



## Content

	PAGE
About this report .....	1
Message from Management .....	2
Our Business .....	3
Management Approach to Corporate Sustainability .....	8
Sustainability Policy	
Corporate Governance	
Stakeholder Engagement	
Our Community .....	12
New World Springboard	
Art and Culture	
Nurturing Talents Around the World	
Case Study - “@Dream Sustainable Development Program”	
Our People .....	21
Talent Development	
Care for Staff	
Case Study - Scholarship Schemes for Employees’ Children	
Our Environment .....	26
Green Building Certification	
Case Study - NWS Hong Kong Geo Wonders Hike	
Case Study - Water Conservation Initiatives	
Case Study - Eco-shopping Experience	
Our Way Forward .....	31
Performance Table .....	32
Awards .....	36
GRI Index .....	39
Verification Statement .....	43
Appendix 1 - Scope of Reporting .....	44

We treasure your views on our sustainability performance, please send your feedback on this report and other sustainability related enquiries to [sustainability@nwd.com.hk](mailto:sustainability@nwd.com.hk)

### **New World Development Company Limited**

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# About this report

New World Development Company Limited (“New World Group” or the “Group”; Stock Code: 17.HK) recognises the importance of transparency as a key factor of corporate sustainability and proudly presents our first standalone sustainability report. Sustainability information has always formed an integral part of the Company’s annual report. However, with the development of international and local reporting frameworks, it is timely to take this important step to produce this standalone sustainability report to address the increasing desire for sustainability information of our stakeholders.

Due to our diverse business nature, the scope of our first report is mainly focused on wholly owned subsidiaries of the four listed companies (“Group Companies”) under New World Group. The report highlights our sustainability performances between 1 July 2012 and 30 June 2013 (the “reporting period”). Appendix 1 presents the reporting entities of this report.

The preparation of this report made reference to the Global Reporting Initiative Reporting Guidelines (GRI 4 and GRI 3.1) and the Environmental, Social and Governance Reporting Guide (the ESG Guide) issued by Hong Kong Exchanges and Clearing Limited. An independent verification of the content of this report was conducted by the Hong Kong Productivity Council (HKPC) and confirmed that the report has achieved a B+ Application Level in accordance with the GRI 3.1 Guidelines.



# Message from Management



In an effort to enhance the transparency of our corporate sustainability programmes and communication with our stakeholders, we are delighted to present New World Group's first Sustainability Report. The Report gives an account of our approach towards corporate sustainability and highlights the key initiatives taken in the areas we focus on during the past year. From reading this Report, we hope that you will gain a better understanding of our commitment towards building a better and a more sustainable future for all.

To consolidate the efforts New World Group had made on the sustainability front in the past years, a Group Sustainability Steering Committee was formed in 2012, comprising all major Group companies. Charged with the responsibility to formulate policies, objectives and targets, the Committee guides Group companies towards attaining goals in the direction set by the Sustainability Policy.

The scope of sustainability stretches widely – to make the best use of our resources, our focus is on art and culture, youth development, and environmental protection. Against this backdrop, the Group has implemented a series of programmes which promote the mentioned key areas.

Over the years, New World Group spares no effort to promote art and culture. Through K11 Art Foundation ("KAF"), up-and-coming artists are nurtured, giving them a global platform for their creative ideas and contribution to

humanity. KAF also provides local communities with an easy access to appreciate art and thereby elevating our understanding of culture.

New World Springboard, our sustainable community programme launched in 2012, marks an important milestone of our commitment to youth development through promoting sports. Under-resourced students from five districts have joined the free long-term swimming and basketball training and New World Group staff members have been recruited as mentors, providing students with guidance and encouragement on their personal development.

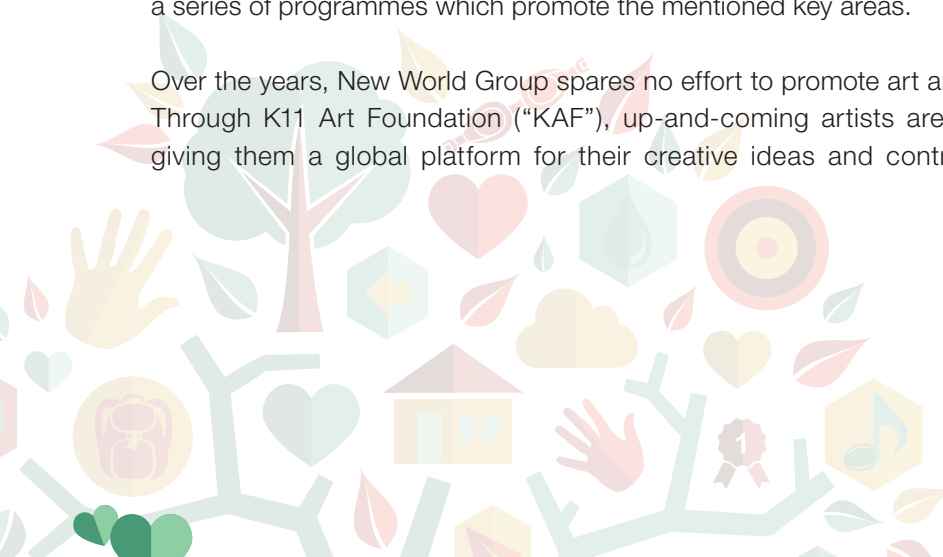
As a property developer, we strive to contribute to a better living environment through innovation and sustainable growth. To this end, green designs and provisions are carefully incorporated into our property projects. We have achieved some of the highest green certifications in our recent projects and will continue to bring to our customers quality developments while minimising their impact to the environment.

Since sustainability is a co-operative mission, we strive to further engage our stakeholders including our employees, customers, business partners, NGOs, government officials and the media, such that improvements in our various endeavours can be achieved. Meanwhile, we welcome your feedback on the Report and your thoughts and ideas on how we can create a better New World for all.

A handwritten signature in black ink, appearing to read 'Adrian Cheng', located below the main text block.

**Adrian Cheng**

Executive Director and Joint General Manager  
Chairperson of New World Group Sustainability Steering Committee



# Our Business



# Our Business

Founded in 1970, New World Development Company Limited (“New World Group” or the “Group”; Stock Code: 17.HK) was publicly listed in Hong Kong in 1972 and is a constituent stock of the Hong Kong Hang Seng Index. The three listed companies under New World Development are NWS Holdings Limited (“NWS Holdings” or “NWS”; Stock Code: 659.HK), New World China Land Limited (“New World China Land” or “NWCL”; Stock Code: 917.HK), and New World Department Store China Limited (“New World Department Store” or “NWDS”; Stock Code: 825.HK).

## Corporate Structure



As at 30 June 2013

## Core Businesses

Being a diversified holding company with a focus on property development, New World Group’s core business areas include property, infrastructure and service, department store and hotel, boasting businesses in Hong Kong, Mainland China, Macau and numerous international cities.



## Property

Residential projects are the star of the Group's property development portfolio in Hong Kong and Mainland China. From overall planning and greening to building materials and design aesthetic to interior design, the Group strives for perfection and uniqueness while catering to the needs of our customers.

As at 30 June 2013, the Group's major property development portfolio in Hong Kong comprises 27 projects.

Total GFA (sq ft)	16,588,409	Residential (sq ft)	7,625,114
Retail (sq ft)	100,800	Total Attributable GFA (sq ft)	7,725,914

Our sizeable investment property portfolio encompasses shopping malls, offices, hotels and service apartments. Located in Tsim Sha Tsui, K11 Art Mall embodies a brand philosophy of Art · People · Nature. Set near the hills in Tsuen Wan, the 630,000 sq ft Discovery Park Shopping Centre creatively blends leisure with shopping.

As at 30 June 2013, the Group's investment property portfolio in Hong Kong comprises 19 major completed projects.

Total GFA (sq ft)	15,356,727	Retail (sq ft)	1,892,160
Office (sq ft)	649,249	Hotel (sq ft)	2,111,875
Residential (sq ft)	116,954	Others (sq ft)	3,771,464
Carpark (number)	3,549	Total Attributable GFA (sq ft)	8,541,702

The Group has been shaping the development of Mainland China and raising living standards for our residents since the 90s. Listed in Hong Kong in 1999, NWCL is one of the first Hong Kong property developers to break into the Mainland China market, with Marriott China Hotel Guangzhou being the first Sino-foreign joint venture hotel in Mainland China. NWCL has invested in projects in over 20 first-tier cities in Mainland China, with projects ranging from residential estates, villas, service apartments, hotels and resorts, to offices, shopping malls and mixed-use complexes.



*The Signature*



*Discovery Park – Shopping Centre*



## Infrastructure and Service

Capitalising on the urban development in Mainland China, New World Group's infrastructure flagship NWS Holdings has contributed tremendously to its infrastructure portfolio. Comprising roads, energy, water and ports and logistics, NWS's infrastructure portfolio includes toll roads and related projects at strategic locations such as Guangdong, Zhejiang, Guangxi, Shanxi, Tianjin and Hong Kong; power plants in Guangdong, Sichuan and Macau; a number of water plants, sewage and sludge treatment projects in Mainland China and Macau; ports in Xiamen and Tianjin; large-scale pivotal rail container terminals across Mainland China and logistics business in Hong Kong. Its myriad of infrastructure projects boosts living standards and facilitates communication between cities, affirming Mainland China's status as an international hub.

NWS's services comprise management of Hong Kong Convention and Exhibition Centre and Free Duty, construction projects in Hong Kong, Mainland China and overseas cities, bus and ferry services as well as strategic investments.



## Department Store

Established in 1993 and publicly listed in Hong Kong in 2007, New World Group's retail flagship New World Department Store was one of the first retail operators to enter the Mainland China market. It operates over 30 "New World" branded department stores with a large national network covering over 20 major cities in Mainland China, including Beijing, Shanghai, Shenyang, Wuhan and Chengdu; as well as 10 "Ba Li Chun Tian" branded department stores in Shanghai.



*Shenyang New World Department Store Zhonghua Road Branch*

"To create a modern, metropolitan lifestyle with creativity, foresight and efficiency in China" being its mission, NWDS launched "Living Gallery", a one-stop department store, and "Fashion Gallery", a themed department store in 2009 to cater to the various needs of customers and give them a brand new shopping experience.



*Ba Li Chun Tian Shanghai Pujian Branch*



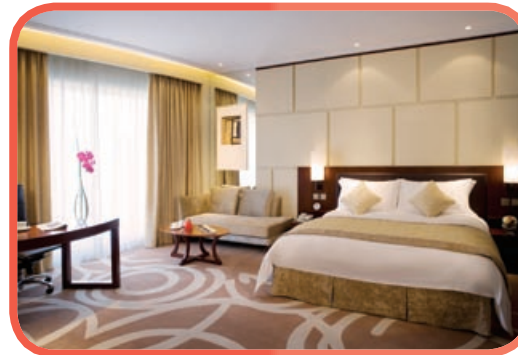
## Hotel

New World Group owns a collection of hotels in Hong Kong, Mainland China and South East Asia. As at 30 June 2013, the Group has invested in 16 hotels in Hong Kong, Mainland China and Southeast Asia, providing 7,675 guest suites.

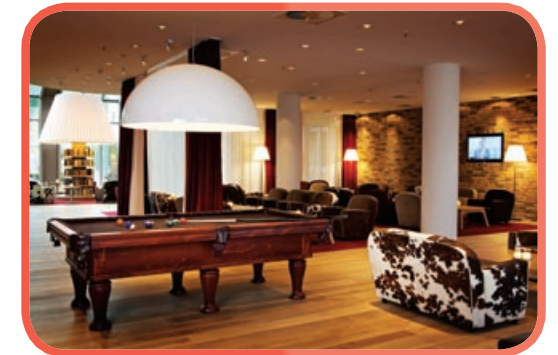
Grand Hyatt Hong Kong, Renaissance Hong Kong Harbour View Hotel, Hyatt Regency Hong Kong, Sha Tin and Hyatt Regency Hong Kong, Tsim Sha Tsui are among the Group's hotels in Hong Kong. Through Rosewood Hotel Group, the Group also manages numerous hotels in locations such as Hong Kong, Mainland China, Asia and Europe.

Rosewood Hotel Group, a fast-growing international hotel management company under New World Group, manages three brands, including the ultra-luxury Rosewood Hotels & Resorts, the deluxe New World Hotels and the neighbourhood lifestyle pentahotels. Rosewood Hotel Group manages a plethora of hotels in over 40 countries across North America, Europe, Asia, the Middle East and the Caribbean, and is pursuing an aggressive expansion strategy with close to 40 hotels currently under development worldwide.

This report excludes hotel operations due to certain hotels are not operated by New World Group.



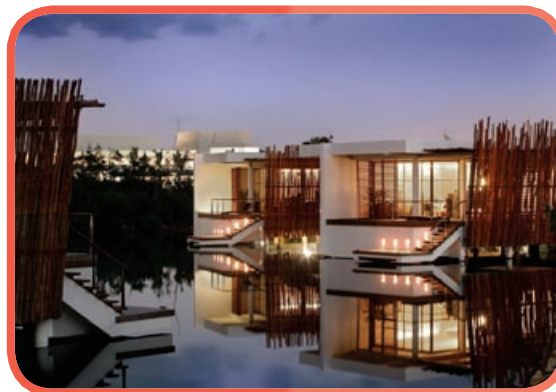
*New World Dalian Hotel*



*pentahotel Leipzig*



*Grand Hyatt Hong Kong*



*Rosewood Mayakoba*



*Las Ventanas al Paraiso – A Rosewood Resort in Mexico*

# Management Approach to Corporate Sustainability



# Management Approach to Corporate Sustainability

Building a desirable living environment has always been one of the prime objectives of New World Group. Not just focusing on the development of projects such as residential buildings, shopping malls, hotels and commercial complexes, the Group also strives to create a better and more harmonious community. New World Group believes in equal opportunities for everyone in our society and dedicates to improving the social mobility of under-resourced children and youths through corporate sustainability initiatives focusing on sports, arts and culture. The Group has always strived to be a responsible corporate citizen and pursuing profits is not the Group's sole objective – it also actively promotes the development of the community, our staff and the environment to create a better New World.

New World Group is committed to incorporating corporate sustainability into our daily operations and striking a balance between profit and our responsibilities towards the environment and the community.

The Group established its Group Sustainability Steering Committee (the "Steering Committee") chaired by Mr Adrian Cheng, Executive Director and Joint General Manager, at the beginning of 2012 and members comprise Chairpersons from the Sustainability Committees of Group Companies.



## Sustainability Policy

The Steering Committee has established the Group's Sustainability Policy and is responsible for formulating relevant policies and objectives to lead the Group, its employees and stakeholders to a sustainable future.

### Our Belief

In order to achieve long-term sustainable growth, New World Group is committed to minimising the potential environmental impacts and improving the quality of the communities where we operate while providing a reasonable return to our investors at the same time.

### We strive to

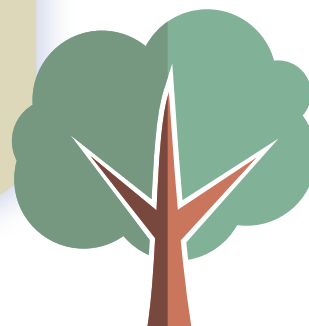
- ▮ exceed statutory requirements in relation to sustainability issues;
- ▮ engage our stakeholders and develop mutual communication on our sustainability performances;
- ▮ minimise the potential environmental impacts of our projects as far as practicable;
- ▮ enhance the quality of life for the communities where we operate;
- ▮ provide a safe working environment for our employees and inspire them to grow with the Group;
- ▮ influence our supply chain to share our belief with regard to corporate sustainability; and
- ▮ continuously improve our sustainability performance through monitoring and reporting.

## Corporate Governance

Corporate Governance is one of the core elements ensuring the sustainable development of our businesses. Having four listed companies in Hong Kong, New World Group observes the code provisions of the Corporate Governance Code set out in Appendix 14 to the Listing Rules (the "CG Code"). Any deviations from the CG Code are fully reported in respective annual reports of the listed companies.

In addition, internal policies are established to further enhance our performance in corporate governance. The *Risk Management Policy* sets out the formal approach to risk management to enhance decision-making, performance, accountability and outcomes. The *Anti-Fraud Policy* sets out the Company's expectations and requirements relating to the prohibition, recognition, reporting and investigation of suspected fraud, corruption, misappropriation and other similar irregularities. The *Whistleblowing Policy* ensures that employees can raise concerns, in confidence, about misconduct, malpractice or irregularities on any matters and reach the highest governance body.

As a responsible corporate citizen, we also realise the need of influencing our suppliers and have issued a *Supplier Code of Conduct* and a *Supplier Sustainability Self-Assessment Questionnaire* which we plan to incorporate into our process of selecting suppliers.



## Stakeholder Engagement

New World Group believes that stakeholder engagement is an integral part of corporate sustainability and connects with our internal and external stakeholders through various means. Two Employees' Feedback Sessions were held during the reporting period and suggestions from staff were quickly adopted. For instance, due to rapidly expanding business and changes in company structure, communication with job descriptions and photos of newly joined staff is issued on a monthly basis and induction courses were redesigned and long-serving staff members are also invited to learn about the new structure of the company. Short videos featuring senior management have also been produced to ensure management's thinking is effectively communicated to all staff members.

As mentioned in "Message from Management", there is a wide spectrum of sustainability issues and New World Group has chosen to focus on certain issues to ensure the effectiveness of our efforts. Youth development for the under-resourced community is a key area and we have worked with over 10 non-governmental organisations (NGO) to service this target group. Furthermore, regular face-to-face meetings to understand their needs are held with the NGO partners to ensure our efforts to serve the community are on track. Parents' briefings for students of the New World Springboard sustainable community programme were also held to establish a two-way communication with the participants and their parents.

Our Group Companies also treasure the opinions of our key stakeholders and regular feedbacks are obtained, such as the Passenger Liaison Group Meetings conducted by Citybus and New World First Bus.



# Our Community



# Our Community

Talent development forms a significant part of the Group's commitment towards nurturing human capital for our society.

## New World Springboard

Funded by the New World Group Charity Foundation, the New World Springboard was launched in July 2012. This sustainable community programme offers long-term support to under-resourced children and youth, enabling them to unleash their full potential and equipping them to become future leaders who will strive to build a better society.

The programme aims at helping the children and youth develop a positive outlook on life and learn to embrace challenges with an indomitable spirit and improving their social mobility.

The current phase of the project focuses on swimming and basketball playing by providing seven years of professional training to qualified children and youths.



In July 2012, the pilot programme of the New World Swimming Academy recruited 150 under-resourced students between the age of 7 and 12 in Sham Shui Po and Tung Chung. In January 2013, New World Basketball League was established to offer professional basketball training to 100 students aged between 8 and 11 from Kwai Tsing, Kwun Tong, Sham Shui Po, Tin Shui Wai and Tung Chung. The Mentorship Programme supported by "Love · New World" Volunteers Club mentors was also introduced to provide students with guidance and encouragement.





## Broadening Students' Horizons to Help Them Reach Higher

Besides providing professional training, the programme also organises a wide range of activities on a regular basis to expand students' horizons and strengthen the friendships between students and their mentors.

### Personal Sharings from Successful Athletes

The Group invited NBA superstar Jeremy Lin to officiate at the inauguration ceremony of the New World Springboard and attend "A journey of LINmagination with Jeremy @ K11 event". Jeremy Lin shared his story of success in becoming an NBA player and encouraged New World Springboard students to set their own goals and persevere when facing challenge in realising them.

*Swimming is a sport which trains our bodies as well as improves our mental qualities of endurance and perseverance. New World Swimming Academy provides long-term professional training to youths from under-resourced families. For just over a year, the programme has witnessed many talented young swimmers unleashing their full potentials. New World Group has always strived to drive the development of sports and nurture new talents for the local sports community, which coincides with the objectives of the Hong Kong Amateur Swimming Association.*

### Ronnie Wong Man Chiu

President

Hong Kong Amateur Swimming Association



The Group also invited 2004 Olympic 100m Breaststroke Gold Medalist Luo Xuejuan to share her Olympic journey with students of the New World Swimming Academy and members of the public. Luo shared her fondest memories of her swimming career, her road to success and her experience on how to compete against the odds.



### 📌 Welcoming Party

New World Springboard Welcoming Party was held in January 2013 at Hong Kong Science Park where more than 500 students, parents, coaches and mentors witnessed the beginning of the New World Springboard Mentorship Programme and the launch of its official website.



### 📌 Conservation Guided Tour at Ocean Park

Over 200 students and mentors attended a conservation tour at Ocean Park in April 2013. Tutors from Ocean Park Academy - Hong Kong introduced to students the characteristics of different animals as well as key concepts on conservation. The trip has not only enhanced students' knowledge on nature conservation, but also deepened the bonds between mentors and students.



### 📌 Inter-districts Basketball Tournament

The New World Basketball League organised an Inter-districts Basketball Tournament in April 2013, where agile players showcased their skills and demonstrated sportsmanship after four months of training.



*New World Basketball League has been a pioneer of innovation since its inception and has already become very successful in its first year for providing a different perspective on sports for the younger generation. In addition to promoting basketball to the general public, more youths from under-resourced families will benefit from this programme in the years to come. Our society will be equipped with a younger generation with high moral standards, clear goals, and zest for life.*

**Norman Chan**

Chairman

Hong Kong Basketball Association



# Facts and Figures



新世界籃球聯賽計劃

Total students training hours in 5 districts (Tin Shui Wai, Tung Chung, Kwun Tong, Kwai Tsing, Sham Shui Po):

**Over 5,600 hours**



新世界飛魚計劃

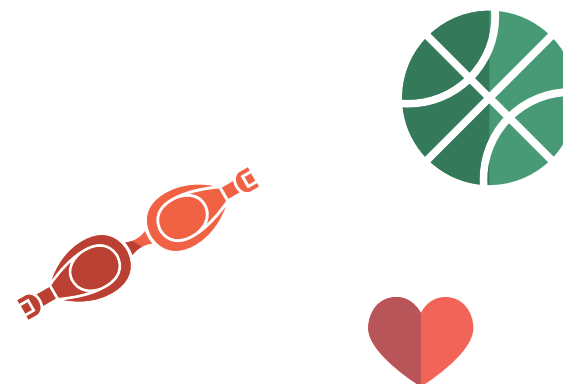
Total students training hours in 2 districts (Sham Shui Po and Tung Chung):

**Over 11,200 hours**

\* All figures reported in this section are for the reporting period up to 30 June 2013.

## Partners, NGOs and schools we were collaborating with include

- 🍃 Hong Kong Amateur Swimming Association
- 🍃 Hong Kong Basketball Association
- 🍃 The Boys' and Girls' Clubs Association of Hong Kong - Cheung Sha Wan Children and Youth Integrated Services Centre
- 🍃 Federation of Parent Teacher Associations in Kwun Tong District
- 🍃 Fresh Fish Traders' School
- 🍃 Hong Kong Playground Association - Jockey Club Tsing Yi Intergrated Services Centre for Children & Youth
- 🍃 The Neighborhood Advice-Action Council - Tung Chung Intergrated Services Centre
- 🍃 Shamshuipo Kaifong Welfare Association Primary School
- 🍃 SKH Lady MacLehose Centre
- 🍃 Society for Community Organisation
- 🍃 St. James Settlement Service Development - Teen's World
- 🍃 Tuen Mun Integrated Services Centre under the Tung Wah Group of Hospitals
- 🍃 Yu Mak Yuen Integrated Services Centre under the Tung Wah Group of Hospitals

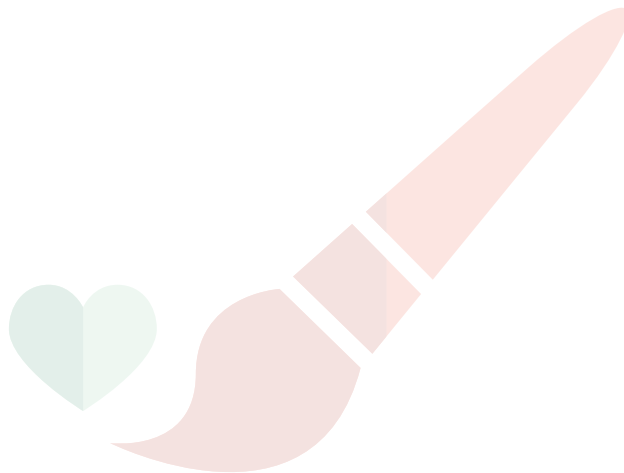


## Art and Culture

A registered not-for-profit organisation, K11 Art Foundation (“KAF”) aims to become a sustainable incubation force in the global ecosystem of art, design and creativity, and to create strong public desire for the local contemporary art scene.

It serves as a sustainable incubating springboard where up-and-coming artists from China are nurtured and their creative ideas and contribution to humanity spread globally. Through innovative educational programmes, art spaces, art database across China and a unique collection of contemporary art, KAF provides local communities, especially young and inquisitive members of our generation, easy access to appreciate art and thereby elevating our collective understanding of culture.

**K11 ART**  
  
**FOUNDATION**



### A Creative Platform for Talent Incubation

Talented up-and-coming artists from China are able to realise and showcase their full potential through amicable collaborations and cross-regional experimentations locally and globally. For instance, KAF has hosted multi-content art exhibitions during the Paris Fashion Week in March every year since 2011, showcasing the works and creations of emerging artists such as Meng Baishen, Charles Guo, Xiao Yu and Zhang Huishan.



KAF has also collaborated with institutions such as Tsinghua University and Hong Kong Design Centre to provide a broader platform for young talents to showcase their works.





## Art for the Masses

The extensive network and resources of K11 in Hong Kong and Mainland China catalyse a continuous interaction between artists, students, office occupants, patrons and the general public to strengthen art appreciation and awareness for our current and future generations. Our interactive art exhibitions engage easily with the general public and make art fun.

Leveraging on the success of our flourishing K11 Art Space Workshops, K11 Art Village, K11 Artist-in-Residence Programme, K11 Artist Klub and K11 Kollection, the activities and infrastructure in these convenient destinations and their outreach extensions allow KAF to attract and engage a steady stream of participating audiences and maximise the public exposure of local artists and programmes.



Wuhan K11 Art Village



## Nurturing Talents around the World

With International Congress of Chinese Mathematicians as chair organiser and Taida Institute for Mathematical Sciences and Tsinghua University as co-organisers and fully supported by New World Development Company Limited and China Young Leaders Foundation, **New World Mathematics Awards 2013** nurtures young Chinese mathematics talents worldwide and encourages exchange of knowledge. The Awards was established in 2007 by Dr Henry Cheng, Chairman and Executive Director of New World Development Company Limited and the world-renowned Chinese mathematician Professor Yau Shing-tung and was held for the third time in 2013.

The **New World Harvard Kennedy School Fellows Programme**, established in 1998 with a generous gift from New World Development Company Limited, is now recognised by the Chinese government as one of the best overseas training programmes for public officials. In 2012, 20 outstanding Chinese government leaders went to Harvard Kennedy School to join a short-term executive education programme or pursue a four-month research project. This programme allows prominent Chinese leaders and policymakers to develop their professional skills and interact with international leaders of similar seniority and experience, leading to greater mutual understanding and trust between China and the international community.

Jointly organised by the Hong Kong United Youth Association (HKUYA), New World Development Company Limited and HKUYA Student Exchange Network, **HKUYA New Youth New World 2013** Summer Internship Programme gave 300 elite students from eight universities in Hong Kong the chance to complete a six-week summer internship in Beijing, Chengdu and Dalian respectively. Internship positions were offered by New World Group Companies as well as organisations such as state-owned enterprises, cultural organisations, government agencies of Mainland China, the State Press and Publication Administration of Radio and China Central Television. New Youth New World was established in 2007.



(From Left) Dr Henry Cheng, Chairman and Executive Director of NWD, Professor Yau Shing-Tung, Chair of International Committees of New World Mathematics Awards, and Adrian Cheng, Chairman of China Young Leaders Foundation



HKUYA New Youth New World 2013 Summer Internship Programme gave elite students from eight universities in Hong Kong the chance of summer internship in China



## Case Study - “@Dream Sustainable Development Program”

In celebration of its 20<sup>th</sup> anniversary, “@Dream Sustainable Development Program” was established by NWDS.

Subsequent to the launch in July 2013, all 41 stores of NWDS in Mainland China as well as in its Hong Kong and Shanghai offices collaborate with a number of local non-profit organisations, including China Women’s Development Foundation and Children’s Hope Foundation, community groups, schools, expert consultants and organisations from different disciplines, organising a wide range of activities conducive to the physical and mental development of children.

Staged under four themes: sports, music, learning and emotion, the activities aim to nurture children’s moral, intellectual, physical, social and aesthetics development, broaden their vision; as well as help the children reach their seemingly unattainable goals.

Details of the activities under each of the themes are outlined below:

Project	Details
<b>@Sports-Hope Walkathon</b>	Co-organized a fund-raising walkathon with China Women’s Development Foundation and Children’s Hope Foundation in Beijing, Shanghai, Zhengzhou and Chengdu.
	Set up donation boxes at customer service centres of NWDS stores to collect donations from the general public.
	Recruited children to participate in a fund-raising hiking event
<b>@Music-Rainbow Orchestra</b>	Jointly formed a children orchestra with Fengxian District Education Bureau, Shanghai.
	Provided training on vocal and instrument playing to children by professional musicians.
<b>@Learning-Education Initiation</b>	Jointly set up initiation courses with Fengxian District Education Bureau, Shanghai for children of migrant workers in the district to unleash their potential and develop their interest in English, calligraphy, drawing, handicraft and science studies.
<b>@Emotion-Distant Calls</b>	Collaborated with social enterprises to collect donation of mobile phones and monetary contribution for making phone calls at NWDS stores.
	Donated mobile phones are sent to school children and training and services are provided to allow them to keep in touch with their parents.



The programme is expected to help under-resourced children in Mainland China and Hong Kong realise their dreams and establish a positive attitude towards life, while raising their social awareness.



# Our People



# Our People

## Talent Development

New World Group cherishes every single one of our staff and believes that they should all blossom alongside our growing business. We provide our staff with all-rounded training, enabling them to unleash their full potential and support the Group's sustainable growth.

2012 saw New World Development garner the Best Practice in Training and Talent Development award at the Best Practice Awards organised by the Best Practice Management Group, a testament to the Group's commitment towards talent development.

Established in 2011, the New World University ("NWU"), which epitomises the Group's core values UNITI (You, New World, Innovation, Trust and Improvement), promotes talent development and allows the Group to sustain our succession plan. Divided into five groups (Top Executives, Talent Pool, Professionals, Potential High-flyers and General Staff), staff

members attend programmes tailor-made for their respective group to equip them for growth.

Exchange opportunities with industry leaders, tailor-made strategic brainstorming and team building activities are regularly organised for top executives, who includes all members of the Board of Directors and senior management. Top executives also attend the Annual Group Management Forum, one of the Group's major events. With over 300 senior executives of the Group in attendance, the event features sharing by renowned speakers offering their business insights.

The internal New World Star Executive Development Programme and the external Accelerating Management Talent Programme powered by the Richard Ivey School of Business are designed to enhance the management skills, business vision, international perspective and leadership of the Talent Pool group, who comprises A-performers of management level with what it takes to become top executives.



Professionals receive subsidies to attain and sustain their professional qualifications from NWD, who strategically and pro-actively manage their profiles through our voluntary annual training needs analysis questionnaire. NWD then maps the questionnaire against our growth, allowing business needs to be met.

For potential high-flyers at the junior level, the Management Trainee Programme and the YoungSTAR Programme strengthen their creativity, intermediate management skills and professional knowledge. With job rotation spanning various locations and operations, the two-year Management Trainee Programme is a comprehensive programme providing new recruits with maximum business exposure and allowing them to reach for the stars.

Along a similar vein, the YoungSTAR Programme features contents similar to the Management Trainee Programme, aiming to retain, nurture and groom talented staff at the manager rank or below.

General staff, who comprises all levels of staff, are entitled to workshops and seminars, internal and external exchanges and visits, as well as education allowance and examination leave.



*Initially, I thought the Programme would be an invaluable opportunity to learn more about management skills. However, the Programme has turned out to be much more than this. The Star programme was just the beginning. During class discussions, we shared our thoughts not only on the case scenarios, but also the real challenges met by our fellow colleagues. Our learning has continued with the post-course visits to Beijing, Wuhan, Macau and Hong Kong projects, during which we have learnt more on the different operations of the Group. Last but not least, a bonding has been developed among the Star members.*

**Ruby Chan**

*Legal Counsel*

*New World Development Company Limited*

*Participant of New World Star Executive Development Programme*



## Care for Staff

The New World brand is synonymous with care for staff. Four business units under New World Group garnered the Caring Company logo for a decade and six over five years, which demonstrates the Group's devotion to crafting the perfect working environment for our staff and attracting, nurturing and retaining talents with incentive policies and attractive employment packages.

The working atmosphere is open-minded and communication between management and staff is encouraged. Published four times a year, our staff magazine *New World · New Words* provides business units with a platform to keep colleagues updated with the latest business development. The section "Sharing Zone" features selected photos and essays submitted by staff, boosting colleagues' sense of belonging to the New World family.

Luncheons with Adrian Cheng, Executive Director and Joint General Manager of NWD are held, allowing colleagues from various business units to mingle with him and share with him their opinions on and hopes for their companies. He also communicates with staff through his "Speaking with Adrian" blog where he shares his expectations for the Group's numerous endeavours such as the iconic New World Harbour Race and the sustainable community programme New World Springboard.

The year 2012 was a milestone for the development of care for staff at the Group. Five-day work week, paternity leave, examination leave, birthday leave and staff discount card were introduced to make New World an even more desirable place to work for. An Equal Opportunity Policy has also been developed to ensure that employees are given equal opportunities at work. Each week, all staff members receive a fruit and an e-mail with a thought-provoking story about the fruit and how the story relates to the Group's core values of UNITI.



Team building goes beyond the workplace here – Sports and Recreation Club organises events including the annual Group Fun Day, sports activities, company trips, interest classes and monthly birthday parties to boost the bond shared among colleagues. Family Open Day is also held annually, giving families of staff the chance to tour their offices and immerse themselves in a harmonious working atmosphere.



## Case Study - Scholarship Schemes for Employees' Children

New World Group has a caring culture and regards our employees as our most valuable asset. Two Group members, NWS Holdings and New World China Land, have launched their respective scholarship schemes for employees' children.

To create a caring work environment and foster staff's sense of belonging, NWS launched the NWS Scholarships for Employees' Children Scheme in 2012 for employees' children who are newly-admitted undergraduates. Going beyond recognising students with excellent academic performance, the scheme also commends those who have demonstrated outstanding achievements in non-academic areas such as sports, music, art and culture and volunteer service. An award presentation ceremony was held at the Hong Kong Convention and Exhibition Centre in which 12 students were awarded the scholarships. With this family-friendly practice, NWS aims to encourage and support the education of the young generation and unleash their potential in various areas.



In 2013, NWCL also launched the NWCL Scholarship for Employees' Children Scheme for employees' children who have been newly admitted to universities in Mainland China with outstanding performance. Under the scheme, each eligible student is awarded a scholarship of up to RMB10,000. In the year of the scheme, scholarships were awarded to 10 students from different cities in Mainland China and an award presentation ceremony was held in Shanghai. In addition to giving the children recognition of their outstanding performance, NWCL's care for its employees and their families is manifested through the scheme.



# Our Environment



# Our Environment

Delivering quality products and minimising potential environmental impacts are key considerations for new development projects which are in line with our corporate mission and our sustainability policy. Green building certification is an excellent tool which will help us achieve these objectives.

## Green Building Certification

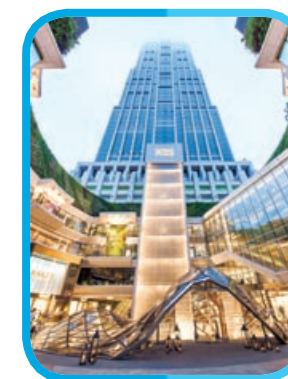
Green building certification sets a benchmark for determining a development project's level of environmental performance. The benefits of certification include:

- cost-saving through more efficient use of energy and resources
- improving indoor environmental quality
- integrating local and international best practices into the design of the development
- enhancing corporate profile and marketability to potential building users
- managing potential environmental risks and reducing environmental liabilities

New World Group recognises the benefits of green building certification and has pursued certification in recent development projects:

Building Environmental Assessment Method (BEAM)	
The Riverpark	BEAM - Platinum
The Reach	
Double Cove	BEAM - Provisional Platinum
The Austin	BEAM Plus - Provisional Gold

Leadership in Energy and Environmental Design (LEED)	
Wuhan New World Centre	LEED - Gold
Wuhan New World International Trade Tower	
Shanghai K11 Art Mall	
Beijing K11 Art Mall	LEED – Pre-certified Gold
Wuhan New World Centre Phase III	
Wuhan K11 Gourmet Tower	



Shanghai K11 Art Mall



Wuhan New World International Trade Tower



Wuhan New World Centre

Green building certification is in line with New World Group's pursuit of corporate sustainability. While the Group incorporates considerations of our environmental and social responsibilities into our daily operations, we will continue to pursue green building certification as far as practical for our new development projects.





## Case Study - NWS Hong Kong Geo Wonders Hike

Community contributions and environmental awareness combine to make up one of the core values of NWS. Over the years, the Group has been working towards the goal of environmental sustainability. Since 2008, NWS and the Association for Geoconservation, Hong Kong have been jointly organising NWS Hong Kong Geo Wonders Hike to promote geoconservation. With the support from the Agriculture, Fisheries and Conservation Department, the campaign is a tripartite geoconservation effort among the government, corporation and non-governmental organisation. To date, the campaign has become a highlight of NWS's community education programme boasting more than 22,000 participants.

Through a diverse range of interactive and educational activities, NWS Hong Kong Geo Wonders Hike plays a significant part in raising awareness of geoconservation in the community. The activities hosted in the last five years included over 20 guided public tours to geo-attractions, creativity challenges for various age groups, Geopark tours for the under-resourced groups as well as photo contests of which winning entries were turned into promotional postcards.

To pass the torch to the young generation, "Young Ambassadors for Geoconservation Training Programme" was launched in 2011. In 2012, the programme, which integrated theory and practice, expanded its intake by more than four times to 180 students. In addition to theoretical classes and field trips, participating students were encouraged to apply relevant knowledge by running promotion projects on campus and assisting in interpretation work at guided public tours. Sponsored by NWS Holdings Charities Foundation, 30 top performers and their advisory teachers went on an exchange tour to Danxiashan Global Geopark in Guangdong Province, where they were able to exchange geoconservation ideas with students from Mainland China.

Environmental sustainability can be achieved through the collaborative efforts of relevant stakeholders and the community. As the largest geoconservation

campaign in the city, NWS Hong Kong Geo Wonders Hike will continue to raise public consciousness by encouraging cross-sector participation and reinforcing relevant education for the young generation.



The team spirit of the Young Ambassadors for Geoconservation helps them hone their communication skills while learning about geoconservation through field trips, campus promotions and guided public tours.

The 30 top-performing students and their advisory teachers were invited to go on a study and exchange tour to Danxiashan Global Geopark in Guangdong Province sponsored by NWS Holdings Charities Foundation, where they exchanged geoconservation ideas with students from Mainland China.



## Case Study - Water Conservation Initiatives

NWCL adopted “Water Conservation” as the theme of its sustainable development programme for 2012 and organised a series of water conservation activities with unique local elements in various regions and communities. The activities include site visits to Yellow River and sewage treatment plants, and community promotion programmes. The programme aims at advocating water conservation to staff members, property owners, the media and the public.

### Cultural activities

A kick-off ceremony of the first “Pearl River Water Festival” of Guangzhou was held in the plaza of Guangzhou Ersha Island Xinghai Concert Hall in July 2012. This event was jointly organised by Guangzhou, Foshan, Zhaoqing and Qingyuan, aiming to promote the overall improvement of Pearl River. The ceremony also marked the beginning of Guangzhou International Dragon Boat Race. More than 30 volunteers from NWCL (Guangzhou) participated in this event.

To heighten public consciousness of water conservation and cultural heritage, in August 2012, NWCL (Jinan) held a “Springs Protection” campaign in which New World Volunteer Teams from Beijing, Tianjin and Jinan distributed booklets on the protection of springs and participated in a clean-up of springs in the Qushuiting area in Jinan. The campaign successfully raised residents’ awareness of water conservation and cultural heritage.

### Community activities

This series of water conservation activities was also widely supported by property owners of NWCL’s projects.

In June 2012, several volunteers from Dalian New World Tower and student interns went to Dalian Tiger Beach Fisherman’s Wharf and worked on the “Coastal Cleanup” activity to promote habitat conservation.

Water conservation activities in Wuhan Water Saving Science and Technology Museum, the communities in Wuhan Changqing Garden and Menghu Garden were also organised. More than 70 employees visited the Wuhan Water Saving Science and Technology Museum to gain a better understanding of daily water conservation.

Up until September 2012, NWCL has organised more than 20 water conservation activities with participants comprising staff members, business partners and property owners.



## Case Study - Eco-shopping Experience

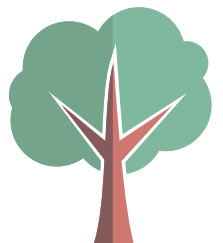
Shanghai K11 Art Mall has been awarded LEED Gold Certification by the United States Green Building Council for its usage of recyclable materials, sustainable location and implementation of environment-friendly strategies. LEED (Leadership in Energy and Environmental Design) is the most comprehensive and influential architectural sustainability rating system in the world.

It also uses low-carbon technology to reduce negative effects on the environment, thus creating an intimate space secluded from the noisy urban area, allowing people to reconnect with nature.

For effective insulation and reduction of energy consumption, Shanghai K11 features a large-scaled vertical greening wall. The wall employs highly sophisticated technology, collecting wasted water and recycling it through an advanced sewage-treatment system, thereby saving 33% of otherwise wasted water. At 33 m, the artificial waterfall, together with simulated water sounds and birds' chirping, conjures the feel of an urban jungle. The glass roof admits natural light and helps reduce electrical lighting on B1.

Shanghai K11 Art Mall's Urban Farm is a space for visitors to immerse themselves in indoor interactive planting. At 300 sq m, Urban Farm rises above the usual limitations imposed by indoor spaces, enabling the public to experience first-hand the joys of seeding and planting. Tucked away on L6, Sky Garden is an oasis among the skyscrapers on Huaihai Road as well as a space to enjoy moments of tranquility.

The Group's Hong Kong K11 Art Mall has launched the K11 Multicultural Living District – Food Waste Recycling Scheme, encouraging tenants of the mall as well as nearby restaurants to implement source separation of food waste where K11 centralises the collection of food waste and sends to food waste recyclers for processing into animal feedstock. Food waste from participating restaurants have shown a decreasing trend, thereby heightening their awareness of the problems arising from food waste. In addition, Discovery Park - Shopping Centre is also exploring a food waste recycling programme with its tenants.



# Our Way Forward

Our first sustainability report offers an overview of the corporate sustainability efforts made by various Group Companies. At New World Group, we strongly believe that there is always room for improvement and this also applies to our sustainability report. We will pay close attention to the latest international trends and local requirements to improve the quality of our next annual sustainability report.

As our key areas youth development, art and culture and the environment are long-term commitments of our corporate sustainability initiatives, these will remain the main topics for our sustainability reports in the near future. We shall improve the quality of the reports through the improvement of our initiatives such as setting quantitative objectives and systematic evaluation of our sustainability programmes.

An area which we shall work on during the next reporting period is a more structured stakeholders' engagement process which is a major element of our corporate sustainability philosophy.



# Performance Table

GRI Indicators		Units	New World Group
<b>EN1</b>	<b>Materials Use by Weight and Volume</b>		
	• Paper (A3 & A4)	kg	261,133
	• Paper Products	kg	115,125
<b>EN3</b>	<b>Direct energy consumption (Non-renewable resource)</b>		
	• Natural Gas	GJ	313,464
	• Gasoline	GJ	404,618
	• Diesel	GJ	4,564,146
	• Towngas	GJ	27,636
<b>EN4</b>	<b>Indirect energy consumption (Non-renewable resource)</b>		
	• Electricity	GJ	1,490,309
	• Heating and Cooling	GJ	145,841
	• Steam	GJ	396
<b>EN8</b>	<b>Total water withdrawal by source</b>		
	• Surface Water	m <sup>3</sup>	20,438
	• Rain Water	m <sup>3</sup>	2,582
	• Gray Water	m <sup>3</sup>	15,085
	• Town Water	m <sup>3</sup>	3,266,030
	• Bottled Water	m <sup>3</sup>	68,028
<b>EN16</b>	<b>Total direct and indirect greenhouse gas emissions by weight<sup>1</sup></b>	tonne CO <sub>2</sub> -e	1,589.0 <sup>2</sup>
<b>EN17</b>	<b>Other relevant indirect greenhouse gas emissions by weight<sup>1</sup></b>	tonne CO <sub>2</sub> -e	83.2 <sup>2</sup>
<b>EN21</b>	<b>Total Water discharged</b>	m <sup>3</sup>	3,289,050
<b>EN22</b>	<b>Total weight of waste collected (by type)</b>		
	• Waste to landfill or incineration	tonne	49,513



GRI Indicators		Units	New World Group
	• Construction & Demolition Waste (Reused or Recycled)	tonne	636,184
	• Paper	tonne	459
	• Cardboard	tonne	869
	• Plastics	tonne	31
	• Aluminum Cans	tonne	5
	• Scrap Metals	tonne	907
	• Glass	tonne	29
	• Food waste	tonne	5,803
	• Cooking Oil	tonne	1,224
	• Toners	tonne	39
	• Wood	tonne	1,083
	• Wooden pallet	tonne	14
<b>LA1</b>	<b>Total Number of Employees by Age Group, Gender and Region</b>		
	• Total Number		23,219
	• under 30 / 30-39 / 40-49 / 50 and above		6,275 / 6,933 / 4,942 / 5,069
	• Male / Female		14,894 / 8,325
	• Hong Kong / Mainland China		10,584 / 12,635
<b>LA2</b>	<b>Rates of New Employee Hires by Age Group, Gender and Region</b>		
	• under 30 / 30-39 / 40-49 / 50 and above	%	6.6 / 3.0 / 1.6 / 1.0
	• Male / Female	%	7.4 / 5.0
	• Hong Kong / Mainland China	%	5.6 / 6.7
	<b>Employee Turnover by Age Group, Gender and Region</b>		
	• under 30 / 30-39 / 40-49 / 50 and above	%	5.9 / 3.5 / 1.9 / 1.8



GRI Indicators		Units	New World Group
	• Male / Female	%	7.2 / 5.9
	• Hong Kong / Mainland China	%	6.2 / 6.8
<b>LA7</b>	<b>Rates of injury and absenteeism</b>		
	<i>Injury Rate (Region)</i>		
	• Hong Kong / Mainland China	Per 100 employees	1.60 / 0.37
	<i>Injury Rate (Gender)</i>		
	• Male / Female	Per 100 employees	1.61 / 0.35
	<i>Absentee Rate (Region)</i>		
	• Hong Kong / Mainland China	%	2.61 / 1.03
	<i>Absentee Rate (Gender)</i>		
	• Male / Female	%	2.60 / 1.04
<b>LA10</b>	<b>Average Hours of Training by Gender<sup>3</sup></b>		
	• Male / Female	hour	12.5 / 12.1
	<b>Average Hours of Training by Employee Category</b>		
	• Assistant General Manager and above	hour	10.0
	• Senior Manager	hour	16.5
	• Manager	hour	13.0
	• Assistant Manager	hour	17.6
	• General Staff	hour	9.5
	• Operational Staff	hour	13.8
	• Total number of attendees <sup>4</sup>		6,072
	• Total number of training hours <sup>5</sup>	hour	20,032
<b>LA13</b>	<b>Breakdown of employee category by gender</b>		
	• Assistant General Manager and above (M/F)	%	1.1 / 0.5



GRI Indicators		Units	New World Group
	• Senior Manager (M/F)	%	1.0 / 0.3
	• Manager (M/F)	%	2.1 / 1.3
	• Assistant Manager (M/F)	%	2.2 / 1.6
	• General Staff (M/F)	%	17.3 / 18.3
	• Operational Staff (M/F)	%	40.5 / 13.8
	<b>Breakdown of employee category by age group (under 30/30-39/40-49/50 and above)</b>		
	• Assistant General Manager and above	%	0.0 / 0.3 / 0.7 / 0.6
	• Senior Manager	%	0.0 / 0.3 / 0.6 / 0.4
	• Manager	%	0.1 / 1.4 / 1.3 / 0.6
	• Assistant Manager	%	0.4 / 2.2 / 0.9 / 0.3
	• General Staff	%	15.9 / 13.1 / 4.9 / 1.7
	• Operational Staff	%	10.6 / 12.6 / 12.9 / 18.2
<b>LA15</b>	<b>Return to work rates after parental leave, by gender</b>		
	• Male / Female	%	93.3 / 65.4
	<b>Retention rates after parental leave, by gender</b>		
	• Male / Female	%	68.7 / 58.6

<sup>1</sup> Calculate in accordance with “Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong” by EPD and EMSD of the Government of HKSAR

<sup>2</sup> Greenhouse Gas emission at NWD, NWCL, NWDS, NWFF, NWTMT and NWFMC Corporate Offices and NWS Corporate Offices (reporting period 2012 calendar year). It is planned to extend the coverage of Greenhouse Gas emission reporting for the next sustainability report.

<sup>3</sup> Training records provided by Group Companies excluding NWD and NWS Corporate Offices.

<sup>4,5</sup> The training conducted at NWD is open to all staff in New World Group, the current record system does not provide breakdown of statistics. The record system is being upgraded to provide better breakdown for the next report.



# Awards

Category	Organiser / Scheme	Awards / Recognitions	Company
Environmental	Hong Kong Green Building Council	Green Building Award GBA 2012 – “Merit” Award	NWD (Double Cove)
	Liaoning Province Construction Industry Association	Engineering Prize of Century Cup in 2012-2013 in Liaoning Province	NWCL (Anshan New World Garden • Parkview Terrace)
	The Elite Foundation for Housing Technology	Elite Science & Technology Residential Area Award	NWCL (Wuhan Guanggu • New World Center Project)
	The Center for Housing Industrialization of Ministry of Housing and Urban-Rural Development and China Real Estate Industry Association	Guangsha Award	NWCL (Guangzhou Central Park-view Project)
	China Energy Conservation Association	2012 China Outstanding Energy Management Project	NWDS
	Hong Kong Construction Association	2012 Construction Environmental Innovation Award	Hip Hing
	<i>Interior Design Magazine</i>	Best of the Year Awards 2013 – Green Category Honoree	K11 (Shanghai K11 Art Mall)
	<i>U Magazine</i>	U-Green Award Outstanding Green Contribution Award <ul style="list-style-type: none"> <li>• Property</li> <li>• Shopping Mall</li> </ul>	NWD K11
	Eco Association	ECO Excellence Awards – Green Conglomerate	NWS
	<i>The Economic Observer</i>	China Low-Carbon Model Enterprise	K11 (Beijing Eco Home)
	Hong Kong Awards for Environmental Excellence	Environmental Labels Wastewi\$e Label <ul style="list-style-type: none"> <li>• Class of Excellent</li> <li>• Class of Good</li> </ul> Energywi\$e Label <ul style="list-style-type: none"> <li>• Class of Excellent</li> <li>• Class of Good</li> </ul> IAQwi\$e Label <ul style="list-style-type: none"> <li>• Class of Good</li> </ul>	8 nos. 2 nos. 9 nos. 3 nos. 1 no.



Category	Organiser / Scheme	Awards / Recognitions	Company
Environmental		Environmental Certificates <ul style="list-style-type: none"> <li>• Carbon“Less” 25% Certificate</li> <li>• Carbon“Less” 15% Certificate</li> </ul>	NWS HML
	Environmental Protection Department	Indoor Air Quality Certificate Class of Good	NWS Hip Hing Vibro (H.K.) NWFM
	Friends of the Earth (HK)	Take a “Brake” – Corporate Green Driving Award Scheme <ul style="list-style-type: none"> <li>• Most Significant Fuel Efficiency Improvement – 1st Runner Up</li> </ul>	NWD
		<ul style="list-style-type: none"> <li>• Highest Sustained Fuel Consumption Saver</li> </ul>	Hip Hing
		<ul style="list-style-type: none"> <li>• Fuel Efficiency Percentage Improvement – Gold</li> </ul>	NWD NWS NWCL NWFF Vibro (H.K.)
		<ul style="list-style-type: none"> <li>• Fuel Saving Percentage Improvement – Gold</li> </ul>	NWS NWCL NWFF Hip Hing Vibro (H.K.)
Friends of the Earth (HK)	Power Smart 2012	NWD NWS NWFF	
Corporate Governance	Corporate Governance Asia	3 <sup>rd</sup> Asian Excellence Recognition Awards <ul style="list-style-type: none"> <li>• Asia’s Best CEO (Investor Relations)</li> <li>• Best Investor Relations Company</li> <li>• Best Investor Relations Website / Promotions</li> <li>• Best Investor Relations Professional</li> </ul>	NWD
	Hang Seng Indexes Company Limited	Hang Seng Corporate Sustainability Benchmark Index – Constituent stock	NWS



Category	Organiser / Scheme	Awards / Recognitions	Company
Community	The Hong Kong Council for Social Service	Caring Company <ul style="list-style-type: none"> <li>• 10 Consecutive Years</li> <li>• 5 Years+</li> <li>• Logo</li> </ul>	4 nos. 6 nos. 5 nos.
	Social Welfare Department	Volunteer Service (Organization) – Gold Award	NWS
	Hong Kong Productivity Council	Hong Kong Outstanding Corporate Citizenship Awards <ul style="list-style-type: none"> <li>• Gold Award (Volunteer Team category)</li> <li>• Logo (Corporate)</li> </ul>	NWS NWD
	Steering Committee on Promotion of Volunteer Service	Award of 10,000 hours for Volunteer Service	NWS
	Tung Wah Group of Hospitals	Corporate Partnership – Appreciation Award	NWS
	China Charity Festival	2012 China Charity Award – Group Award	NWS
	Co-sponsored by <i>West China Metropolis Daily</i> and West China Dream Fund	Sichuan 2012 Top Ten Excellent Public Benefit Enterprises	NWCL (Chengdu)
	The 6th Housebuyer Congress and the 9th Network Scoreboard Award Ceremony for Hainan Real Estate	2012 Hainan Happiest Community	NWCL (Haikou New World Garden)
Staff	Internet Professional Organization	Web Care Award <ul style="list-style-type: none"> <li>• Diamond Award</li> <li>• Ruby Award</li> </ul>	NWD NWS NWDS
	Best Practice Management Group	Best Practice Awards - Winner of Training and Talent Development Category	NWD
	Zhaopin, Corporate Social Responsibility and Employer Brand Communication Research Center of Peking University, and Social Survey and Research Center of Peking University	China Annual Best Employers (2012) – Shenyang Annual Best Employers	NWCL (Shenyang)
	Shanghai Jiao Tong University and <i>National Business Daily</i>	Top 20 China Corporate Training Program	NWDS



# GRI Index

GRI 3.1	Section in this report / Section in NWD Annual Report 2013	Relevant GRI 4 Reference
<b>GENERAL STANDARD DISCLOSURES</b>		<b>GENERAL STANDARD DISCLOSURES</b>
<b>STRATEGY AND ANALYSIS</b>		<b>STRATEGY AND ANALYSIS</b>
1.1	Message from Management	G4-1
1.2	NWD Annual Report - Joint General Managers' Report	G4-2
<b>ORGANIZATIONAL PROFILE</b>		<b>ORGANIZATIONAL PROFILE</b>
2.1	About this Report	G4-3
2.2	Our Business	G4-4
2.3	Our Business	G4-17
2.4	NWD Annual Report - Corporate Information	G4-5
2.5	Our Business	G4-6
2.6	NWD Annual Report - Report of Directors	G4-7
2.7	Our Business Performance Tables	G4-8
2.8	NWD Annual Report - Joint General Managers' Report NWD Annual Report - Financial Section	G4-9
2.9	Not Applicable, first sustainability report	G4-13
2.10	Awards	
<b>REPORT PROFILE</b>		<b>REPORT PROFILE</b>
3.1	About this Report	G4-28
3.2	Not applicable, first sustainability report	G4-29
3.3	Not applicable, first sustainability report	G4-30
3.4	Inside Cover	G4-31
<b>REPORT SCOPE AND BOUNDARY</b>		<b>IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES</b>
3.5	About this Report	G4-18



GRI 3.1	Section in this report / Section in NWD Annual Report 2013	Relevant GRI 4 Reference
3.6	About this Report	G4-20, G4-21
3.7	About this Report	
3.8	About this Report	
3.9	Performance Tables	
3.10	Not Applicable, first sustainability report	G4-22
3.11	Not Applicable, first sustainability report	G4-23
<b>GRI CONTENT INDEX</b>		<b>REPORT PROFILE: GRI CONTENT INDEX</b>
3.12	GRI Indexes	G4-32
<b>ASSURANCE</b>		<b>REPORT PROFILE: ASSURANCE</b>
3.13	Verification Statement	G4-33
<b>GOVERNANCE</b>		<b>GOVERNANCE</b>
4.1	NWD Annual Report - Corporate Governance Report Management Approach to Corporate Sustainability	G4-34, G4-38
4.2	NWD Annual Report - Corporate Governance Report	G4-39
4.3	NWD Annual Report - Corporate Governance Report	G4-38
4.4	NWD Annual Report - Corporate Governance Report Management Approach to Corporate Sustainability	G4-37, G4-49, G4-53
4.5	NWD Annual Report - Corporate Governance Report	G4-51
4.6	NWD Annual Report - Financial Section	G4-41
4.7	NWD Annual Report - Corporate Governance Report	G4-40
4.8	Management Approach to Corporate Sustainability	G4-56
4.9	Management Approach to Corporate Sustainability	G4-45, G4-47
4.10	NWD Annual Report - Corporate Governance Report	G4-44
<b>COMMITMENTS TO EXTERNAL INITIATIVES</b>		<b>ORGANIZATIONAL PROFILE: COMMITMENTS TO EXTERNAL INITIATIVES</b>
4.11	Management Approach to Corporate Sustainability	G4-14



GRI 3.1	Section in this report / Section in NWD Annual Report 2013	Relevant GRI 4 Reference
4.12	NWD is signatory to the Government's Energy Saving Charter and Food Wise Charter	G4-15
4.13	Senior Management sat on the Board of Directors and Executive Committee of the The Real Estate Developers Association of Hong Kong (REDA).	G4-16
<b>STAKEHOLDER ENGAGEMENT</b>		<b>STAKEHOLDER ENGAGEMENT</b>
4.14	Stakeholders Engagement	G4-24
4.15	Stakeholders Engagement	G4-25
4.16	Stakeholders Engagement	G4-26
4.17	Stakeholders Engagement	G4-27
<b>INDICATORS</b>		<b>INDICATORS</b>
<b>CATEGORY: ECONOMIC</b>		
<b>Aspect: Economic Performance</b>		<b>Aspect: Economic Performance</b>
EC1	NWD Annual Report - Financial Section	G4-EC1
EC4	There is no significant financial assistance received from government.	G4-EC4
<b>CATEGORY: ENVIRONMENTAL</b>		
<b>Aspect: Energy</b>		<b>Aspect: Energy</b>
EN1	Performance Tables	G4-EN1
EN3	Performance Tables	G4-EN3
EN4	Performance Tables	G4-EN3
<b>Aspect: Water</b>		<b>Aspect: Water</b>
EN8	Performance Tables	G4-EN8
EN10	15,085 m <sup>3</sup> of water is treated and reused which is approximately 0.45% of total water consumption	G4-EN10
<b>Aspect: Emissions, Effluents, and Waste</b>		<b>Aspect: Emissions</b>
EN16	Performance Tables	G4-EN15, G4-EN16
EN17	Performance Tables	G4-EN17
		<b>Aspect: Effluents and Waste</b>



GRI 3.1	Section in this report / Section in NWD Annual Report 2013	Relevant GRI 4 Reference
EN22	Performance Tables	G4-EN23
EN23	No significant spill occurred during reporting period	G4-EN24
<b>CATEGORY: SOCIAL</b>		
<b>Sub-Category: Labour Practices and Decent Work</b>		
<b>Aspect: Employment</b>		<b>Aspect: Employment</b>
LA1	Performance Tables	G4-10
LA2	Performance Tables	G4-LA1
LA15	Performance Tables	G4-LA3
<b>Aspect: Occupational Health and Safety</b>		<b>Aspect: Occupational Health and Safety</b>
LA7	Performance Tables	G4-LA6
<b>Aspect: Training and Education</b>		<b>Aspect: Training and Education</b>
LA10	Performance Tables	G4-LA9
<b>Aspect: Diversity and Equal Opportunity</b>		<b>Aspect: Diversity and Equal Opportunity</b>
LA13	Governance Bodies – NWD Annual Report - Directors' Profile Employees – Performance Tables	G4-LA12
<b>Sub-Category: Human Rights</b>		
<b>Aspect: Non-discrimination</b>		<b>Aspect: Non-discrimination</b>
HR4	There was no reported incidents of discrimination during the reporting period.	G4-HR3
<b>Sub-Category: Society</b>		
<b>Aspect: Local Communities</b>		<b>Aspect: Local Communities</b>
SO1	Environmental Impacts Assessments are conducted for NWD developments per legislative requirements.	G4-SO1
<b>Sub-Category: Product Responsibility</b>		
<b>Aspect: Marketing Communications</b>		<b>Aspect: Marketing Communications</b>
PR6	A new department was set up to ensure all NWD marketing materials for new development projects compile with the new Residential Properties (First-hand Sales) Ordinance.	G4-PR6



# Verification Statement



## **Assurance Statement**

Hong Kong Productivity Council (HKPC) was commissioned by the New World Development Company Limited (NWD) to verify the New World Group Sustainability Report (hereinafter referred to as “the Report”). The Report covers the sustainability performance with respect to environmental, social and economic aspects of New World Group between 1 July 2012 and 30 June 2013.

## ***Objectives***

The objective of HKPC’s verification work is to provide an independent assurance on the completeness, accuracy and reliability of the information presented in the Report and, more specifically, to:

- assess whether the scope of the Report covers all significant aspects in relation to New World Group’s sustainability performance;
- check whether the Report conforms to the Level B+ requirements of the Global Reporting Initiative (GRI) G3.1 Guidelines;
- evaluate whether the selected statements and data presented in the Report are accurate;
- review whether the data collection and information management mechanisms used to prepare the Report are reliable; and
- provide recommendations for future reports separately.

## ***Approach***

Our verification procedures<sup>1</sup> comprised a comprehensive review of the Report followed by the selection of a representative sample of statements and data in relation to New World Group’s significant sustainability aspects for verification. Through interview with New World Group’s representative on 10 January 2014, we reviewed and examined the data collation systems and supporting materials relating to the selected statements and data as well as New World Group’s relevant management practices and initiatives.

## ***Results***

### **Report Completeness**

The Report conforms to Level B+ requirements of GRI G3.1 Guidelines. It presents an overview of the environmental, social and economic performance with respect to the key services, activities and initiatives of the wholly owned subsidiaries of the four listed companies under New World Group.

### **Report Accuracy and Reliability**

The selected sample of statements and data examined during the verification process are consistent with the source materials reviewed and reflect a fair account of New World Group’s environmental, social and economic performance. The data collation and information management systems adopted are generally considered to be reliable.

A handwritten signature in black ink, appearing to read 'Clement Li'.

Clement Li  
Principal Consultant  
Hong Kong Productivity Council  
16 January 2014

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<sup>1</sup> Our verification work did not cover data and information which have already been published in the press releases, Group’s/subsidiaries’ websites and the Annual Reports of the New World Group.



# Appendix 1 - Scope of Reporting

