing green power for city development.



## Management of key issues

### Key issues

Green design   Green construction  
Green operations   Green charity

### Major action strategies

Building an "Ever Green" life and implementing the green strategy  
Promoting green buildings and building green homes  
Disseminating the concept of environmental protection and creating a sound social atmosphere

## Core key performance

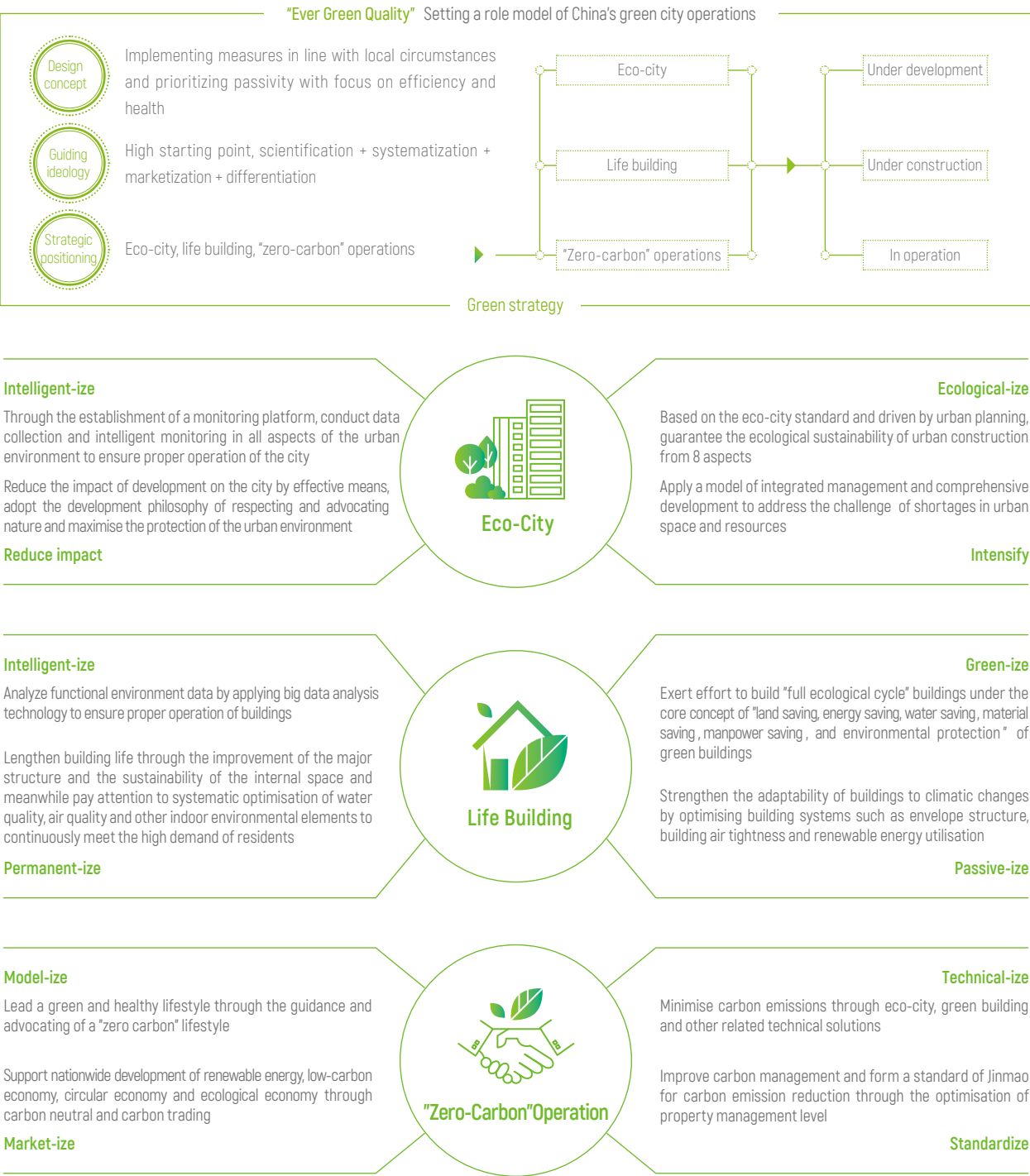
**0.12** ton of standard coal/RMB10,000  
Comprehensive energy consumption per RMB10,000 of production value

**30**  
Green building label certifications cumulatively obtained during the year




Pushing ahead Green Strategy Together

As an explorer for future cities, we stand by the strategic layout of “Ever Green Quality” in the three directions namely eco-city, life building and “zero-carbon” operations. We deepen the concept of eco-friendliness and harmonious symbiosis, and set a role model of China’s green city operations. Indeed, we were ranked first among the “2018 Top 10 Green Development Competitiveness Enterprises” and “Top 10 Most Influential Green Property Developers” published in the 2018 China Green Real Estate Development Report.



Our Story Formulating China Jinmao's Guidelines on Eco-city Development

Following the positioning requirements of the “City Operator” and “Ever Green Quality” strategy, we have formulated *China Jinmao's Guidelines on Eco-city Development* which sets out a number of standards on land utilization, eco-environment and green building with the purpose of building China Jinmao's new model of low-carbon and sustainable development in green eco-cities, while shaping an “eco-city” brand so as to set a role model for the industry.

Index	Content
 Land utilization	Achieve complexity and efficient utilization of land functions mainly through mixed land utilization and underground space development coupled with the development of city open space and ventilation corridors to maximize land efficiency.
 Eco-environment	Achieve effective management of urban water resources and solid waste resources mainly through implementing management measures on urban eco-space including harmless processing of urban garbage and urban landscaping.
 Green building	Encourage high-star rated green buildings, promote application of healthy buildings and promote full-scale development of green buildings in the eco-city to minimize the environmental impacts of the buildings.
 Resources and carbon emissions	Implement energy resource utilization within the region through constructing regional energy stations and building energy consumption monitoring coverage while controlling the intensity of carbon emissions and implementing the overall energy saving and emission reduction efficiency within the region; at the same time provide guidance to the city towards the concept of carbon neutrality to achieve the goal of energy saving and emission reduction in the region.
 Green transportation	Encourage walking and cycling as a means of transportation and create a green transportation environment through building a continuous, safe and accessible slow transportation system.



Building Green Home Together

Placing great emphasis on the development of eco-environment, we integrate the concept of green development into each segment from design, procurement, construction to operation and endeavored to push ahead the deepening and implementation of environment actions by centering around green building to minimize our own energy consumption. In 2018, the Company's business activities had no material impacts on the environment and natural resources.

Indicators	2016	2017	2018
Comprehensive energy consumption (10,000 tons of standard coal ) <sup>①</sup>	1.6217	1.4380	1.4273
Electricity (10,000 kWh) <sup>①</sup>	8,973.45	8,401.15	8,331.91
Natural gas (10,000m³) <sup>①</sup>	390.15	304.89	303.27
Comprehensive energy consumption per RMB10,000 of production value (tons of standard coal/RMB10,000)	0.1321	0.1198	0.12
CO2 emission (tons) <sup>⑤</sup>	Direct emission (scope 1): emission from gasoline consumed by vehicles for office use = 14.96 <sup>②</sup> Indirect energy emission (scope 2): emission from electricity purchased = 214,546.40 <sup>①</sup>	Direct emission (scope 1): emission from gasoline consumed by vehicles for office use = 15.16 <sup>②</sup> Indirect energy emission (scope 2): emission from electricity purchased = 200,863.26 <sup>①</sup>	Direct emission (scope 1): emission from gasoline consumed by vehicles for office use = 11.66 <sup>②</sup> Indirect energy emission (scope 2): emission from electricity purchased = 199,207.80 <sup>①</sup>
Gasoline (tons) <sup>②</sup>	5.80	5.88	4.52
Total water consumption (tons) <sup>①</sup>	866,605	734,504	795,111.4
Unit water consumption (ton/RMB10,000) <sup>①</sup>	31.74	29.38	27.08
Non-hazardous waste emission <sup>③</sup>	-	2,371,828.7	3,396,640
Hazardous waste emission <sup>④</sup>			
Batteries	2,000	2,124	2,499
Ink cartridges	15	37	44
Paint (tons)	0	0	0
Coating (tons)	0	0	0
Fluorescent tubes	1,200	1,717	725
Coating buckets	16	12	14

Notes:

① Covered projects including Beijing Chemsunny World Trade Center, Sinochem Tower, Jin Mao Tower and Nanjing Xuanwu Lake Jinmao Plaza.

② Covered vehicles of the Company's headquarters for office use.

③ Covered Jinmao Hotel. The figures for 2017 exclude Grand Hyatt Shanghai, Lijiang Jinmao Hotel · The Unbound Collection by Hyatt and Jinmao Purelax Mountain Hotel, Lijiang, and the figures for 2018 exclude Jinmao Purelax Mountain Hotel, Lijiang.

④ Covered Beijing Chemsunny World Trade Centre and Sinochem Tower.

⑤ According to the 2016 National Grid baseline emission factor determined by the National Development and Reform Commission's 2016 study, GB/T 2589-2008, General Rules for Energy Consumption Calculation, adjusted the CO2 calculation coefficient and revised the CO2 emission data.

Explanation on the treatment of hazardous wastes

The Company sorts and collects hazardous wastes for processing by competent treatment companies.

Explanation on the total packaging materials used for finished products

Total packaging materials used for finished products (in tons) and (if applicable) with reference to per unit produced are not applicable to the Company.

Green Design

Insisting on the philosophy of “implementing measures in line with local circumstances and prioritizing passivity with focus on efficiency and health”, we devote great efforts to the R&D, application and marketing of more efficient and sophisticated green technologies as well as design more environmentally-friendly and comfortable green products to drive the perfect blending between the buildings and nature.

As at the end of 2018, we cumulatively obtained 140 green building label certifications at home and abroad. It is expected that the reduction in gross greenhouse gas emission during the full life cycle of the buildings will exceed 300,000 tons per year. In 2018, we obtained 30 green building label certifications at home and broad, including 12 China green building labels, 12 BREEAM certifications, 2 LEED certifications, 3 WELL pre-certifications and one 2-star healthy building certification. The total GFA of projects that fulfilled the green label design requirements was 12,202,500 sq.m.

Green design management: With respect to green building projects, we implemented process management from project positioning and post project evaluation to regulate the management of projects. We also compiled the *Assignment for Green Building Design* and *Guidelines on Design of Green Residence* to provide directions to the work of green design.

Green standards compilation: We participated in the compilation of *Green Residence Standards 2.0* , *Near Zero Energy Consumption Technology and Key Technology Research and Development, Application Protocol for PV Building Technology, Technical Standards for Regional Cooling and Heating Supply, Technological Research on Energy Storage and User-Side Energy Storage* and other national or industry standards and topics to provide solutions and recommendations to the industry's development.

Green technology application: Coupled with the local environment and residential needs, we promoted the application of technologies such as ground source heat pump system and 3-stage water purification system in the projects, blending green intelligence into the buildings.

Technological system upgrade: We upgraded the technological systems according to the difference in climate of various regions. For instance, in Northern China, we aimed to enhance the indoor air quality and humidity to create a warm winter and a cool summer; in Eastern China, we prioritized our mission to solve high temperature and reduce air humidity; and in Southern China, we focused on reducing both the temperature and humidity and strengthen the improvement in water quality.

Green product innovation: We carried out technological R&D and innovation in the two major industry segments namely smart energy and building technology to create green and environmentally-friendly products for customers.

Honors: Jinmao Green Innovation Center is the first project of China Jinmao to have received all three of the certifications namely WELL platinum pre-certification, LEED platinum certification and green building 3-star label, and was selected among the public building model projects for “Nearly Zero Energy Consumption Building Technology System and Key Technology Development” under National Key Research and Development Program of China.

Our Story Smart water resources management in Nanjing Qinglong Mountain International Ecological New City

Blending the concept of “Sponge City” in Nanjing Qinglong Mountain International Ecological New City, we comprehensively built a 3D draining system, laid sponge pedestrian sidewalks and sunken green space, and adopted the design of green rooftops, bringing the aesthetic levels and applications of the “Sponge City” to international standards.

- The foundation of the pedestrian sidewalks has three layers with a permeable layer on the top, reservoir layer in the middle and drainage level at the bottom. The drainage level connects to the municipal pipeline network to drain away excess rainwater.
- The sunken green space functions as a temporary reservoir which accumulates rainwater of approximately 10cm in times of rainstorms without causing impacts on the sidewalks.
- The percentage of the vegetation area on the green rooftops accounts for more than 30% of the entire city's hard surface for rainwater collection and reuse.



Green Procurement

We take a proactive approach towards green procurement. In selecting strategic suppliers, we establish a green supply chain database where environmentally-friendly and recyclable raw materials are regarded as prerequisites of procurement.

In the course of procurement, we prioritize the purchase and utilization of environmentally-friendly raw materials, products and services that save energy, water and materials, and encourage suppliers to enhance the environmental management standards so as to create a sustainable supply chain from reducing greenhouse gas emission at source.

Green Construction

As part of our efforts to promote new construction systems during construction, we adopt a green construction system and apply intelligent means to actively build construction sites in line with local green safety standard and national green construction model projects, driving the development of life building towards intelligence, green development, passivity and longevity.

Complying with national laws and regulations

- QHSE Department is responsible for supervising the “Three-Simultaneous” implementation of systems for design, supervision and utilization in strict compliance with the relevant laws and regulations on environmental protection including the *Environmental Protection Law of the People’s Republic of China* to avoid environmental pollution and ecological damages.
- Conducted environmental impact assessment on construction projects and issued a report on environmental impact assessment in strict compliance with the *Environmental Impact Assessment Law of the People’s Republic of China*; analyzed the potential impacts of the projects upon completion on the environment; and formulated policies and measures to tackle pollution.

Stipulating the construction requirements of the Company

- Promulgated the *Administrative Guidelines on Environmental Protection*; strictly implemented the *Guidelines on Dust Control at Construction Sites of Development Projects of China Jinmao* and the *Administrative Guidelines on Environmental Protection at Construction Sites of Development Projects of China Jinmao*; formulated the requirements on dust control at construction sites, noise management, energy saving and materials saving.
- Conducted evaluation on construction projects in accordance with the *Standards on Evaluation of Green Construction Model Projects*.
- Comprehensively formulated classification, measurement and statistical systems for the use of water, electricity and materials at the construction sites.
- Adopted management measures to tackle dust pollution, noise pollution and solid waste pollution that may arise in the course of construction and operation; reduced the emission of general solid wastes including wastewater, waste gases and construction wastes; and reduced the impacts of construction and operation on the environment.

Green Operations

We attach great importance to the efficient utilization of resources and energy, strengthen water resources saving and recycling, and promote the implementation of green office to align economic benefits, social benefits and environmental benefits organically.

Strengthening water resources management

We place great value on water resources saving and utilization. We carry out the work of water resources managements in accordance with *China Jinmao’s Guidelines on the Management of Energy-Saving Work* and *China Jinmao’s Guidelines on the Management of Environmental Protection*, and strengthened recycling of water resources to minimize wastage of water resources.

Implementing energy saving reform

We actively carry out activities for the energy saving reform to increase the energy utilization rate. To accelerate the upgrade and reform of the elevators in the main building of Sinochem Tower, we have actively formulated the proposal on energy saving reform in relation to the lighting in the common area of Beijing Chemsunny World Trade Center, which not only enhances the illumination of energy saving lights but also reduces energy consumption. It is expected that, after the reform, electricity of approximately 71,952 kWh will be saved each year.

Waste management

We actively explore ways to maximize the utilization of waste resources. Non-hazardous wastes and hazardous wastes are sorted and collected before processing by competent treatment companies. While fully exploring the value of waste resources, we endeavor to reduce the impacts of waste disposal on the environment.

Our Story Waste processing in Jinmao Hotel

Jinmao Hotel carried out sorting of the non-hazardous wastes and hazardous wastes before processing to facilitate recycling of resources.

**Non-hazardous wastes:** A garbage recycling zone was designated in each of Grand Hyatt Shanghai and Hyatt Regency Chongming for collection, sorting and keeping of recyclable garbage. During the renovation of The Ritz-Carlton Sanya Yalong Bay, some decoration materials and furniture were polished for reuse, and old electrical appliances and furniture were transported to staff dormitory for their use in order to achieve recycling of resources

	2017	2018
Gross disposal of non-hazardous wastes (kg)	2,371,828.7	3,396,640
Gross disposal of hazardous wastes (kg)	7,119.73	7,137.38

Note: The respective gross amount of non-hazardous wastes and hazardous wastes is provided by various hotels under Jinmao Hotel. Among which, the figures for 2017 exclude Grand Hyatt Shanghai, Lijiang Jinmao Hotel · The Unbound Collection by Hyatt and Jinmao Purelax Mountain Hotel, Lijiang, and the figures for 2018 exclude Jinmao Purelax Mountain Hotel, Lijiang.

**Hazardous wastes:** They were recycled and processed by competent third-party treatment companies. As to construction projects, we strengthened the preliminary inspection of materials and required inspection certifications to eliminate the generation of wastes at source



Promoting green office

We promote green and energy-saving office and enhance employees’ awareness on water saving, paper saving and energy saving in an effort to integrate the concept of green work and green living into each member of Jinmao.

**Water saving:** To strengthen the management of water facilities to reduce leaking and prevent water from running when not in use; and promote the use of water-saving faucets.

**Paper saving:** To encourage a paperless office to reduce the use paper in routine office work; set up and implement the OA system; and promote the intelligent meeting system.

**Energy saving:** To promote the use of energy efficient lights and reasonably reduce the quantity of lights; reduce the electricity consumption of office equipment and energy consumption of standby equipment as well as reduce the electric load of A/C system; and promote switching off lights when not in use to save electricity.



Our Story Jinmao Guangzhou organized the 2nd Energy Saving Themed Event

Jinmao Guangzhou actively engaged in education and publicity of energy saving. In September 2018, the 2nd Energy Saving Themed Event was held to create a corporate culture of diligence and thrift.

- Launched the 2nd Energy Saving Ambassador Contest to select an ambassador who can fully set a role model and provide supervision.
- Designed the cartoon IP mascots of energy saving – “Less Rice Jin” and “Less Paper Jin” to educate the employees to build the good office habits of saving food and recycling of paper.
- Called for employees’ and owners’ participation in “low-carbon family campaign” and unused goods and books donation campaign.



Promoting Green Living Together

We proactively practice environmental protection welfare by sharing our environmental practice and experience around the globe and use practical actions to pass on the concept of environmental protection to everyone around.

Green Communication

We pay attention to the latest updates of the development of green buildings and energy saving in buildings at home and abroad, and actively take part in the relevant meetings for communication to promote the sustainable development of the construction industry.

Green Building Intelligent Development Forum	14th Conference on International Green and Energy-Efficient Building & New Technologies and Products Expo	2018 Beijing-Tianjin-Hebei International Smart City Expo & 2nd Hebei Smart City Expo	24th United Nations Climate Change Conference	5th National Passive Ultra-Low Energy Building Conference
2018/4	2018/4	2018/12	2018/12	2018/12

Our Story Sharing experience at the United Nations Climate Change Conference

China Jinmao, being the only corporate representative invited to speak at the meeting, shared its experience in promoting greenhouse gas emission education at the "China Corner" carbon market side meeting of the 24th United Nations Climate Change Conference.



Green Charity

We continue to organize "Run Green China" public welfare event to raise the public's awareness on environmental protection and call for their joint efforts to build a pleasant, livable, harmonious and civilized home.

Our Story Organizing the "Run Green China Challenge Q5"

On World Earth Day (i.e. 22 April 2018), the "Run Green China Challenge Q5" was held in 25 cities nationwide, inviting more than 10,000 runners to take the challenge in disseminating the values of "an upbeat city featuring good health, vitality and green development".



Beijing station: A thousand people performed Douyin's "Seaweed Dance" to unveil the Run Green China



Tianjin station: Women's volleyball champion winners joined other runners in Tianjin to take the 50,000-step challenge



Lijiang station: Elite runners selected from 25 cities ran together in Lijiang Jinmao Richmond Town



Hangzhou station: Kicked off the Run Green China event with plants



Guangzhou station: Parents and their children together participated in the Run Green China event to send the message of environmental protection

Our Story Planting a seed of green hope to reap the harvest of public welfare

We widely called for support of employees from various branches to participate in the tree planting welfare event to make our city a beautiful place while sending the message of greening the earth.



China Jinmao union's tree planting event



Jinmao Tianjin's tree planting event



Jinmao Changsha's tree planting event



Jinmao Green Building's tree planning event





# NOURISHING EVERYTHING LIKE WATER

Taking a people-oriented approach, China Jinmao integrates its own development with social development to achieve a win-win outcome with partners and share the value with employees in an effort to practice the philosophy of “taking from society and repaying society” so as to contribute to the flourishing development of society.

1NO POVERTY

3GOOD HEALTH AND WELL-BEING

4QUALITY EDUCATION

5GENDER EQUALITY

6CLEAN WATER AND SANITATION

8DECENT WORK AND ECONOMIC GROWTH

10REDUCED INEQUALITIES

11SUSTAINABLE CITIES AND COMMUNITIES

17PARTNERSHIPS FOR THE GOALS

## Management of key issues

### Key issues

Win-win cooperation    Supply chain management  
Caring for employees    Public welfare

### Major action strategies

Gathering industry leaders and promoting resource sharing to facilitate industry development  
Implementing supplier management network to enhance management transparency and fairness  
Respecting employees’ demands and encouraging them to innovate while facilitating employee development  
Combining party building brand and public welfare to expand into welfare projects in different areas

## Core key performance

RMB  
**9.484** billion  
Tax payment

**401,166** hrs  
Total no. of hours of employee training

**60**  
Charitable events

RMB  
**27.97** million  
Charitable commitments



# Cooperating for Development Together

We join hands with leading companies of various sectors domestically and abroad to strengthen resource sharing and jointly push ahead the city's big technology, big culture and big health development to further step up the win-win cooperation on sustainable development.

## Promoting Diversified Cooperation

Drawing on the synergies from Sinochem Group's internal resources, we work with the government, corporates and scientific research institutions and fully capitalize on the strengths of various external parties to strengthen the strategic cooperation relationship and give impetus to the diversification and sharing of cooperation resources. In 2018, we cumulatively entered into cooperation with 309 strategic partners.

### Synergizing internal resources

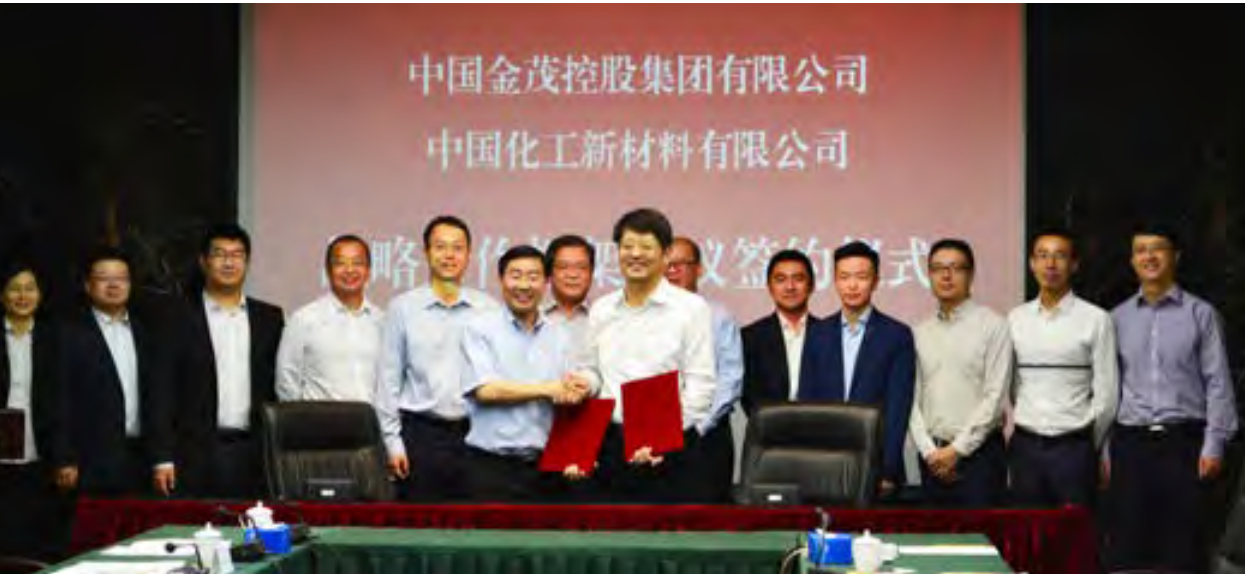
Fully capitalizing on Sinochem Group's internal resources, we actively coordinated with the industrial resources of various departments and built an internal synergistic work mechanism to drive industry-led city development.



Kick-off meeting of Sinochem Group's synergistic cooperation



Conference on cooperation with Sinochem Group's SBU of Agriculture



Strategic cooperation with ChemChina New Material Co. Ltd.

## Integrating external resources

**Government cooperation:** We strengthened the cooperation with government and stressed on our professional city operations capabilities to enable a larger scale of innovative development for the city, thus generating long-term value for the community.



Signing ceremony for Suzhou Zhangjiagang Smart Science City



Signing ceremony for Ningbo Life Science City



Signing ceremony for Qingdao West Coast New Area Innovation and Science City



Signing ceremony for Guangzhou Life Science City



Signing ceremony for Wenzhou Rui'an Eco Science City



Signing ceremony for Qingdao Jimo International New City

**Corporate cooperation:** Bearing in mind "quality" is the foundation, "operation" is the core and "intelligence" is the characteristic, we worked with a number of premium enterprises, while fully capitalizing on the strengths of resources and technologies to create a smart home, smart community and a smart city such that the city would become a living organism filled with intelligence.

Carried out intensive cooperation with iFlytech in shaping the model projects namely "Jinmao-iFlytech Smart City" and "Jinmao-iFlytech Smart Community" to jointly lay out for the artificial intelligence industry.



Signing ceremony for the strategic cooperation agreement with iFlytech

Closely worked with SIMC in the high-tech area to jointly create a city-industry project in line with the national strategies with strong scientific research competitiveness and strong vitality



Signing ceremony for the strategic cooperation agreement with SIMC



Worked with [www.gjyunying.com](http://www.gjyunying.com) to gather quality resources including hospitals, pre-nurseries and cross-border e-commerce to jointly build a maternity and baby service window or demo platform and set an ecological benchmark for maternity and infant health.



Signing ceremony for the agreement with [www.gjyunying.com](http://www.gjyunying.com)

Joined hands with Varian Medical Systems, a US company to jointly push ahead the implementation of precision medicine, medical and health center, genetic testing and proton treatment.



Signing ceremony for the strategic cooperation with Varian Medical Systems

**University-enterprise cooperation:** By introducing innovative contests, we strengthened the industry-university exchange between the Company and various higher education institutions and accelerated the transformation and application of innovative technologies, while seeking opportunities to work with teams with innovative thinking and methodologies to propel a win-win outcome between the enterprise and universities.

**Our Story** "In Science We Trust – Moving forward as we evolve into the future of intelligence" innovation and creativity contest

In December 2018, Jinmao Green Building organized the 4th innovation and creativity contest (for universities) themed "In Science We Trust – Moving forward as we evolve into the future of intelligence" to facilitate production through contests and cultivate an integrated working model based on industry-university research between Jinmao Green Building and higher education institutions, while encouraging cutting-edge and innovative topics as part of its efforts to accelerate the application and transformation of innovative technologies. After a fierce contest, a total of 11 innovative topics from 8 renowned universities were awarded and memoranda of intent were signed to promote the implementation and application of the projects in the future.



Contestant



Judge panel



Memoranda of intent were signed with universities

**Strengthening Supplier Management**

We implement a strict and regulated supplier management system to safeguard the legitimate interest of suppliers and to create an open and fair level-playing field for suppliers.

**Supplier management system:** The *Contract Procurement Management Standards, Strategic Tendering Management Standards, China Jinmao's Administrative Guidelines on Suppliers and Contractors* and other supplier management standards and operational guidelines were promulgated such that suppliers were managed in an orderly manner to avoid procurement disputes.

**Senior management reciprocal visit system:** We have maintained a senior management reciprocal visit system with key suppliers. Through direct communication with senior management of the enterprise, a "green channel" that is highly responsive and efficient to solve the problems has been established.

**Procurement supervision system:** We optimized the procedures of procurement supervision to manage redline auto-alert and smart intercept of unscrupulous suppliers, and made use of the supplier mobile inspection platform to screen quality suppliers.

**Anti-corruption management:** In addition to entering into contracts with suppliers, we have also signed the *Sunny Agreement* to restrain business corruption by law.

**Supplier performance evaluation:** With respect to the performance evaluation of suppliers, we have established a quality supplier incentive system to enhance the sustainability of suppliers. In 2018, the percentage of supplier performance evaluation was 96.78%.

Classification	No. of suppliers registered and managed in 2018
Headquarters	29
Jinmao Beijing	2,949
Jinmao Shanghai	4,457
Jinmao Changsha	991
Jinmao Guangzhou	1,701
Jinmao Chongqing	1,864
Jinmao Nanjing	2,343
Jinmao Xi'an	208
Jinmao Sanya	54
Jinmao Retail Business	298
Jinmao Green Building	174
Jinmao Decoration	240

No. of registered suppliers in different regional branches of China Jinmao

**Our Story** Launch of online Sunny Procurement Platform

We have upgraded the Green Supply Chain Joint Development Platform to Sunny Procurement Platform to achieve online execution and online management throughout the whole process of tendering, procurement and supplier management, thus ensuring fair and just procurement. At the same time, the new platform is paperless throughout the whole process. This helps tenderers reduce the cost of tendering. Information of the tenderers is also secured through the Certificate Authority ("CA") system for enterprises.



Scan to view details of the website of Sunny Procurement Platform

**Our Story** Cooperation extension program between "J-IDEA" platform and strategic partners

In December 2018, "J-IDEA" app platform launched the cooperation extension program themed "Together We Build the Future by Linking Demands" by centering around smart residence, green parts and components as well as new construction materials to accelerate the information flow between the suppliers and China Jinmao. Suppliers may make use of "J-IDEA" app to match demand and display products, thus promoting further cooperation on distinctive technologies.



Scan to view "J-IDEA" app



Training for Growth Together

We place great emphasis on employee development. Adhering to the philosophy of “creation, sharing and growth together” for employee development, we strive to protect employee rights and build a multi-layer and a multi-perspective employee benefits package to ensure employees’ sense of security and health. An employee training and growth system is also in place to enrich employees’ cultural life, thus raising their sense of belonging and happiness.

Safeguarding Employee Interests

We endeavor to perfect the employee management rules and systems to safeguard the legitimate interest of employees while improving the democratic management system to draw attention to and respond to employees’ demands.

Indicators		2016	2017	2018
Labor contract signing rate		100%	100%	100%
Total no. of employees		8,100	9,149	11,095
Gender structure:	Male employees	5,014	5,647	7,034
	Female employees	3,086	3,502	4,061
Age structure	Aged 30 or below	3,365	3,594	4,349
	Aged 31-40	2,940	3,630	4,815
	Aged 41-50	1,343	1,466	1,476
	Aged 51 or above	452	459	455
Academic qualifications structure	Postgraduate or above	607	873	1,376
	Bachelor's degree	2,676	3,536	4,915
	Junior college or below	4,817	4,740	4,804
Percentage of female management		17.2%	15.1%	23%
Employee turnover <sup>①</sup>		10.3%	12.7%	9.7% <sup>②</sup>

Note: ① Covered other segments excluding Jinmao Hotel. For details of Jinmao Hotel's employee turnover, please refer to the 2018 Enviromental, Social and Governance Report of Jinmao Hotel.  
② Specifically, the turnover rate in holding segment, innovation segment, development segment and value-added business segment of the Headquarters was 6.91%, 7.48%, 10.50%, and 9.83% respectively.

Equal employment

In strict compliance with the *Labor Law* and other laws and regulations, our employment principle is primarily based on labor contract employment, supplemented by labor dispatch employment and part-time employment. We respect human rights and uphold the principle of equal employment to treat employees in a fair and just manner regardless of ethnicity, gender, religious belief and cultural background. Child labor or forced labor is strictly prohibited. In 2018, the Company introduced 389 mid-end to high-end talents and had in place 216 reserve talents of key functions and positions.

The *China Jinmao's White Paper on Human Resources* and *Operational Manual on Labor Relations Management* have been published to regulate the Company's system for selecting, employing, training and retaining personnel and the measures to handle labor disputes to further perfect the employment management system.



China Jinmao's White Paper on Human Resources

Democratic management

We continue to improve the labor union's functions and employees' democratic management and democratic supervision systems to safeguard employees' right to know and right to participate. The labor union establishment rate at the Company's headquarters and subsidiaries was 100% and the membership rate was 100%.

We have organized various forms of events for employee communication including CEO Lecture, Face-to-Face Meeting with General Manager and Seminar for Young Employees to listen to the voice of employees and learn their demands.



CEO Lecture



Face-to-Face Meeting with General Manager



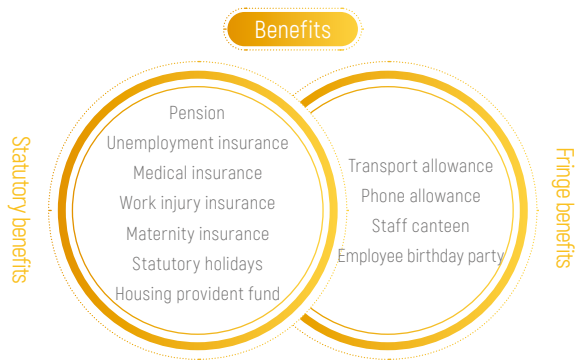
Seminar with Young Employees



Optimizing Remuneration Package

We continue to optimize the remuneration package and insurance system. In addition to timely and full payment of basic social security contributions, we provide reasonable fringe benefits to enhance employees' sense of belonging.

- Strengthening the interaction between remuneration and work performance and build a remuneration system that highlights position value, work performance and aligns with the features of different types of employees to ensure that employees' income increases in line with the improvement in performance of corporate development.
- Providing fringe benefits such as transport allowance, phone allowance, staff canteen and regular birthday party to raise employees' sense of belonging in a comprehensive manner.



Safeguarding Health and Safety

In addition to perfecting the HSE management system, we have optimized the rules of and systems on health and safety to practice felt leadership and implement dual responsibilities for one position while strengthening risk management and seizing contractor management to build a culture of health and safety, thus continuously enhancing Jinmao's health and safety standards.

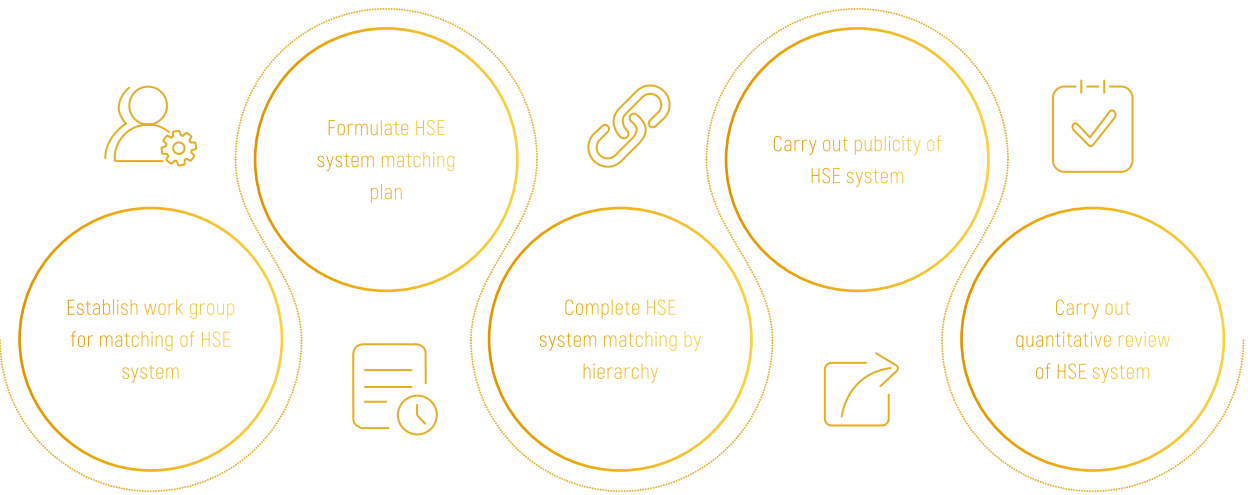
Perfecting HSE management

The HSE management strategy has been formulated which identifies areas of HSE improvement, completes matching of systems by hierarchy, revises the accountability system for different hierarchies and implements safety technology innovation management.

**HSE management system matching:** We completed system matching according to Sinochem Group's requirements, carried out the publicity of HSE management system and organized the 5-star quantitative review of the HSE management system. There were five 4-star companies, three 5-star companies and one 2-star company.



Scan "Jinmao Safety" official account to read more HSE related information

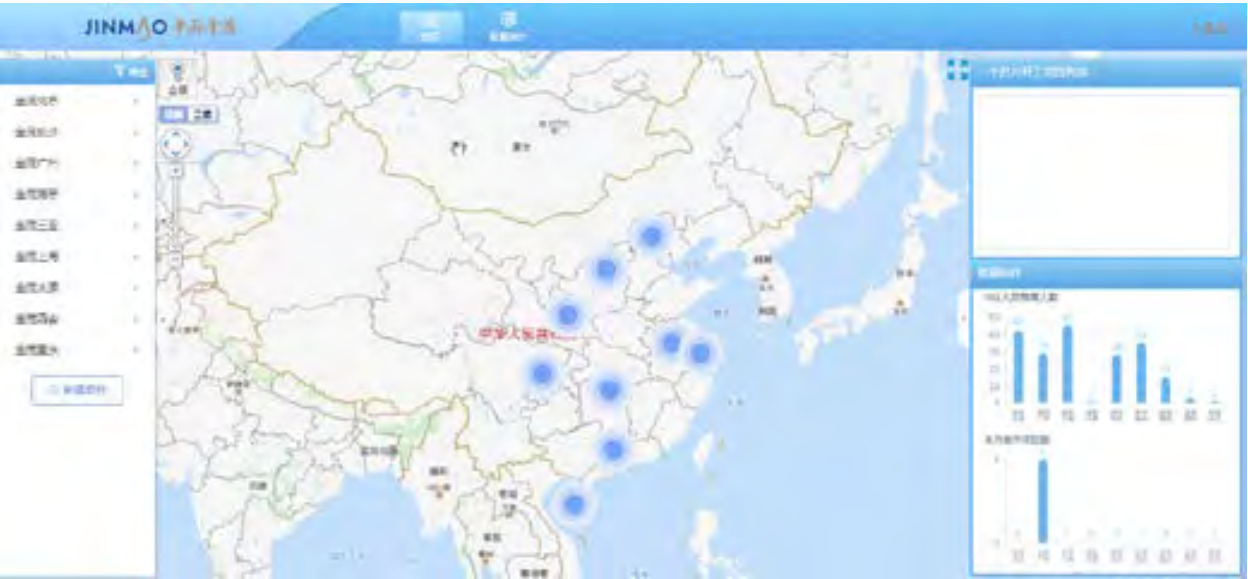


Implementing safety responsibilities

We comprehensively upgrade the production safety management system in four areas namely system, technology, training and inspection to raise the awareness and ability of employees on responsibilities on a company-wide scale.

**Revising the safety accountability system:** We have revised the safety accountability system stating the standards for accountability review, implemented the HSE performance review on the organization and all employees, and promoted the implementation of various safety departments.

**Upgrading the safety management technology:** We have upgraded and optimized "Jinmao Safety" app and developed HSE Management Map. During the year, we cumulatively upgraded 16 versions and introduced new core functions including "Actual Measurements", "One Household Documentation" and "HSE Project Map" to enhance the efficiency and standard of safety management.





**Conducting training on safety skills:** We have set up an internal training team comprising 18 lecturers and developed 55 courses on HSE standards to continuously enhance the knowledge database and case database while building a sound safety training system to continuously enhance the HSE capabilities of all employees. The Company organized 1,266 emergency trainings and 1,173 emergency drills, inviting 58,650 participants cumulatively. We attach great important to enhancing the safety skills of contractors. In 2018, we organized an HSE key member incubation program for contractors, inviting a total of 71 participants; and we organized a total of 3 person-in-charge trainings for contractors, inviting 382 participants cumulatively.

**Our Story** HSE management personnel “New Momentum” training program

We organized the HSE management personnel “New Momentum” training program in 2018 to further raise the awareness and understanding of new joiners of HSE management personnel on China Jinmao’s HSE management requirements to allow them to quickly assimilate into the company and carry out their work. 46 new joiners of HSE management personnel from various business units participated in the training.



Training



**Our Story** Safety speech contest

From May to August 2018, we organized a safety speech contest themed “Safe Development for Life”, inviting contestants from contractors and suppliers in addition to China Jinmao’s employees to jointly explore the way of safe development with a pragmatic attitude in support of Jinmao’s safe development.



Safety speech competition

**Organizing checks on safety hazards:** We have refined the types of hazards according to the industry characteristics and comprehensively rationalized the *Manual on HSE Risks*. While making use of tools such as Position Hazard Check Cards and “Jinmao Safety” app, we also promote these tools to the contractors. In addition, we timely implement positive incentive measures, push ahead the safety hazard checks of new projects and invite active participation by front-line employees. In 2018, a total of 161 checks were carried out; 1,777 issues and hazards were identified; and 358 rectification proposals were made to ensure zero HSE incident.



Onsite check



**Focusing on occupational health**

We have rolled out Jinmao’s “Health Season” event and launched three healthcare major “keys” including the *Health Covenant*, calendar and club passport to care for the physical and mental health of employees and encourage employees to work out on a routine basis. We also provide regular body check and half-day paid leave for body check to employees. In addition to providing basic medical insurance to employees in accordance with the laws, we have set up a comprehensive insurance benefits system to enhance the level of medical protection for employees. In 2018, the employee body check and health documentation coverage was 100%. No occupational health incident was identified. There was no death in line of duty and the rate of death in line of duty was 0%. The number of working days lost due to work injury was 1,757 days<sup>①</sup>.

Note: ① The greater change in data was due to the change in the scope of statistics. The data for 2017 were data of the Company’s headquarters confirmed for work injuries by social security; and the data for 2018 included data of all segments of the Company.



Winter Jogging PK Contest





Helping Employees Grow

We have optimized the training programs and encouraged employees to innovate to help them grow in a comprehensive manner from training system to incentive system.

Skills training

We endeavor to optimize the employee training system in the form of management training programs, professional training programs and multi-talent team training model to enhance the employees' management capabilities and professional capabilities in a targeted manner.

**Professional program training:** In addition to 18 management programs, in 2018, we added 29 professional programs to Jinmao's program training system covering management, marketing, engineering, design and HSE and launched some programs online on the "Jinmao School of Creation" on the OA platform to enable online learning anytime.

**Multi-level training:** We organize Leadership Seminars, special trainings on Navigators and Ark Students to build a multi-layered talent team. In 2018, total number of hours of training taken by employees was 401,166 hours, translating into 36 training hours per capita <sup>①</sup>.

Note: ① Covered other segments excluding Jinmao Hotel. For details of Jinmao Hotel's per capita training hours, please refer to the 2018 Enviromental, Social and Governance Report of Jinmao Hotel.

Navigators

Navigators is a training program of China Jinmao targeting at the enterprise's "leadership talents". By focusing on the reserve pool of leadership talents with higher management potential, we, through targeted identification and nurturing, have created a team of "high readiness navigators" possessing the DNA of Jinmao culture, mastering the requirements of Jinmao operations and meeting the leadership qualities of Jinmao to effectively ensure the implementation of the Company's strategies. Currently, we have trained more than 100 navigators.

Category	Percentage of employees subject to training in 2018	Training hours per capita in 2018 (hours)
Senior management	100%	120
Middle management	100%	110
General employees	57.3%	34

Ark Students

Ark Students program is a special introduction and training program of China Jinmao targeting at fresh graduates with remarkable academic results. Through scientific selection of talents, systematic training and nurturing, accurate review and assessment, well-defined career path and comprehensive system protection, we endeavor to create to a team of high-potential compound talents specializing in specific professions and possessing qualities of innovation and management so as to inherit Jinmao's culture and values. Currently, we have trained more than 300 ark students.

Category	Headquarters	Beijing	Shanghai	Guangzhou
Total no. of training hours	27,530	41,374	41,356	64,727

Category	Chongqing	Nanjing	Development segment	Others
Total no. of training hours	28,870	63,648	19,571	66,010

Career development

We continue to strengthen the comprehensive promotion, evaluation and appointment system, expand channels for career development and nurture talent teams with innovation and boldness.

Reform on promotion, evaluation and appointment

We designated the authority of appointment and dismissal of general manager of city companies and general manager of projects and the authority of evaluation and appointment of P4 level personnel to each business unit to increase the flexibility of employee promotion, evaluation and appointment.

Mobilizing employee growth and innovation.

We stimulated employees' innovation through organizing events such as innovation-themed debates and innovation seminars.



Innovation seminar

Caring for Employees' Happiness

We have organized a myriad of leisure activities and set up different interest groups to inject vitality to the work environment and facilitate the building of a more harmonious relationship among the employees to strengthen cohesion.

Cultural development

We have stepped up efforts to publicize the core values of our corporate culture. During the year, various branches of the Company carried out 95 trainings on corporate culture, inviting more than 5,600 participants.

On top of existing channels including "Staff Corner" corporate cultural wall, internal circulations, OA updates and Party World, we have built a publicity matrix featuring "one book, one issue, two publications and two walls" and launched the essay competition themed "Jinmao Story · Build Quality for Better Life" to proactively promote positive power and spread the good voice.



Scan "Jinmao Culture" WeChat official account to learn more details

Caring for employees

We persistently optimize the mechanism to provide assistance to employees in distress to express the Company's care to every employee. We organize a range of cultural and sports activities which not only enrich the spare time life of employees, but also inject vitality to employees.

**Providing assistance to employees in distress:** We have improved the mechanism to provide assistance to employees in distress and increased the commitments in this regard. Both the employees and their close family members, if diagnosed with critical illness, may obtain assistance from the Company.



Organizing a donation event for employees in distress

**Caring for the living of employees:** We regularly extend our regards to front-line employees and organize meetings to thank their family members to help employees to maintain work-life balance and enhance employees' index of happiness.



Extending regards to front-line employees

**Organizing employee activities:** In 2018, the headquarters organized 291 group activities and 32 events for festivals including Women's Day, Children's Day, Lantern Festival and World Hello Day.



Jinmao Property organized a badminton match



"Yizhuang Jinmao Palace Cup" Soccer Match



Jinmao Commercial June 1 Family Event



Birthday party for employees

Building Prosperity Together

Unwaveringly upholding the mission of "alleviating poverty, actively participating in charity and building a harmonious community", we fully fulfil the social responsibilities as a central enterprise and carry out comprehensive public welfare work including targeted poverty alleviation and charitable donation. In 2018, we organized 60 public welfare events and made commitments of RMB27.97 million.

Optimizing Public Welfare Management

We optimize the mechanism of public welfare management, form volunteer service teams, set up charity foundations and join hands with public welfare organizations to gradually shape a sustainable public welfare management system that is led by the Company and organized by various regions with synergies from partnership and company-wide participation.



Pushing ahead Targeted Poverty Alleviation

We effectively follow the state's policy on "Targeted Poverty Alleviation" with focus on poverty alleviation through education and poverty alleviation through industry and join hands with various charitable bodies to launch a myriad of poverty alleviation activities. As at the end of 2018, 4 regions were cumulatively benefited from poverty alleviation with commitments injected of more than RMB400,000.

Poverty alleviation through education

General Secretary Xi Jinping stressed for a number of times that "education is key to poverty alleviation". We remain committed to the education development and continue to elaborate on improving the education environment in the deprived areas. On the basis of "Mobile Library" project, we have made donations and sent education supplies to the students in the deprived areas, and carried out exchanges with students to provide materials and spiritual assistance to them.

Our Story

Renaissance Beijing Wangfujing Hotel showing their care by making donations to schools

In July 2018, in response to the call for "staying true to the mission of targeted poverty alleviation", the party branch of Renaissance Beijing Wangfujing Hotel delivered school supplies to Hong Ge Leng Primary School in Jiulian Town, Wuyuan County, Shijiazhuang City, Hebei Province and encouraged the students to study hard and broaden their horizon to repay their parents and the society in the future with outstanding results.



Our Story

Jinmao Hangzhou carried out education subsidy activities

In September 2018, the party branch of Jinmao Hangzhou organized the pairing education subsidy program themed "Showing an ardent heart towards the party by making donations and providing education subsidies" and provided assistance to 35 primary and secondary school students in poverty to help them build "self-confidence, self-improvement and self-reliance" and pass the message of love.





Poverty alleviation through industry

We care about the living of the producers in the deprived areas and avoid one-off donation of money and facilities. Through planning and improving the local infrastructure facilities and conducting production training, long-term benefits will be generated to the people in the deprived areas.

Our Story

Building a "new mobile training station for farmers and herdsmen"

We set up 3 "new mobile training station for farmers and herdsmen" in Ar Horqin Banner to conduct trainings on competency and modern living of farmers and herdsmen, key technologies for development of modern beef cattle industry, practical technologies for prevention and control of animal diseases, new mode of beef cattle breeding and application technological exchange to enhance the professional technological level of farmers and herdsmen.



Training base of "new mobile training station for farmers and herdsmen"

Our Story

Participating the development of niche town at the border of Gamba County, Tibet

In November 2018, we designated the relevant professionals of design planning together with Sinochem Group's work group to carry out on-site research at Aiding Tibet Village and the *Proposal on Jirucun Village Planning* was formulated.



## Carrying out Public Welfare Activities

In addition to actively providing assistance to the underprivileged and integrating public welfare and party building work, we carry out a variety of public welfare activities to show our care and concern for the community.

We integrated party building brand and public welfare and deepened the extended service functions of party building brand to strengthen the influence of public welfare.



Jinmao Nanjing "Golden Engine" pioneer team visited Delingha, Qinghai to provide support



Jinmao Shanghai launched the party building public welfare brand

We sent volunteers to visit the elderly homes during festive seasons where they could get up close to the elderly and interact with them by sending them materials and spiritual care.



Jinmao Jinan organized the elderly care event during Mid-Autumn Festival



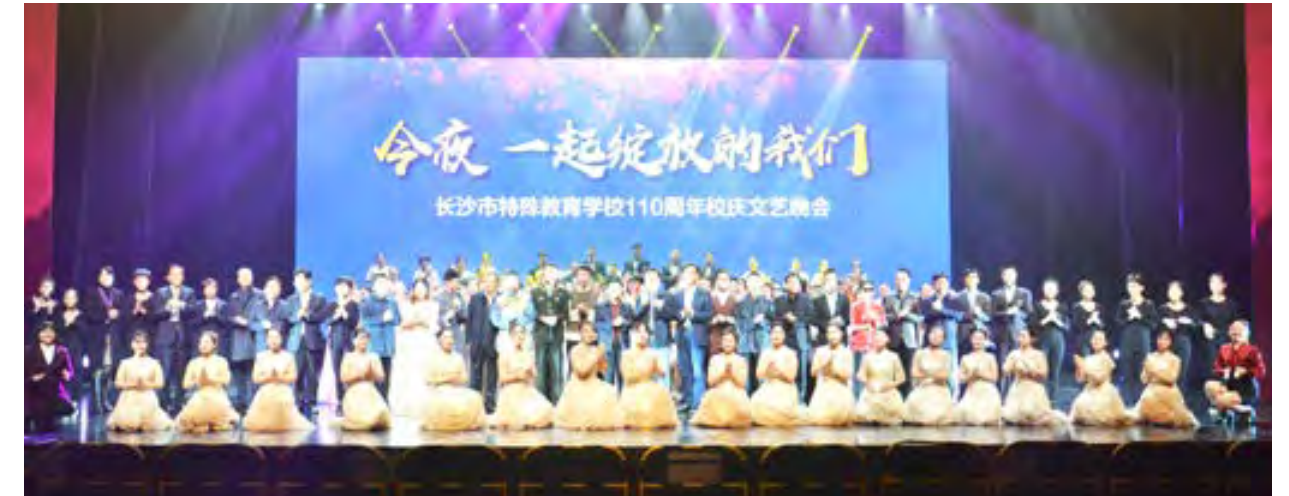
Jinmao Suzhou organized a visit to the elderly home during Mid-Autumn Festival



Hyatt Regency Chongming organized a mooncake giveaway community event

Jinmao Wuxi's volunteers provided volunteer service for the community variety show

Qingdao Jinmao Harbour Shopping Mall organized "Jinmao Harbor Cup" badminton league for primary and secondary school students



We assisted in the performance of variety show at the 110th Anniversary of Changsha Special School

We organized volunteer service teams to care for the community and support cultural development of the community to promote community development.

We organized a number of charitable sports events to support the dream towards sports.



# Sustainable Development Management

Adhering to the vision of "Unleashing Future Vitality of the City", China Jinmao has formulated *China Jinmao's Administrative Guidelines on Social Responsibilities* and published *China Jinmao's Practical Matrix on Social Responsibilities Management* to state the Company's assignment of responsibilities, policy requirements and other system arrangements to promote sustainable development. It also integrates the concept of sustainable development into the Company's strategies, daily management and business operations and integrates the same into the value pursuit and position responsibilities of employees to create a harmonious and win-win relationship as well as value sharing with the employees, community and the environment.

## Organizational System

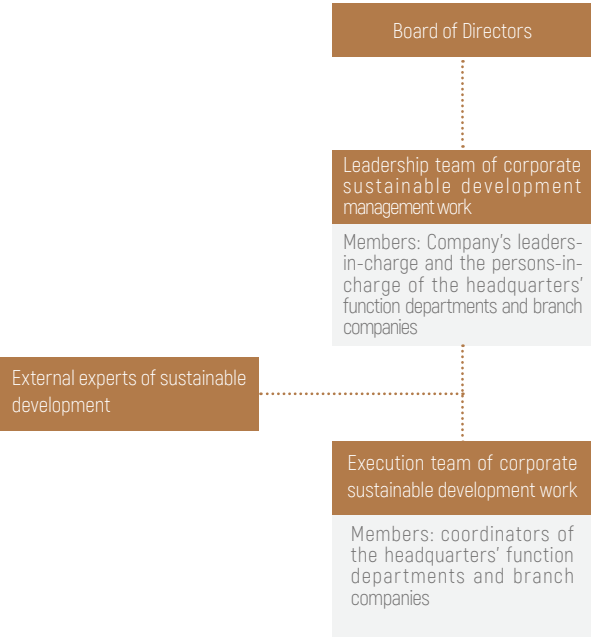
In accordance with *China Jinmao's Administrative Guidelines on Social Responsibilities*, we endeavor to optimize the management of sustainable development and have gradually built a sound organizational sustainable development management work system with clear assignment of responsibilities and linkage from top to bottom to secure the effective advancement and implementation of sustainable development work.

The Board of Directors is the highest decision-making body of the Company's sustainable development work responsible for reviewing the risks and opportunities of sustainable development, confirming the structure and strategies of sustainable development management and reviewing the sustainable development report.

The leadership team of corporate sustainable development management work comprises the Company's leaders-in-charge and the persons-in-charge of the headquarters' function departments and branch companies. It is responsible for coordinating and implementing the sustainable management strategy confirmed by the Board of Directors, assessing the risks and opportunities of sustainable development, confirming members of the execution team of sustainable development work, examining and approving the materiality of sustainable development issues and reporting to the Board of Directors on material matters in relation to sustainable development.

The execution team of corporate sustainable development work is led by the President's Office and comprises the coordinators of the headquarters' function departments and branch companies. It is responsible for identifying the risks and opportunities of sustainable development, promoting the implementation and improvement of sustainable development work plans, organizing sustainable development related training, analyzing the materiality of sustainable development issues, collating related materials and compiling the annual sustainable development report, etc.

The Company conducts regular communication with external experts of sustainable development to learn about the latest trends, opportunities and challenges of sustainable development and listen to their recommendations on sustainable development work to continuously improve the related work.



Structure of sustainable development management

## Strategies and Plans

Under the *China Jinmao's Administrative Guidelines on Social Responsibilities*, taking into account the requests of major stakeholders including shareholders, customers, environment, employees, partners and community, coupled with China Jinmao's own business characteristics, we have comprehensively assessed the Company's potential risk factors and determined the following strategies and plans for the management of sustainable development.

**Creating value with shareholders:** China Jinmao has established sound investors' relations, strengthened the system to safeguard shareholders' interest and operated business in adherence to business ethics and in compliance with the laws and regulations while strengthening risk management and insisting on innovative development to maximize the returns to shareholders with sustainable operating results.

**Sharing quality with customers:** Committed to the mission of "Build Quality for Better Life", China Jinmao unwaveringly executes its undertaking towards each customer to provide customers with more diversified and comprehensive products and services in an effort to achieve the dream of future habitat and city.

**Co-depending with the environment:** Taking the green strategy as one of the Company's key strategies, China Jinmao continues to upgrade three areas namely "eco-city", "life building" and "zero-carbon operations" to build the "Ever Green" living model covering the whole process from design, construction to operation with a view to establishing itself as the model of city green operator in China.

**Progressing together with employees:** China Jinmao regards employees as the Company's most valuable asset and respects their rights while ensuring their safety and health, creating a fair and open environment for employees and providing them with comprehensive career development channels and broad development potential for their growth in an effort to achieve enhancement in both corporate value and employee value.

**Achieving win-win results with partners:** In pursuit of achieving win-win results with partners, China Jinmao takes a righteous and credible stance as the foundation of business and strives to achieve mutual benefits and win-win results through cooperation while safeguarding an open level-playing field in an effort to build a win-win chain of sustainable development responsibilities.

**Building harmony with the community:** As part of the community, China Jinmao actively participates in community development and contributes to the public welfare industry by upholding the corporate development philosophy of "taking from society and repaying society" to contribute to the building of a harmonious community.












Responsibility Communication

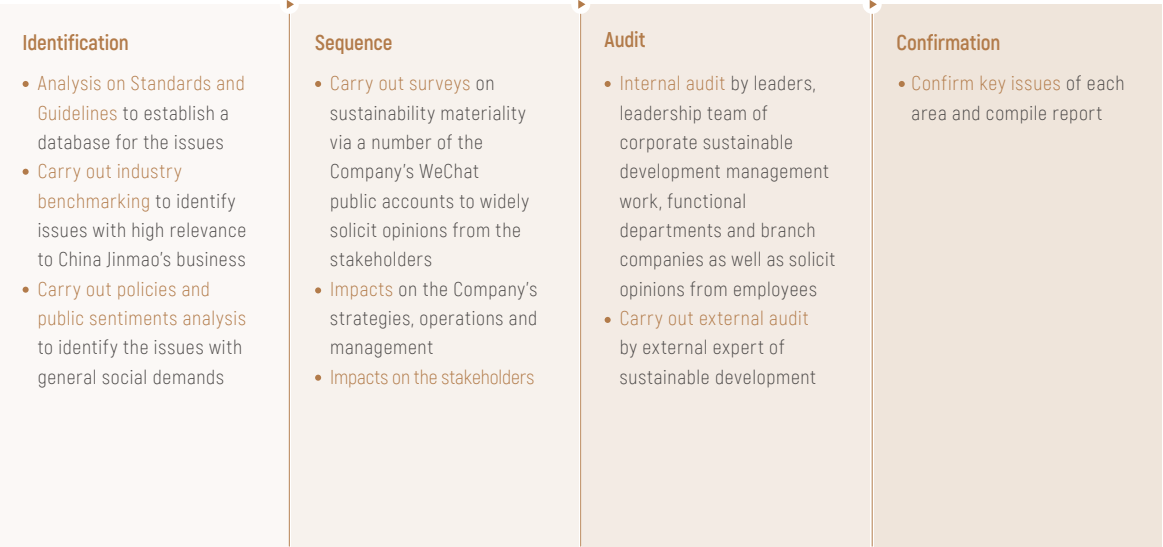
China Jinmao strengthens the communication with stakeholders. Through a range of communication channels and means of communication, China Jinmao timely grasps and responds to the expectations and demands of stakeholders which helps consolidate the foundation of growth between the Company and stakeholders.

Expectations and demands of stakeholders

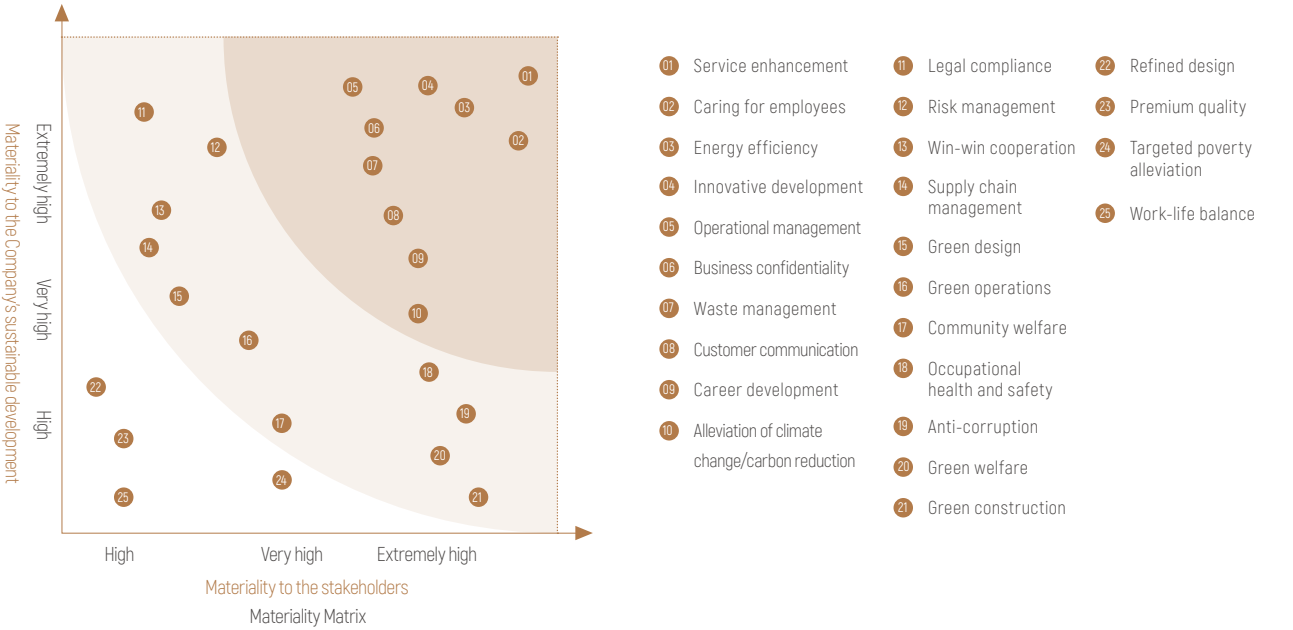
Stakeholders	Expectations and demands	Communication and actions
 <b>Government/Regulatory authorities</b>	<ul style="list-style-type: none"><li>• Comply with laws and regulations</li><li>• Pay tax in accordance with the laws</li><li>• Facilitate regional economic development</li></ul>	<ul style="list-style-type: none"><li>• Integrity management</li><li>• Project cooperation</li><li>• Strategic cooperation</li></ul>
 <b>Shareholders</b>	<ul style="list-style-type: none"><li>• Increase profitability</li><li>• Improve corporate governance structure</li><li>• Perform information disclosure obligations</li><li>• Ensure the principal and value appreciation of state-owned assets</li></ul>	<ul style="list-style-type: none"><li>• Hold general meetings</li><li>• Issue reports on a regular basis</li><li>• Telephone interview</li><li>• Roadshow/Reverse roadshow</li></ul>
 <b>Customers</b>	<ul style="list-style-type: none"><li>• Performance in good faith</li><li>• Transparent information</li><li>• High-quality products/services</li><li>• Satisfy diversified and personalized</li></ul>	<ul style="list-style-type: none"><li>• Performance of contract</li><li>• Jinmao Luxuriance</li><li>• Suggestions and feedback</li><li>• Unified national customer service hotline</li></ul>
 <b>Partners/Suppliers/Industry</b>	<ul style="list-style-type: none"><li>• Fair competition</li><li>• Promote progress of industry technologies</li><li>• Extend industry chain and expand industrial service</li></ul>	<ul style="list-style-type: none"><li>• Participate in industry development forums</li><li>• Participate in the compilation of industrial standards</li><li>• Semi-annual and annual performance appraisal of suppliers</li></ul>
 <b>Employees</b>	<ul style="list-style-type: none"><li>• Protection of interest</li><li>• Career development and training</li><li>• Health and safety</li><li>• Humanistic care</li></ul>	<ul style="list-style-type: none"><li>• Construction of labor union</li><li>• Educational training</li><li>• Labor protection</li><li>• Recreational and sports activities</li></ul>
 <b>Environment</b>	<ul style="list-style-type: none"><li>• Develop green building</li><li>• Energy saving and emission reduction</li><li>• Disseminate a healthy and green style of living</li></ul>	<ul style="list-style-type: none"><li>• Promote green strategy</li><li>• Green construction</li><li>• Practice environment protection welfare</li></ul>
 <b>Public/Community</b>	<ul style="list-style-type: none"><li>• Community engagement</li><li>• Public welfare</li></ul>	<ul style="list-style-type: none"><li>• Targeted Poverty Alleviation</li><li>• Carry out social welfare activities</li></ul>
 <b>Media</b>	<ul style="list-style-type: none"><li>• Publicize in a compliant manner</li><li>• Build good image</li></ul>	<ul style="list-style-type: none"><li>• Regular seminars</li><li>• We Media + Alliance Summit</li><li>• "Green Jinmao" series activities of the media</li></ul>

Issue Management

On top of communication with stakeholders, China Jinmao has penetrated into the analysis and research of the state's macroeconomic policies and industry development trends. Coupled with its own characteristics of development, China Jinmao voluntarily identifies and arrives at the key responsibility issues, and actively responds to the expectations and demands of stakeholders in accordance with *China Jinmao's Practical Matrix on Social Responsibilities Management* to achieve development with stakeholders together.



Identification and Sequence of Materiality Issues



# Outlook

In time we shape the city and the future is full of possibilities. The year 2019 marks the 70th anniversary of the founding of the People's Republic of China. We will, in adherence to the philosophy of "In Science We Trust", continue to explore the area of technological innovation and endeavor to upgrade city development and operations while actively exploring the model of sustainable development management to achieve harmony among the economy, society and the environment as part of our proactive efforts to the city's sustainable development.

## Starting with ingenious quality to build for a better life

"Build Quality for Better Life" is our undertaking towards every Jinmao family. Implementing measures in line with local circumstances, we endeavor to enhance the quality of service and drive service innovation. Upholding an ingenious approach and staying true to the mission, we strive to deliver products of ultimate excellence to build a better future. Through delicate service, caring events and heart touching communication, we aim to build a more harmonious relationship with neighbors and express our care to each and every one of the customers.

## Focusing on eco-protection to build for a better city

Building a green city means building a beautiful China. Insisting on fully executing the green strategy in the whole process from development, construction to operation, we push ahead the development of eco-cities, construction of life buildings and implementation of "zero-carbon" operations, while propelling the R&D and implementation of new energy, new technologies and new products. Capitalizing on smart technology to build a green city, we aim to develop ourselves into the model of city green operator in China, thus unleashing future vitality of the city.

## Setting foot on humanistic care to create a better community

We will continue to thoroughly implement the "people-oriented" approach to enable Jinmao to become a "home" for each employee and a platform for each employee to satisfy his/her development needs and achieve self-value. At the same time, we will strengthen strategic cooperation with government and business partners and nurture more responsible suppliers to build a responsible supply chain. In addition, leverage on our own advantages of resources, we will gather greater social power and continue to launch projects that promote our image of serving the public to contribute to the development and progress of the public welfare in China.

# Expert Comments

This is the third Sustainable Development Report released by China Jinmao. The report upholds the core value of "In Science We Trust" and centers on the strategic positioning of "City Operator", which is testimony to the efforts made by China Jinmao in exploring city operations as led by smart technology and with green health as characteristics.

## Closely following the hot topics of society to fulfil its social responsibility

The report focuses on hot topics of society that draw much public attention including legal compliance, anti-corruption, product quality, customer communication, green design, caring for employees and social welfare and introduces how the Company makes use of the power of technology to drive the development of its own products and the city by presenting in the Special Column on Responsibility "In Science We Trust and Empowering of the Future of the City", while illustrating in three chapters, "Unparalleled Excellence in Luxuriance Products, Ever Green Quality in Harmony between Man and Nature and Nourishing Everything Like Water", the highlights and performance of the Company in the three major areas namely economy, environment and community as well as making active responses to the points of interest of the stakeholders.

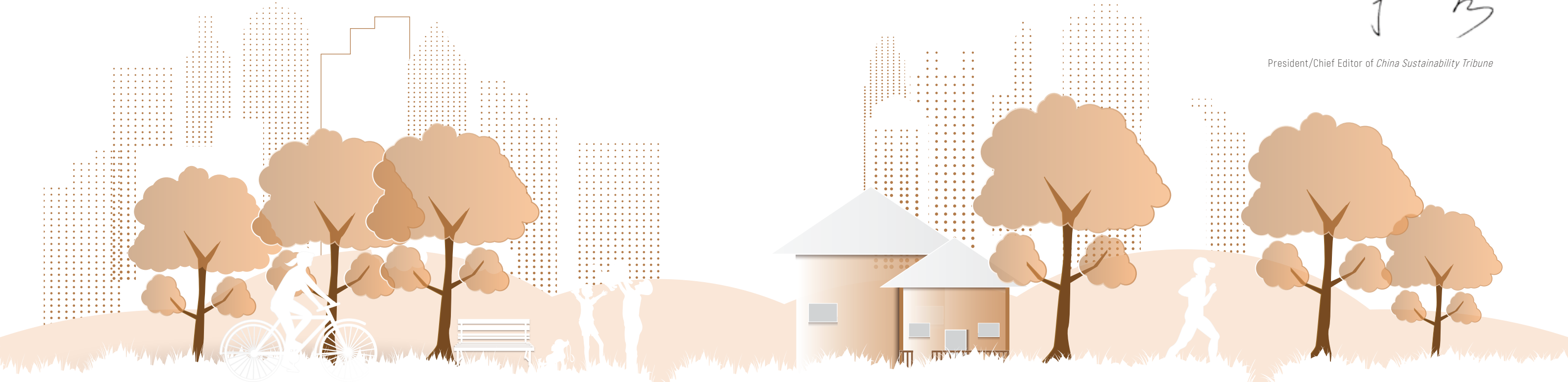
## Presenting in a vivid and lively way to provide a pleasant reading experience

The report is designed to blend the elements of China Jinmao's landmark buildings, nature and man into one, which not only vividly introduces China Jinmao's philosophy of "Unleashing the Vitality of the City", but also displays China Jinmao's pursuit of the economy, environment and community's integrated values as well as sustainability. In addition, the report has a clearly-defined structure with diagram illustrations in bright colors, making the report more readable with amicable language and flexible illustrations. As a result, equal, honest and effective communication and exchange with stakeholders is achieved.

It is hoped that China Jinmao will continue to stick to the mission of "Build Quality for Better Life" and make use of science and innovation to drive integration between sustainability and business, while making more changes to the living of people and making greater contribution towards sustainability of the world as it cultivates deeply its city operations.



President/Chief Editor of *China Sustainability Tribune*





ESG Index

Aspect	Indicator Description	Pages/ Remarks
A.Environmental	A1: Emissions	P30-P35
	A1.1	The types of emissions and respective emissions data
	A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)
	A1.5	Description of measures to mitigate emissions and results achieved
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved
	A2: Use of Resources	P32-P35
	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)
	A2.2	Water consumption in total and intensity (per unit of production volume, per facility)
	A2.3	Description of energy use efficiency initiatives and results achieved
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced
	A3: The Environment and Natural Resources	P32
	A3.1	Description of the significant impacts of business activities on the environment and natural resources and the actions taken to manage them
B. Social	Employment and Labor Practices B1: Employment	P44
	B1.1	Total workforce by employment type, age group and geographical region
	B1.2	Employee turnover rate by age group and geographical region
	B2: Health and Safety	P46-P49
	B2.1	Number and rate of work-related fatalities
	B2.2	Lost days due to work injury
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored

Aspect	Indicator Description	Pages/ Remarks
	B3: Development and Training	P50
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	P50
B3.2	The average training hours completed per employee by gender and employee category	P50
B4: Labor Standards		P44
B4.1	Description of measures to review employment practices to avoid child and forced labor	P44
B4.2	Description of steps taken to eliminate child and forces labor practices when discovered	P44
Operating practices B5: Supply Chain Management		P43
B5.1	Number of suppliers by geographical region	P43
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	P43
B6: Product Liability		P22-P27
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	In 2018, the Company didn't have this phenomenon.
B6.2	Number of products and service related complaints received and how they are dealt with	P25
B6.3	Description of practices relating to observing and protecting intellectual property rights	P10
B6.4	Description of quality assurance process and recall procedures	P23
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	P25
B7: Anti-corruption		P10
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	P10
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	P10
Community B8: Community Investment		P52-P55
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	P52-P55
B8.2	Resources contributed (e.g. money or time) to the focus areas	P52-P55



# Assurance Statement of Sustainable Development Report

TUV Asia Pacific Ltd. (‘TUV NORD’) has been commissioned by the management of China Jinmao Holdings Group Limited (‘China Jinmao’) to carry out an independent assurance of the 2018 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 user 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 sixth comprehensive non-financial report for China Jinmao, and it’s the third 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 2018.
- Assurance address is in Sinochem Tower, No. A2 Fuxingmen Wai Avenue, Beijing. Which is the headquarters of China Jinmao. The subsidiaries and branch companies 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 May 29<sup>th</sup>, 30<sup>th</sup>, 2019.

## Assurance Methodology

Assurance process includes the following activities:

- Review the document information which provide 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 which made by SEHK, we evaluate the Report;
- 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 2018 Sustainable Development Report provides an appropriate and objective view of the sustainability & social programs and performances during the year 2018.

- Materiality  
The company's 2018 Sustainable Development Report reveals the important objective performance of enterprises 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, such as Figures for Jinmao, which has certain quantification;
- Balance  
The report discloses the case and data such as the employee turnover rate and the lost working hours due to work injury, 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 environmental key performance, it is recommended to increase the scope of data collection and the calculation of some indicator densities so that relevant departments can develop more practical solutions in future work;
  - It is recommended to give three years and above information to key performance data to increase the comparability of the Report.

## 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.

The team leader: Ms. Huang Li  
Date :11.06.2019

The Authorized person: Mr. Song Haining  
Date :11.06.2019



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:

Contact us:

CHINA JINMAO HOLDINGS GROUP LIMITED

Address: Sinochem Tower, No. A2 Fuxingmen Wai Avenue, Beijing

Postal code: 100045

Tel: 8610-59369900

Fax: 8610-59369901

About the Report

This report is the third Sustainable Development Report issued by China Jinmao Holdings Group Limited. The Company 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, 2018, 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

The report was prepared in accordance with the *Environmental, Social and Governance Reporting Guide* and *A Step-By-Step Guide to ESG Reporting* published by the Hong Kong Stock Exchange, GRI Standards published by Global Sustainability Standard Board , Guide to Compile CSR Reports (GB/T 36001-2015) published by the Standardization Administration of the PRC, and etc.

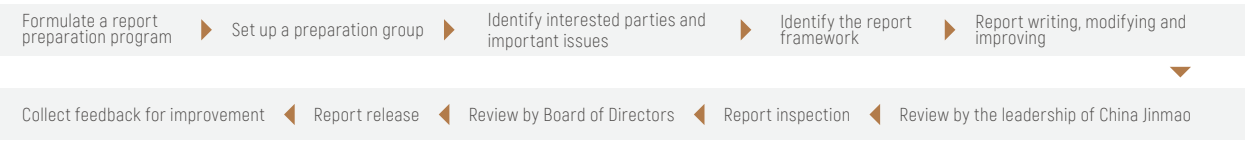
Data Sources

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". The regional or municipal companies of Jinmao are all replaced by "Jinmao + City". In addition, unless otherwise stated, the currency unit used in this report shall be Renminbi.

Preparation Process



Access Method

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](http://www.chinajinmao.cn) to obtain the electronic version of the Report.

Contact us:

CHINA JINMAO HOLDINGS GROUP LIMITED

Address: Sinochem Tower, No. A2 Fuxingmen Wai Avenue, Beijing  
Postal code: 100045  
Web: [www.chinajinmao.cn](http://www.chinajinmao.cn)  
Tel: 8610-59369900  
Fax: 8610-59369901

HONG KONG OFFICE

Address: Room 4702-4703, 47th Floor, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong  
Tel: 852-28299668  
Fax: 852-28240300





China Jinmao  
Official Wechat Account

A SINOCHEN Company