

Sustainability Report 2015

# SUSTAINABLE GROWTH



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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)

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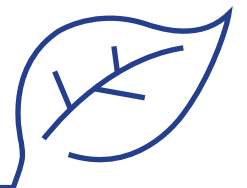
[www.nwd.com.hk](http://www.nwd.com.hk)

# ABOUT THIS REPORT

New World Development Company Limited (“New World Group” or the “Group”; HK Stock Code: 0017) recognises transparency as an integral element of corporate sustainability and compile this standalone sustainability report which discloses programmes, initiatives and data associated with the Group’s corporate sustainability performance.

Similar to the previous two reports, the scope of this report mainly focus on wholly-owned subsidiaries (“Group Companies”) of the four listed companies in New World Group. The report highlights our sustainability performances between 1 July 2014 and 30 June 2015 (the “reporting period”) which corresponds to the financial year of New World Group. Appendix 1 presents the reporting entities of this report.

This Report was prepared in accordance with the Core requirements of Global Reporting Initiative (GRI) G4 Guidelines and made reference to 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) to verify the materiality, credibility and reliability of this report and to ensure its attainment to the GRI G4 Core requirements.



# MESSAGE FROM MANAGEMENT

We are very pleased to present our third Sustainability Report, which offers detailed information about our approach to corporate sustainability, key initiatives and achievements during the past year.

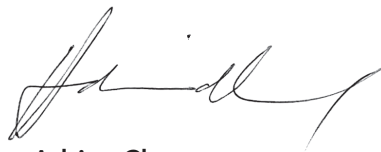
To achieve sustainable growth, we believe it is important to adopt corporate sustainability in our daily operations and maintain a balance between pursuing returns (Profit), environmental protection (Planet) and community development (People). Manifested by originality, our bespoke craftsmanship lies in every detail. From design concept to customer service, our projects epitomise the true spirit of The Artisanal Movement, which defines our unique cultural brand.

At New World, We Are All Artisans! We are devoted to expanding one's imagination. The K11 Art Foundation provides a creative incubation platform to nurture young artists in Greater China, while promotes art appreciation in the community.

The New World Springboard sustainable community programme demonstrates our commitment to improving social mobility of under-resourced youths through professional sports training and mentorship. It is encouraging that a record number of young swimmers finished New World Harbour Race 2015, an iconic annual event that promotes sports for all. We take pride in our community initiatives, as well as employee well-being and family-friendly measures which have earned us widespread recognition, including best practice and outstanding corporate citizenship awards.

We also adopt a life cycle approach to systematically address sustainability and stakeholder issues during the property development process. 98% of the total gross floor area of our ongoing development projects in Hong Kong received green certifications, which is a significant improvement from 62% in 2010.

Through group integration, we create synergy to improve our sustainability performance. We value your feedback on this report. Together, we can create a better New World for all.



**Adrian Cheng**

Executive Vice-chairman and Joint General Manager  
Chairperson of New World Group Sustainability Steering Committee

OUR  
**BUSINESS**



New World Development Company Limited (The “Group”, HK Stock Code: 0017), a premium brand infused with a unique personality defined by The Artisanal Movement, was founded in 1970 and was publicly listed in Hong Kong in 1972. It is a constituent stock of the Hong Kong Hang Seng Index. As at 30 June 2015, the total asset value of the Group amounted to HK\$397.9 billion. The three listed companies under New World Group are NWS Holdings Limited (“NWS”; HK Stock Code: 0659), New World China Land Limited (“New World China Land”; HK Stock Code: 0917), and New World Department Store China Limited (“New World Department Store”; HK Stock Code: 0825).

## CORPORATE STRUCTURE



## CORE BUSINESSES

The Group's core businesses include property development, retail, hotels and serviced apartments, and infrastructure and services, boasting businesses in Hong Kong, Mainland China, Macau and other major cities.

## PROPERTY DEVELOPMENT

Through careful planning and thoughtful integration of craftsmanship and aesthetics into our projects, the Group strives to offer customer-centric and unique designs and products that make us the best choice to customers. As a community builder, environmental considerations are taken during the planning and design stages, and a life-cycle approach model for sustainable property development is adopted throughout the development process.

As at 30 June 2015, The Group's major property development portfolio in Hong Kong comprises 21 projects.

Total GFA (sq ft)

**13,266,046**

Residential (sq ft)

**6,837,896**

Retail (sq ft)

**82,721**

Total Attributable GFA (sq ft)

**6,923,527**

## PROPERTY DEVELOPMENT

Our sizeable property portfolio comprises shopping malls, offices, hotels and serviced apartments, allowing customers to indulge in quality services and exceptional experiences.

**As at 30 June 2015, the Group's investment property portfolio in Hong Kong comprises 24 major completed projects.**

Total GFA (sq ft)

**16,138,028**

Residential (sq ft)

**174,919**

Retail (sq ft)

**1,609,299**

Others (sq ft)

**3,771,464**

Office (sq ft)

**884,300**

Carpark (Number)

**4,366**

Hotel (sq ft)

**1,302,097**

Total Attributable GFA (sq ft)

**7,742,079**

The Group's property arm in Mainland China is operated through New World China Land Limited, one of the leading developers in Mainland China. New World China Land was listed in Hong Kong in 1999 and has invested in projects such as large-scale residential projects, serviced apartments, villas, offices, shopping centres, multi-purpose buildings, hotels and resorts.

## HOTELS AND SERVICED APARTMENTS

New World Group owns a string of exquisite hotels in South East Asia, Mainland China and Hong Kong. As at 30 June 2015, the Group had a total of 18 hotels in Hong Kong, Mainland China and Southeast Asia, providing more than 8,000 guest suites.

Grand Hyatt Hong Kong, Renaissance Hong Kong Harbour View Hotel, Hyatt Regency Hong Kong, Tsim Sha Tsui, Hyatt Regency Hong Kong, Sha Tin, pentahotel Hong Kong, Kowloon and Novotel Citygate Hotel are among the Group's hotels in Hong Kong.

Located in Happy Valley, the artisanal serviced apartments EIGHT KWAI FONG are complemented by artworks of heritage and contemporary furnishings and collectibles from around the globe, and come with our Elite Services team offering 24-hour bespoke services, allowing residents to embark on a journey of boundless imagination.



1 New World Beijing Hotel

2 Serviced apartments EIGHT KWAI FONG



## RETAIL

Established in 1993 and publicly listed in Hong Kong in 2007, the Group's retail flagship New World Department Store is one of the largest owners and operators of department stores in Mainland China. It operates 31 "New World" branded department stores, and 12 "Ba Li Chun Tian" branded department stores and shopping malls in Shanghai. With a total GFA of over 1.6 million sq m, the department store retail chain operates in 21 major cities in Mainland China, including Beijing, Shanghai, Shenyang, Wuhan and Chengdu.

Firstly established in Hong Kong, K11 is a revolutionary museum retail concept that fuses Art • People • Nature, offering unique experience that sparks the imagination of customers. The brand has expanded its art journey to Mainland China, with Shanghai K11, the first art mall in the country, opened in 2013. By 2020, K11 will boast a portfolio of 19 projects across Mainland China.

After the hugely successful launch of K11, the Group has re-created and re-vitalised the 630,000-sq-ft Discovery Park Shopping Centre. Renamed as D-PARK, it is a parenting-oriented landmark shopping mall in Hong Kong.



- 1 New World Department Store  
– Tianjin Store
- 2 Hong Kong K11 Art Mall

## INFRASTRUCTURE AND SERVICES

The Group's infrastructure and services flagship NWS Holdings Limited embraces a range of businesses in Hong Kong, Mainland China and Macau. Its infrastructure business comprises roads, energy, water, and ports and logistics with an extensive business network in managing and operating 69 projects and two strategic investments. NWS has expanded its business to commercial aircraft leasing by acquiring 40% equity interest in Goshawk Aviation Limited.

The road portfolio comprises 20 roads and related projects in strategic locations in Guangdong, Zhejiang, Guangxi, Shanxi and Tianjin. In addition to operating three power plants in Guangdong and Sichuan and a coal distributor in Guangdong, NWS also invests in water treatment projects, sludge treatment projects and technical consultancy companies in Mainland China, Hong Kong and Macau. NWS has three port projects in strategic coastal cities of Mainland China. Through a joint venture, it develops and operates a large-scale pivotal rail container terminal network across Mainland China.

NWS's services comprise facilities management, construction and transport and strategic investments. Its services include the management and operation of Hong Kong Convention and Exhibition Centre, an award winning venue for international exhibitions and conventions, and Free Duty shops at Hong Kong's cross-border transport terminals and Macau International Airport.



1 Beijing-Zhuhai Expressway  
(Guangzhou-Zhuhai Section)

2 Tianjin Five Continents International  
Container Terminal



MANAGEMENT  
APPROACH TO  
**CORPORATE  
SUSTAINABILITY**



New World Group strongly believes that in order to achieve sustainable growth, a balance must be maintained among profit and its responsibilities towards the environment and the community.

The Group is devoted to creating a better and more harmonious society through improving the social mobility of under-resourced children and youths via social initiatives focusing on sports, art and culture.

Environmental sustainability is pursued through maximising environmental considerations in property development projects.

# SUSTAINABILITY MANAGEMENT STRUCTURE

To facilitate effective vertical and horizontal communication of sustainability issues, the following structure is established within New World Group.



# NEW WORLD GROUP'S SUSTAINABILITY POLICY

## 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.

## WE STRIVE TO

- exceed statutory requirements in relation to sustainability issues;
- engage our stakeholders and develop mutual communication on our sustainability performances;
- minimize 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.



## MATERIALITY CONSIDERATIONS

As each of the three listed subsidiaries of New World Group is issuing its own sustainability report and has evaluated the sustainability material aspects relevant to its business operations, this report will focus on the material aspects relevant to the holding company, namely NWD and its property development business, as well as the more general aspects which are relevant to most business operations within the scope of this report.

Based on this information and the material aspects identified by NWS, NWCL and NWDS, and the sustainability issues identified during different stages of the property development process, the material aspects to be covered by this report are identified. Since there were no major changes to the structure and operations of the Group within the reporting period, the material aspects remained the same as last year.

Sustainability Category	Material Aspects*
Economic	Economic Performance
Environmental	Energy Emissions Materials Waste
Social – Labour Practice and Decent Work	Employment Occupational Health and Safety Training and Education Diversity and equal opportunity
Social – Human Rights	Non-discrimination
Social – Society	Local Communities
Social – Product Responsibility	Marketing Communications

\*The aspect boundary for all the above identified material aspects is within the operations of New World Group.

# STAKEHOLDERS ENGAGEMENT

New World Group actively seeks every opportunity to understand and engage its stakeholders so that improvements can be incorporated into products and services that meet stakeholders' needs.

## INVESTORS

As a publicly listed company, investor is one of the most important stakeholders. New World Group appreciates every face-to-face communication opportunity with investors and shareholders. The Board and senior management participated in press conferences to communicate business strategies and future development plans and receive immediate feedbacks from investors.

In addition, the Group has joined over 30 global investor conferences and roadshows held in Mainland China, Taiwan, Singapore, Japan, Australia, Europe, United States and Canada and has also maintained active communications with over hundreds of investors and analysts. Visits to Shanghai K11, one of its flagship developments in Mainland China, as well as visits to Hong Kong residential projects, such as THE PAVILIA HILL, Park Signature, SKYPARK, MOUNT PAVILIA and EIGHT KWAI FONG, have been organised for over 60 investors and analysts during the reporting period.

## INTERNAL STAKEHOLDERS

New World Development Company Limited has conducted an Employee Satisfaction Survey to collect employees' opinions on different aspects of the workplace such as working condition, employee benefits, communication, to name but a few. Their opinions are taken into consideration when the management formulate the employee caring programmes. The survey is conducted every two years on an anonymous basis and handled by an external consultant. Employees are encouraged to provide feedback and express their ideas freely.

### **STAKEHOLDERS ON ENVIRONMENTAL ISSUES**

New World Group has maintained contacts with green groups and academia with strong interests for environmental protection through supporting and sponsoring environmental activities and programmes, such as Victoria Harbour water quality monitoring programme with the Open University of Hong Kong. Dialogues with these organizations through formal and informal channels have provided valuable insights of these stakeholders to the environmental performance of New World Group. For example, enquiries from a green group on coverage of the carbon emissions disclosure have prompted a more comprehensive coverage of carbon emissions of New World Group.

### **STAKEHOLDERS ON SOCIAL INVESTMENT**

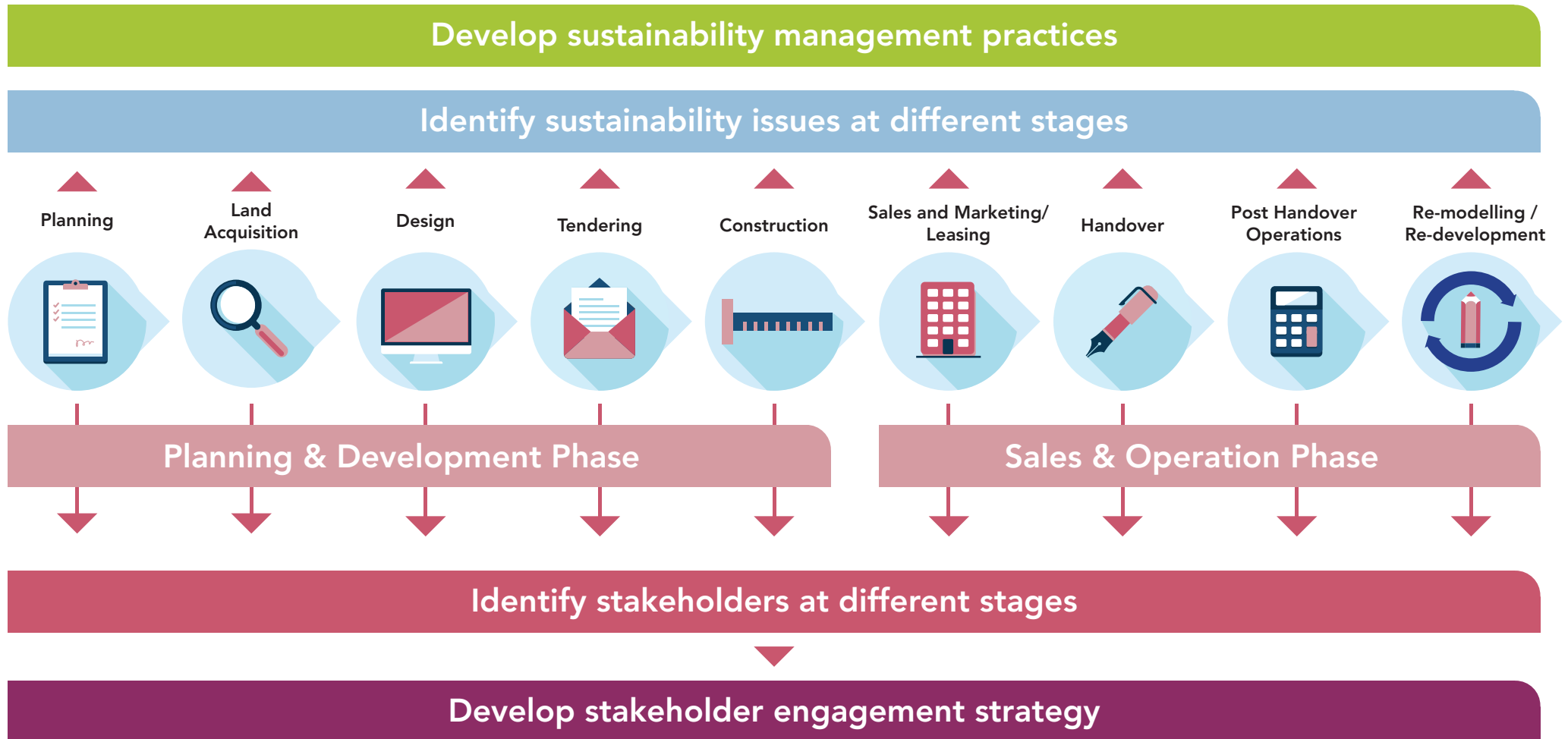
One of the key stakeholder groups on the Group's social performance is the NGO partners of the sustainable community programmes, New World Springboard. A formal review meeting is held annually together with working meetings with these partners effectively collected feedbacks and expectations from these stakeholders.

# OUR ENVIRONMENT

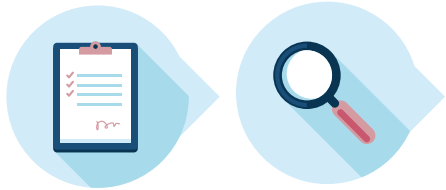




# SUSTAINABLE PROPERTY DEVELOPMENT



## PLANNING AND LAND ACQUISITION STAGES



Taken due considerations for balancing profits and responsibilities to the planet and community, a sustainable learning centre targeted at the younger generation was built instead of a commercial centre after a detailed evaluation at the planning stage for the best use of the commercial plot near a residential development in Yuen Long. The Green Atrium consists of interactive learning centre, visual audio gallery, butterfly garden, aquaponic pond, bee farm, organic famers' market and eco-restaurant will be opened in 2016.

## DESIGN STAGE



For on-going development projects in Hong Kong, 98% of the total gross floor area has been certified with green building certification (BEAM or BEAM Plus), which is a significant improvement from 62% in 2010. It is anticipated that 90% of these projects will achieve a final Gold certification.

A Green Taskforce has been established and each project undergoes a vigorous examination to identify suitable sustainability features to be incorporated on a case-by-case basis. Innovative green designs are being instituted to new projects. For example, operational considerations for a new commercial development were examined and sustainability features, such as openable windows for office tenants, were excluded due to project location and considerations of the cost-effectiveness of the sustainability features.

**% of total gross floor area applied for green building certification**



**98% (2015)**

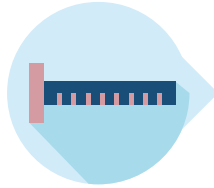
**62% (2010)**

## TENDERING STAGE



New World Group believes that it is important that its suppliers also values and act on the principles of sustainable development. All new vendors are required to acknowledge that they have read and clearly understand the Group's Supplier Code of Conduct before they are registered to the Vendor Master List. For existing vendors, annual evaluations are conducted which included criteria such as the vendors' environmental, health and safety performances. Vendors with unsatisfactory overall performances may not be invited to tender for new projects.

## CONSTRUCTION STAGE



The well-being of front-line staff at construction sites is a key focus of the sustainable property development's life-cycle during the construction stage. New World Group has deployed a workers registration system with palm readers where only registered workers can enter the designated construction sites. This system will ensure that all workers have received appropriate safety training and prevent illegal workers working on site. The system will also ensure that workers' wages are directly paid into their bank accounts to prevent manipulation of wages of the front line workers by irresponsible sub-contractors.

To promote safety culture, some of the major construction sites organised monthly Best Contractors Awards to recognise contractors with exemplary safety performances.

## SALES AND MARKETING / LEASING STAGE



New World Group also considers that it is important to influence its downstream stakeholders of its value chain such as its commercial and retail tenants. "A Guide to Sustainable Office for Office Tenants" and "Green Guide for Shop Tenants" have been developed, which include sustainability considerations for design and renovation of new offices and shops. These guides are distributed to existing and new tenants to raise their sustainability awareness.

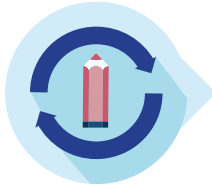
## POST HANDOVER OPERATIONS STAGE



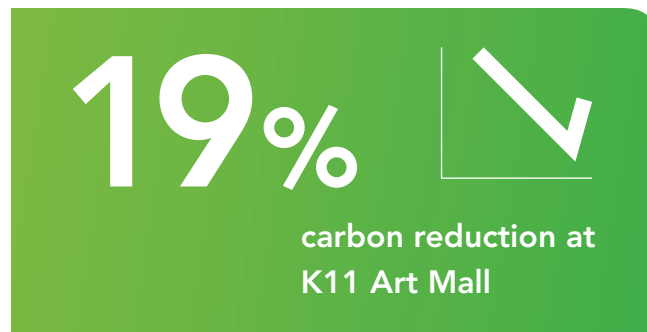
Key environmental issues related to the operations of residential, commercial and retail properties in Hong Kong are mainly associated with energy and waste management. A number of energy reduction initiatives have been implemented at our K11 Art Mall, which resulted in carbon emissions reduction of 19% in FY 2014 / 2015 compared to FY 2010/2011.

The majority of premises under the Group's direct management have participated in the Government's Energy Saving Charter on Indoor Temperature. K11 Art Mall and D • Park commercial properties have also participated in the Government's Waste Check Charter in September 2015.

## RE-MODELLING / RE-DEVELOPMENT STAGE



Every effort was made to ensure that new as well as existing buildings meet high environmental standards. For example, KOHO, an existing commercial building acquired by the Group has obtained BEAM Plus certification for the re-modelling.



## LOOKING AHEAD

While the life-cycle approach model has promoted internal stakeholders' dialogue, the progress of engaging external stakeholders could be expedited. During the next reporting period, more efforts will be deployed to obtain feedbacks from external stakeholders.

## CASE STUDY

### THE HONG KONG CONVENTION AND EXHIBITION CENTRE

The Hong Kong Convention and Exhibition Centre (“HKCEC”) located on a prime waterfront site in the heart of the territory is one of the most iconic landmarks of Hong Kong.

Since opening in 1998, HKCEC is committed sustainability in serving this Asia’s premier convention venue, encompasses capital investments for reducing energy and water consumption. In the reporting period, 1,500 lamps in fire escape stairways were replaced with motion-sensing dimmable LED lighting, the amount of energy saved is equivalent to the annual energy consumption of 200 citizens in Hong Kong, almost 3,000 kg of unconsumed food was donated to charity, the newly renovated restaurant, Congress Plus showcased the artwork from the local artist with disabilities and the staff had participated in a total of 62 community programs to service the under-resourced. HKCEC has also reached a significant milestone in its sustainability efforts by becoming the first organisation in Hong Kong to be certified<sup>1</sup> with the ISO 20121 Event Sustainability Management System.

Congress Plus in HKCEC is frequently visited by locals and visitors and is the first restaurant in the city to receive LEED Gold Certification for Interior Design and Construction<sup>2</sup> and the Silver rating of BEAM Plus Interiors<sup>3</sup>. Besides comfortable dining environment, notable green features include carpet made with 50% recycled materials, decorative screens created with recycled wine bottles. Environmentally-friendly paper napkins, paper towel and toilet paper, as well as biodegradable cleaning products are also used to reduce impact on the environment.

<sup>1</sup> November 2015 <sup>2</sup> June 2015 <sup>3</sup> August 2015



Replaced traditional fire  
escape stairways lightings  
with LED system has saved  
an equivalent annual  
energy consumption of  
**200**  
Hong Kong citizens



## CASE STUDY SHENYANG NEW WORLD COMMERCIAL CENTRE PHASE II OFFICE

Green building certification such as the Leadership in Energy and Environmental Design (LEED) developed by the U.S. Green Building Council is a design tool intended to promote the efficient use of resources. The Group is committed to minimising the potential environmental impacts where it operates and pursuing green building certification is considered for every development project within and outside Hong Kong.

The application of green building design to achieve certification has prompted innovative design to be incorporated at early design stage. For example, the Shenyang New World Commercial Centre Phase II Office has strategically located the HVAC units on the perimeters so to maximise the use of fresh air for free cooling during transition season (spring and autumn). The orientation and the use of curtain wall for this project have allowed 75% of the occupied area to enjoy daylight. Other green features of this development: over 70% of the podium area are used for greenery and grey water system, and 40% reduction in the use of water through water-saving fittings. Together with other green designs, this project has earned a LEED (Core and Shell) Gold pre-certification and will be completed in 2019.



**75%**

occupied area receives daylight

**70%**

greenery on podium

**40%**

more water efficient

OUR  
**COMMUNITY**



## BUILDING A HARMONIOUS SOCIETY

New World Group has been organising sustainable community programmes to enhance social inclusion and improve social mobility of the under-resourced, particularly children and youths. Continuous efforts have been devoted to building human capital for the betterment of society.

## NEW WORLD SPRINGBOARD

Funded by the New World Group Charity Foundation, the New World Springboard sustainable community programme was launched in 2012 and has since provided up to seven years of professional training to more than 400 students between the ages of seven and 12 through New World Swimming Academy and New World Basketball League. There is also a New World Springboard Mentorship Programme, with Group staff members as mentors to support the development of the students. To further enhance the programme, "Star Mentors" have been introduced in early 2014 to provide students with one-on-one coaching. The New World Springboard Parent Club was established in May 2014 to offer members assistance and exchange opportunities. In addition, two kinds of sports and the New World Springboard Community Ambassador Programme have also been introduced in 2015 to groom more promising athletes, while engaging them with volunteering for worthy causes.



## GROOMING PROMISING ATHLETES

The Group works with the Hong Kong Amateur Swimming Association and the Hong Kong Basketball Association for the New World Swimming Academy and the New World Basketball League respectively, offering under-resourced youths an opportunity to unleash their full potential. An Inter-district Swimming Championship is held every year to let students compete with each other in true sportsmanship after intensive training. In fact, promising students from the programme have also begun to emerge in public competitions. Five young swimmers from New World Springboard finished New World Harbour Race 2014 and made a big splash. They inspire fellow students to achieve their aspirations.

Promoting sportsmanship through team sports is another mission of the programme. This year, the Inter-district Basketball Tournament saw young players demonstrating better basketball skills and cooperation as a result of regular training.



## SHARING BY DISTINGUISHED ATHLETE

The Group understands the importance of recognition and encouragement to the students. The New World Springboard Annual Party 2014 was held to gather students, parents, mentors and representatives of partnering NGOs to review past events and to commend outstanding students. Distinguished athlete So Wa-wai was present to inspire students with his own story of rising above disability with perseverance. Students who achieved 100% attendance during the year were awarded certificates of merit and enjoyed a dinner buffet with their parents at the Hong Kong Convention and Exhibition Centre.





### **BUILDING BONDS BETWEEN MENTORS AND MENTEES**

Launched in 2013, the New World Springboard Mentorship Programme is an integral part of the programme. To further enhance the programme, “Star Mentors” have been introduced in early 2014 to offer students one-on-one coaching to help them build a bright future. The programme enhances mutual trust between mentors and mentees through regular and innovative activities, providing them with chances to interact and communicate.



### **SUPPORTING PARENTS**

Established in mid-2014, the Parent Club provides support for members by assisting them to instill a positive attitude in their children and encouraging them to embrace challenges at different stages. By organising various activities including educational seminars, movie appreciation and other parent-child activities during the year, the Parent Club provides members with parenting tips to foster children’s all-round development.



### EXTENDING SUPPORT TO A WIDER COMMUNITY

The Group began to collaborate with the Hong Kong Golf and Tennis Academy Foundation (HKGTA Foundation) in 2015 to provide long-term, free golf and tennis training to more than 40 under-resourced students from the Sai Kung District. The programme extends support to a wider community, while discovering more young athletes for Hong Kong. Conducted by overseas coaches, the professional training classes have already commenced in April 2015.

We are glad that New World Springboard has extended the programme to two more kinds of sports and expanded the benefiting community to Sai Kung. With the newly launched Golf and Tennis programme, the programme provided the youth from under-resourced families in Sai Kung with systemic and continuous professional sports training, which is highly appreciated by the benefiting students and parents.

*Adward Tam*  
Service Director, Sai Kung District Community Centre



### YOUNG VOLUNTEERS FOR SOCIETY

The New World Springboard Community Ambassador Programme has been launched in February 2015 to promote a caring spirit among students and mentors through various community services for under-resourced districts, such as home visits.

I was glad to participate in the activities of the Community Ambassador with the mentees. Those fun-filled and bespoke activities enhanced the interaction and communication between mentors and mentees, enabling us to complete the tasks and social service with a sense of team spirit. The Community Ambassador Programme help the mentees understand the importance of contributing to the society through volunteer works in the community.

*Fred Hui*  
Mentor, Participant of New World Springboard Community Ambassador Programme



## LOVE • NEW WORLD VOLUNTEERS CLUB

The Group strives to encourage staff members and their relatives to continuously participate in volunteering activities and to contribute to society. Formed in July 2012, the Love • New World Volunteers Club offers rewarding volunteering opportunities while promoting self-reliance. There are regular orientation and training to build a strong cohesion among volunteers.

### **DIVERSIFIED VOLUNTEERING PROMOTES SOCIAL HARMONY**

Cooperating with Children's Cancer Foundation, the Love • New World Volunteers Club brought young cancer patients good memories with their relatives by taking them to theme parks. The New World Coastal Conservation Team was also formed to engage staff in research and cleanup activities at coastal areas with high ecological values. Furthermore, volunteers took part in New World x NGO Fair, an interactive platform for social enterprises and youths to develop social capital in the community.

### **TRAINING ENHANCES TEAMWORK**

The Group organised creative trainings such as Running Mentors on a regular basis to build team spirit amongst staff volunteers. Orienteering activity was conducted on Lamma Island to help volunteers develop a good rapport.





### **TRAIN THE TRAINERS**

The Train-the-trainer series of Love • New World Volunteers Club helps volunteers put their special skill sets to good use for worthy causes. The Photography Unit and Balloon Twisting Unit have been launched and provide unique services to the community.



### **PLATFORM TO ENGAGE VOLUNTEERS**

Voice of volunteers is of vital importance for the development of Love • New World Volunteers Club. Thus, the Group provided various platforms for volunteers to join taskforce meetings and to share opinion. Volunteer gatherings and social media channels such as i.World and Facebook were used to enhance communication among volunteers.



### **RECOGNITION FOR COMMITTED VOLUNTEERS**

The Group presented Outstanding Volunteer awards to committed staff volunteers at the annual dinner. Volunteers with high service hours also earned an opportunity to join village rebuilding and conservation programmes in Sichuan and Guangzhou to expand their horizons.

## FACTS AND FIGURES



### NEW WORLD SWIMMING ACADEMY

#### Implementation Districts

- Sham Shui Po
- Tuen Mun
- Tung Chung

#### Accumulative Training Hours

**87,050  
hours**



### NEW WORLD BASKETBALL LEAGUE

#### Implementation Districts

- Kwun Tong
- Kwai Tsing
- Sham Shui Po
- Tin Shui Wai
- Tung Chung

#### Accumulative Training Hours

**32,016  
hours**

## PARTNERS

- Hong Kong Amateur Swimming Association
- Hong Kong Basketball Association
- Hong Kong Golf and Tennis Academy Charity Foundation
- 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
- Sai Kung District Community Centre
- Shamshuipo Kaifong Welfare Association Primary School
- Society for Community Organisation (SoCO)
- St. James Settlement Service Development – Teen's World
- Tung Wah Groups of Hospitals - Yu Mak Yuen Integrated Services Centre
- Tung Wah Groups of Hospitals - Tuen Mun Integrated Services Centre

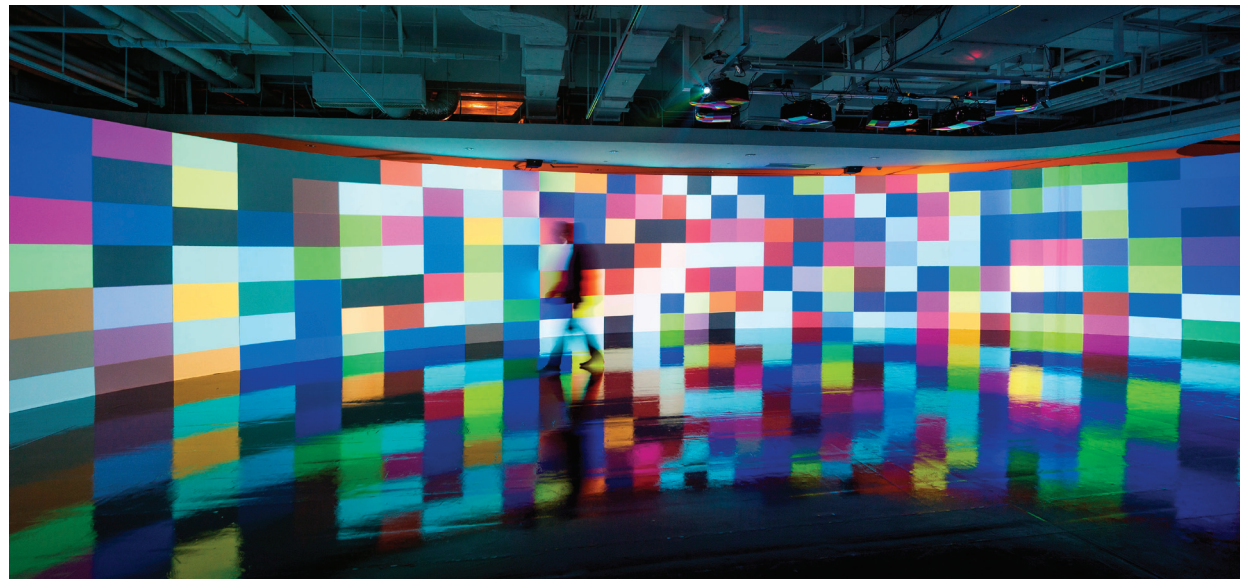
K11  
ART  
FOUNDATION

**K11 ART**  
**FOUNDATION**

Being a Hong Kong registered charitable institution, the K11 Art Foundation (KAF) aspires to become a sustainable incubation force in the global ecosystem of art, and to create strong public desire for the local contemporary art scene.

Established in 2010, KAF aims to incubate emerging young contemporary Chinese artists and curators and to promote public art education. Through KAF's innovative education programmes such as artist talks, seminars, workshops and exhibitions across Greater China, as well as a unique contemporary art collection and the establishment of the K11 Art Village, KAF provides the public with easy access to art appreciation and thereby elevate collective understanding of culture.

As KAF forges into its sixth year, commitment to bringing art to the masses and incubating emerging young contemporary Chinese artists and curators is stronger than ever. Besides playing hosts to over 130 exhibitions and educational programmes in Hong Kong, Shanghai and Wuhan, this year KAF has put much of its focus into initiating and nurturing innovative partnerships at both national and international levels.



### **INSIDE CHINA – COLLABORATION WITH PALAIS DE TOKYO IN PARIS**

As the first collective exhibition between KAF and the French contemporary museum Palais de Tokyo, *Inside China: L'Intérieur du Géant* opened in Paris during FIAC in October 2014, and the entire exhibition was then brought to Hong Kong during Art Basel Hong Kong in March 2015.

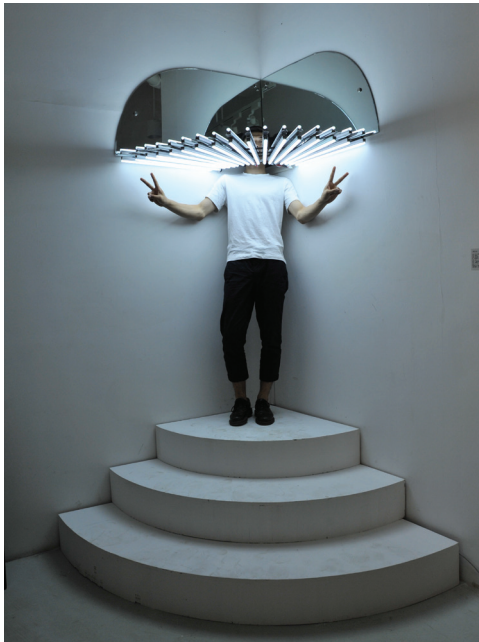
Co-curated by Joey Tang and Wang Chunchen, the exhibition featured six Chinese artists and five French artists. Focused on fostering dialogues and boosting cross-cultural exchanges between the two institutions in a first-of-its-kind attempt, the collaboration presented a new wave of creators whose work negotiates over-production, monumentality and rapid development issues both driving and dodging China, giving its audience a macro and micro view of what really is happening inside.



### **FUTURE EXHIBITION – COLLABORATION WITH THE CENTRAL ACADEMY OF FINE ARTS MUSEUM (CAFAM)**

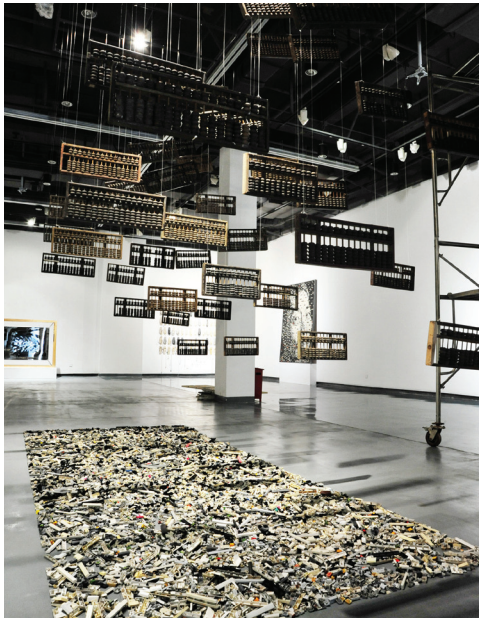
Devoted to discovering and supporting Chinese young art talents, the 2nd *CAFAM Future* was co-organised by CAFAM and KAF. This also marked the beginning of the three years of collaborative plan between the two institutions. In this edition, a special committee was formed by influential institutions, selecting the most promising talents under the same roof. The term “Creator” pays homage to makers who challenge and break through the boundary of art, and embrace new technologies. This exhibition is dedicated to encouraging explorations into artistic language and new experience.





### K11 ART VILLAGE

In KAF's continual effort to promote the development of young talents in the contemporary art sectors, the K11 art village was established with the aim to nurture artists by providing them a platform and means to create art that would reach a larger audience both locally and globally to bolster their creative careers.



## CASE STUDY @SPORTS – COOL SOCCER TRAINING PROGRAMME

In order to promote a balanced and all-round development of under-resourced children in Mainland China, NWDS initiated a nationwide sustainable community project @Dream Sustainable Development Programme (“@Dream Programme”) in July 2013. @Dream Programme provided the diverse training platforms with four themes of sports, music, learning and soul to the under-resourced children in Mainland China to pursue their dreams and to boost their social mobility. To date, around 7,000 children have benefited from the Programme.

Taking various stakeholders’ inputs into account, NWDS enhanced the programme in the second year by reinforcing the music and sports aspects. In sports, apart from @Sports-Tennis Academy, soccer is another popular sport in Mainland China. NWDS and Shanghai Changning District Sports Association jointly launched the @Sport-Cool Soccer training programme in January 2015, providing a year-long basic soccer course for 100 migrant children for free.

@Sports-Cool Soccer aims to enhance the physical conditions of the students as well as cultivating their good sportsmanship in terms of perseverance, team spirit and self-discipline. The 300-hour training curriculum covers basic soccer skills, teamwork training and special techniques and classes taught three times a week by three professional coaches.

To improve the soccer skills of the children, NWDS provides further resources to encourage them to join public matches. The NWDS Volunteer Team had also shown their support to the children by visiting their training classes and playing football games with them.



# OUR PEOPLE



# *The Artisanal Movement*

WE CREATE, WE ARE ARTISANS!

## AT NEW WORLD, WE ARE ALL ARTISANS!

New World Group's unique brand personality, defined by The Artisanal Movement, is a journey of expanding one's imagination through our persistence in delivering bespoke craftsmanship manifested by originality. Embracing five core elements, namely Imagination, Bespoke, Craftsmanship, Heritage and Contemporary, the spirit is infused into the Group's different projects and services by our devoted staff, each of whom is an artisan.

New World artisans are innovative and open-minded to new things. While we encourage staff members to continually strive for advancement through providing training, our artisans are committed to understanding customers and are conscious of how their work, products and services would impact stakeholders and the wider community.

Always act with a strong desire to achieve, New World's artisan spirit underpins the Group's success and guide our actions in achieving sustainable growth of the community.

## TALENT DEVELOPMENT AND ENGAGEMENT

The Group sees people as its most important asset. During the reporting period, the Group introduced a number of unconventional programmes and initiatives to cater to the needs of employees and their families. The Group has won numerous awards for excellence in employee care, performance management and employee development.

### INTERNAL MOBILITY PROGRAMME

To allow staff to develop their full potential and support our rapidly evolving business needs, an internal mobility programme was introduced this year. Staff who have strong interest in exploring or developing their career or other business operations or other Group companies may apply through the programme for opportunities. The programme works to foster staff's sense of belonging and facilitate the Group's sustainable growth by helping staff widen their exposure.

### STAFF CASH REBATE SCHEME

As a Caring Company as well as a Family-Friendly Employer, we are committed to providing all-around privileges. We have launched the scheme on cash rebate of staff's purchase of properties owned by NWD and staff mortgage plan in order to assist our employees and their immediate family members to purchase a property of NWD in Hong Kong.

### TALENT GROOMING

Long-term and continuous training programmes such as the New World Star Executive Development Programme, the Accelerating Management Talent Programme, the New World YoungSTAR Programme and the Management Trainee Programme are provided to enhance staff knowledge and professionalism. These are complemented by a series of training courses for staff of different levels. In 2015, the Future Star Programme, PRC Management Trainee Grooming Programme and Hong Kong Graduated Management Trainee Development Programme were launched as part of a comprehensive succession plan.

Senior executives across the Group attended the Annual Group Management Forum to exchange ideas on specific topics and learn market insights and practices from industry experts which are geared towards enhancing values for the Group and staff.





### FOSTERING INTRAPRENEURIAL SPIRIT

The Incubation Circle programme encourages intrapreneurship, innovation and teamwork among colleagues. Through regular training courses and activities of Incubation Circle, staff are introduced to different tools for enhancing quality and creativity. Outstanding proposals that work to improve work process, efficiency, products, services, etc are recognised, adopted and promoted to add value and bring synergy to the Group.



### NURTURING STAFF AND YOUNG GENERATION

An education sponsorship programme is in place to encourage staff to acquire work-related education and training. Eligible staff receive subsidies for undertaking relevant education programmes

The Inventing Your Future Education Sponsorship Scheme is also in place to provide employees' children of high potential with primary and secondary school textbook and university tuition fee subsidies.



### AWARDS

Adopting an innovative and practical approach, the Group has garnered numerous awards for excellence in talent management, including Best Companies to Work for in Asia 2015 by HR Asia (March 2015), Best Employer Awards at the China Finance Summit 2015 (July 2015), and a number of honours at the Best Practice Awards 2015 (November 2015). These are testaments to the Group's foresight in and commitment to developing a comprehensive human resources and talent development strategy.



## NEW WORLD SPORTS CLUB



The Group encourages staff to exercise more and maintain a work-life balance by organising numerous sports activities. In addition, the Group has been collaborating with the Hong Kong Athletes Career and Education Programme under the Sports Federation & Olympic Committee of Hong Kong to provide career opportunities for retired athletes to enter the commercial sector. This creates a win-win situation where the athletics also bring positive influence to fellow colleagues.

The Group established the New World Sports Club in 2011 to create a platform for staff to reveal their sports talent. With the help of the retired athletes, the Group has formed the Volleyball Team, Long-distance Running Team and Basketball Team in order to enhance communication, trust and team spirit amongst staff from various business units within the Group.

New World Sports Club has also formed the Football Team and Women's Basketball Team this year with regular trainings to prepare for various sports competitions, such as the Inter-hong Tournament, Standard Chartered Hong Kong Marathon Corporate Challenge and The Corporate Games. The Football Team and Women's Basketball Team took fourth place and won a silver medal respectively in this year's Inter-hong Tournament.

### THE GROUP LONG RUN CHALLENGE 2015

New World Sports Club organised the first Group Long Run Challenge which was held on 6 September 2015 in Hong Kong Science and Technology Parks with over 200 participants. One of the retired athletes joined the Group through the Hong Kong Athletes Career and Education Programme led the stretching and briefing session before the Long Run Challenge.

### SPORTS ACTIVITIES

The New World Sports Club also organised different sports activities for colleagues regularly, such as bowling and bubble soccer events. The Club will explore different types of sports activities to encourage staff to live a positive healthy lifestyle.

## CASE STUDY MANAGEMENT TRAINEE JOURNAL

**“A ship in harbour is safe. But that is not what ships are built for.” (John A. Shedd, 1928) This quote encourages me to take an adventurous Management Trainee (MT) journey over the comfortable lifestyle. New World’s dynamic brand has shaped me to an adaptive person for the ever-changing market. During the two-year MT programme, we have job attachments designed as cross businesses and cross disciplines. Despite the unfamiliar working environment, as a New World MT, I have to showcase my capabilities in work, and make good suggestions to take the company one step forward.**

**Facing fierce market competition, New World has created its own brand personality. We called it “The Artisanal Movement”. The five elements in The Artisanal Movement make New World’s brand outstanding, providing extra satisfaction for our customers. As our group’s Vice-chairman and Joint General Manager - Adrian Cheng said, “At New World, We are all Artisans!” Let me bring you to the life as an Artisan!**

### TRAINING WITH IMAGINATION

New World Management Trainee Programme provides us with all-rounded trainings to sharpen our management skills. The trainings include classroom trainings for presentation skills and leadership skills, and also business dining etiquette trainings in high-end restaurant. The most impressive trainings were the creative thinking classes. You may know about “brainstorming”, but “Six Thinking Hats”, “TRIZ”, “Design Thinking” to name but a few are even more useful! After theory there is always practice. MTs always have the chance to deliver their skills to the group’s subsidiaries: immediately after visiting pentahotel, I could still remember our group of MTs presented our new marketing ideas by composing a new song with dance. Our company has been very supportive for new innovative ideas.



## BESPOKE JOB ROTATIONS

The Group assigns different job attachments according to MTs' academic background, interests and capabilities. I have a chance to go to six different companies and departments. Not only could I work in property sales and development related departments, but also shopping malls, hotel, and also a Group Company in Mainland China. In the previous summer, I went to New World Department Store in Shanghai for job rotation. It was my first visit to Mainland China and it was wonderful. Shanghai colleagues are very helpful and kind-hearted. They helped me adapt to Shanghai's life and culture. During the job attachment, I had chances to communicate with people from different backgrounds. They gave me a lot of valuable ideas and suggestions for branding strategy, which inspired me for many improvement ideas.

Other than rotations, the mentorship programme offers me a chance to have a cross-company mentor. My mentor has a daughter of same age as me. Therefore, we always exchange ideas about family, work and current affairs. My mentor is more than a good friend, as he has given me a lot of valuable advice for my future.





### CRAFTSMANSHIP IN NEW TASTE

An artisan creates original artwork with exceptional craftsmanship. In order to let staff experience the spirit of craftsmanship, the Group has created New Taste – a lifestyle sharing platform. Through the ten unique tastes, staff shares their experiences and interests through different events and workshops. These tastes include tea culture, coffee culture, automobile, Japanese Floral Arrangement, and more. With great interest in coffee culture, I joined a coffee workshop hosted by a world-class coffee master. He crafted the best coffee I have ever had! He explained the making of coffee through coffee culture and history. The experience taught me that an artisan has to look into every detail to make a brilliant artwork.

### LIVING WITH HERITAGE

Each place has its own unique history. New World Group constructs each residential development project by investigating the uniqueness in its location. The heritage, culture and legacy of each place are what we care. I had a valuable chance working in a residential project called The Hillwood in Shatoujiao, Shenzhen. It incorporated the beauty of Wutong Mountain National Park into the project's landscape design. The large garden area has vitalized the nature environment. As the Group's MT, we must possess an international vision to handle Mainland China and international projects. These valuable experiences are vital to our career development.

### CONTEMPORARY MEETS DIGITAL TRANSFORMATION

Besides treasuring historic values, digital transformation is one of our group's key initiatives. We believe that only by learning new technology could we retain our leading position. From residential to commercial projects, we strive to include digital marketing and mobile application. I have attached in the Digital Marketing team in K11 Art Mall before, responsible for digital marketing planning and operations. In order to attract netizens to our brand page, our content must be compelling and innovative. But the interactions with customers are of utmost importance. By valuing customers' suggestion and comment and make relevant improvement, we keep good customer relationship and build a better New World.

The ship in the ocean may get lost sometimes. But we always take every challenge as our opportunity. As we always believe, the artisanal journey will help us find our right track. One day we will be a successful sailor.

**Jimmy Lai**  
**Management Trainee 2014**

## OUR WAY FORWARD

Under the management direction to embark the organisation on a sustainability journey four years ago, New World Group has gradually harnessed the direct and indirect benefits from incorporating sustainability considerations into its decision process and day-to-day operations. Collection and subsequent disclosure of Environmental, Social and Governance (ESG) data has allowed New World Group to review and manage its sustainability performance in a more systematic manner. Greater internal sustainability awareness has driven new projects to achieve higher sustainability performances and ESG reporting has assisted to earn external recognitions of the Group's effort in pursuing sustainability excellence.

With the strengthening of ESG reporting requirements by various authorities such as the Hong Kong Exchanges and Clearing Limited's Listing Rules on ESG reporting and the Company Ordinance, it is timely for New World Group to review its ESG reporting methodology and quality of reporting. ESG reporting will be a focus when engaging stakeholders in the next reporting period.

## PERFORMANCE TABLES

GRI INDICATORS		UNITS	NEW WORLD GROUP
EN1	<b>Materials Use by Weight and Volume</b>		
	Paper (A3 & A4)	kg	237,562
	Paper Products	kg	87,939
EN3	<b>Energy consumption</b>		
	Bio-diesel	GJ	8,621
	Natural Gas	GJ	163,417
	Gasoline	GJ	17,758
	Diesel	GJ	4,430,297
	Towngas	GJ	1,282,014
	Electricity	GJ	2,242,613
EN15	<b>Direct greenhouse gas emissions (Scope 1)<sup>1</sup></b>	tonne CO <sub>2</sub> -e	388,909
EN16	<b>Energy greenhouse gas emissions (Scope 2)<sup>2</sup></b>	tonne CO <sub>2</sub> -e	418,384

<sup>1</sup> Calculate with reference to “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. The scope of the greenhouse gas emissions calculations includes NWD, Hong Kong K11 Art Mall, DPARK (DPCSL Management Office), The Signature, NWTMT, NWFm, NWCL and NWDS.

<sup>2</sup> Calculate with reference to “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. The scope of the greenhouse gas emissions calculations includes NWD, Hong Kong K11 Art Mall, DPARK (DPCSL Management Office), The Signature, NWTMT, NWFm, NWS, NWCL and NWDS. However, in the NWS calculations, Scope 2 excludes the emissions created during the production of towngas.

GRI INDICATORS		UNITS	NEW WORLD GROUP
<b>EN23</b>	<b>Total weight of waste by type</b>		
	Waste to landfill or incineration	tonne	80,854
	Construction & Demolition Waste (Reused or Recycled)	tonne	1,005,946
	Paper	tonne	376
	Cardboard	tonne	737
	Plastics	tonne	47
	Aluminium	tonne	3.4
	Scrap Metals	tonne	960
	Glass	tonne	29
	Food waste	tonne	3,971
	Cooking Oil	tonne	20
	Toners	tonne	4.1

GRI INDICATORS		UNITS	NEW WORLD GROUP
<b>G4-10 &amp; LA1</b>	<b>Total Number of Employees by Age Group, Gender, Employment Contract and Region</b>		
	Total Number		23,726
	Under 30 / 30-39 / 40-49 / 50 and above		5,221 / 6,864 / 5,550 / 6,091
	Male / Female		15,603 / 8,129
	Hong Kong (Male / Female)		12,287 (9,950 / 2,337)
	Mainland China (Male / Female)		11,439 (5,653 / 5,786)
	Permanent <sup>1</sup> (Male/Female)		15,576 (11,229 / 4,347)
	Fixed Term or Temporary Contract (Male/Female)		8,150 (4,276 / 3,874)
	<b>Rates of New Employee Hires by Age Group, Gender and Region</b>		
	Under 30 / 30-39 / 40-49 / 50 and above	%	9.5 / 26.9 / 14.0 / 8.8
	Male / Female	%	10.8 / 8.2
	Hong Kong / Mainland China	%	8.0 / 11.0
	<b>Employee Turnover by Age Group, Gender and Region</b>		
	Under 30 / 30-39 / 40-49 / 50 and above	%	11.4 / 8.2 / 2.7 / 2.5
Male / Female	%	12.8 / 12.1	
Hong Kong / Mainland China	%	6.4 / 18.4	

<sup>1</sup> Data collection will be improved for the next reporting period to include a breakdown for full time and part time staff under this category.



GRI INDICATORS		UNITS	NEW WORLD GROUP
<b>LA12</b>	<b>Breakdown of employee category by gender</b>		
	Assistant General Manager and above (M/F)	%	1.4 / 0.5
	Senior Manager (M/F)	%	1.3 / 0.5
	Manager (M/F)	%	2.1 / 1.3
	Assistant Manager (M/F)	%	2.2 / 1.6
	General Staff (M/F)	%	19.4 / 16.2
	Operational Staff (M/F)	%	39.3 / 14.2
	<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 / 0.2 / 0.8 / 0.8
	Senior Manager	%	0.0 / 0.4 / 0.7 / 0.6
	Manager	%	0.1 / 1.4 / 1.3 / 0.6
	Assistant Manager	%	0.2 / 1.8 / 1.1 / 0.6
	General Staff	%	11.6 / 13.3 / 7.5 / 3.3
	Operational Staff	%	10.0 / 11.8 / 11.9 / 19.7

# AWARDS

## CORPORATE GOVERNANCE

ORGANISER/SCHEME	AWARDS / RECOGNITIONS	COMPANY	
Hang Seng Indexes Company Limited	Hang Seng Corporate Sustainability Index - Constituent Stock (effective in Sept 2015)	NWD	
	Hang Seng Corporate Sustainability Benchmark Index - Constituent Stock	NWD, NWS	
BSI Asia	Top 10 Developers Award 2015	NWD	
Quamnet	Outstanding Enterprise Awards 2014	Outstanding Investor Relations 2014	
Corporate Governance Asia	5th Asian Excellence Recognition Awards	Best Investor Relations Company	NWD, NWDS
		Asia's Best CEO (Investor Relations)	NWD
		Asia's Best CFO (Investor Relations)	NWD
		Best Investor Relations Professional	NWD, NWS
	10th Corporate Governance Asia Recognition Awards 2014	The Best of Asia - Asia's Outstanding Companies	NWD
		Asia's Most Promising Companies on Corporate Governance	NWDS
5th Asian Corporate Director Recognition Awards 2014		NWD	
Hong Kong Investor Relations Association	HKIRA 1st Investor Relations Awards	Best IR Company - Large Cap	

ORGANISER/SCHEME	AWARDS / RECOGNITIONS	COMPANY	
US MerComm, Inc.	<b>28th International Mercury Awards</b>	Grand Award - New World Harbour Race 2014	NWD
		Honors Award	NWD
		Gold Award	2 awards from NWD, NWCL
		Silver Award	2 awards from NWD, NWCL, NWDS
		Bronze Award	2 awards from NWD, NWDS
	<b>International Astrid Awards 2015</b>	Grand Award	NWD, NWCL, NWDS
		Gold Award	NWD, NWCL
		Silver Award	2 awards from NWD, NWCL, NWDS
		Bronze Award	NWD, 2 awards from NWCL
	<b>29th International ARC Awards</b>	Honors Award	2 awards from NWD, NWDS
		Gold Award	NWDS
		Bronze Award	2 awards from NWD, NWDS
	<b>2014 Galaxy Awards</b>	Grand Award in Advertising	NWS
		Gold Award - Annual Reports - Overall Presentation: Retail - Department Store	NWDS

## CORPORATE GOVERNANCE

ORGANISER/SCHEME	AWARDS / RECOGNITIONS		COMPANY
League of American Communications Professionals LLC	2014 Vision Awards	Platinum Award	NWD, 3 awards from NWDS
		Top 50 Asia-Pacific Region Annual Reports	NWD, 2 awards from NWDS
		Top 100 Worldwide Annual Reports	NWD, 2 awards from NWDS
		2014 Top 40 Chinese Annual Reports	NWD, 2 awards from NWDS
		Silver Award	NWD, 2 awards from NWDS
		Bronze Award	NWD, NWDS
Shanghai Huangpu District	Certificate for top 100 enterprises with Outstanding Contribution to the economic development		NWCL
The Economic Observer	The Most Respected Company in China 2013-2014		NWCL
Chinese Business News	2014 Top List Hong Kong-Invested Enterprises on Real Estate Value Ranking in China		NWCL, NWDS
Hong Kong Management Association	2014 Best Annual Reports Awards	Citation for Design	NWDS
The Asset	The Asset Corporate Awards 2014	Gold Award in the category of "Financial Performance, Corporate Governance and Environment Responsibility"	NWDS

## ENVIRONMENTAL

ORGANISER/SCHEME	AWARDS / RECOGNITIONS		COMPANY
Hong Kong Awards for Environmental Excellence	Energywise Label	Class of Excellence	NWD, NWS, NWCL and 8 more companies
		Class of Good	NWCON, NWFM
	Wastewise Label	Class of Excellence	NWD, NWS, NWCL and 8 more companies
		Class of Good	NWCON
	IAQWi\$e Label	Class of Good	K11, NWS, and 3 more companies
	Carbon "Less" Certificate	Carbon "Less" Certificate	NWD, K11, NWFM, NWS, NWCL, NWDS and 4 more companies
Property Management - Silver Award		K11	
	Media and Communication - Merit Award		NWT
Environmental Protection Department	Indoor Air Quality Certificate	Good Class	K11, DP, NWFM
	Programme on Source Separation of Commercial and Industrial Waste	Certified	K11, DP
Electrical and Mechanical Services Department	Energy Saving Charter on Indoor Temperature	Participated Business Organization	NWD, K11, DP
Hong Kong Green Mark Certification Scheme	Environmental Management System on Property Management of Shopping Arcade	Certified	K11

ORGANISER/SCHEME	AWARDS / RECOGNITIONS		COMPANY
Water Supplies Department	Quality Water Recognition Scheme for Building	Silver Certificates	K11
		Blue Certificates Standard	NWFM DP
	Flushing Water Plumbing Quality Maintenance Recognition Scheme	Blue Certificates	K11
WWF Hong Kong	WWF Low-carbon Office Operation Programme (LOOP) - LOOP Labelling Award	Gold Class	K11
U Magazine- U Green Awards 2012-2013 & 2013-2014	2012-2013 & 2013-2014 Outstanding Green Contribution Award – Shopping Mall	Outstanding Green Contribution Award – Shopping Mall	K11
Development Bureau	2015 Considerate Contractor Site Award	Gold Award in the Non-public Works - New Works category at the Outstanding Environmental Management & Performance Awards 2015	Hip Hing
Architecture Services Department	Green Contractor Gold Award 2014		Hip Hing
China Construction Industry Association, China	2014 AAA Creditable Construction Sites of Safety and Civilisation Standard (north eastern China)	AAA Credit	NWCL
Shenzhen Special Zone Daily, China	2014 Qianhai's Most Anticipated Ecological Villa Award (Shenzhen)		NWCL

ORGANISER/SCHEME	AWARDS / RECOGNITIONS	COMPANY
Shenzhen Economic Daily, China	2014 Most Innovative Urban Ecological Mansion Award (Shenzhen)	NWCL
World Economy and Environment Congress	2014 Carbon Value Citizen of the 4th International Carbon Value Award	NWCL
Friends of the Earth	Power Smart Energy Saving Contest	Certificate of Appreciation
		Progress Award
World Green Organization	"Green Office" Award Labelling Scheme	NWDS
	UNMDG's "Better World Company" Label	NWDS

## COMMUNITY

ORGANISER/SCHEME	AWARDS / RECOGNITIONS	COMPANY	
The Hong Kong Council for Social Service	Caring Company	10+ Year	NWD, NWS and 6 more companies
		5+ Year	K11, NWSI, Vibro
		Logo	DP, NWFM, NWCL, NWDS
Hong Kong Productivity Council and the Committee on the Promotion of Civic Education of HKSARG	5th Hong Kong Corporate Citizenship Programme	Enterprise category - Gold Award	NWD
		Enterprise category - Merit Award	NWS
		Volunteer Team Category - Gold Award	NWS
Enterprise Asia	Asia Responsible Entrepreneurship Awards 2015	Social Empowerment Category Award - New World Springboard	NWD
The Major Sports Events Committee	Hong Kong "M" Mark Sports Events	Outstanding Progress Award - New World Harbour Race	NWD
		10th Anniversary of "M" Mark Title Sponsor Appreciation Award - New World Harbour Race	NWD
The Office of the Government Chief Information Officer and the Equal Opportunities Commission	Web Accessibility Recognition Scheme	Gold Award in the "Website Stream"	NWFM, NWS, NWFF
		Silver Award in the "Website Stream"	NWFM, NWS
		Gold Award in the "Mobile App Stream at the second Web Accessibility Recognition Scheme"	NWFF
CEI Asia Magazine		Best Convention and Exhibition Centre in Asia 2014	HKCEC

ORGANISER/SCHEME	AWARDS / RECOGNITIONS	COMPANY
Chinese Business News	Industry Practice Award for 2014 Corporate Social Responsibility Ranking in China	NWCL
Guangdong Poverty Alleviation Steering Team	2013 Red Cotton Award for Poverty Alleviation in Guangdong (southern China)	Bronze Cup NWCL
Zhaoqing City Business Association; Zhaoqing City Entrepreneurs Association; Zhaoqing City Real Estate Industry Association, China	2013/14 Most Socially Responsible Company (Zhaoqing)	NWCL
The People's Government of Guangzhou Municipality	2015 Happy Community	NWCL
China Charity Festival Committee	2014 China Charity Festival	Group Award Best Charity Project Best Green Project NWDS NWDS NWDS
Youth Welfare Alliance	Annual Outstanding Community Programme	NWDS

## STAFF

ORGANISER/SCHEME	AWARDS / RECOGNITIONS		COMPANY
Best Practice Management Group	Best Practice Award 2014	Employee Care category	NWD
		Employee Engagement category	NWD
		Talent Acquisition & Retention category	NWD
		Grand Award	NWD
HR Asia	The Best Companies to Work for in Asia 2015		NWD
China Staff Magazine	17th China Staff Awards	Best Practice in Engagement & Retention of the Year	NWD
The 4th China Finance Summit 2015		Best Employers' Award	NWD, NWS
The Hong Kong General Chamber of Small and Medium Business	Partner Employer Award	Outstanding Corporate	NWFM
ERB Manpower Developer Award Scheme		Manpower Developer	NWT
Hong Kong Institute of Human Resource Management	HR Excellence Awards 2014	Excellent Employee Wellness Award in the HR Practices category	NWS
Labour Department	Construction Safety Award 2014/15	Gold Award in Building Site (Public Sector)	Hip Hing

ORGANISER/SCHEME	AWARDS / RECOGNITIONS		COMPANY
HR Excellence Centre	China Learning & Development Value Awards 2014	Value Case Award	NWDS
		Best Practice Award	NWDS
Overseas Education College Shanghai Jiao Tong University	Chinese Corporate University Rankings	China's Best Corporate University	NWDS
		2014 Chinese Corporate University – Top Ten Innovative Practices	NWDS

## EVENTS 2014-2015

### ENVIRONMENTAL

DATE	ORGANISER/SCHEME	EVENTS	PARTICIPANTS
16/9/2014	Water Supplies Department	Let's Save 10L	NWCON
16-17/11/2014	The Community Chest of Hong Kong	Green Day	NWT
7/12/2014 18/4/2015	Walk for Nature	Coastal Watch	NWD
11/9/2014		Walk For Nature	NWD
28/3/2015		Earth Hour	NWD, NWS, NWCL, NWDS and 12 more companies
17/1/2015	AYP	Rogaine24	NWD
7/2/2015	Green Power	The 22nd Green Power Hike	NWD
23/2/2015	Hong Kong Playground Association	Collection of Old Items	NWD
26/2/2015 -11/3/2015	Greeners Action	Lai See Recycling Programme 2015	NWD
25/9/2014	Green Sense	No Air Con Night 2014	NWD
29/3/2015		Green Sense Walkathon 2015	
20/5/2015	Kids4Kids	"Sharing for a Cause" campaign	NWD
1-30/9/2015	The Nature Conservancy	Love the Earth Flea Market	NWT

## COMMUNITY

DATE	ORGANISER/SCHEME	EVENTS	PARTICIPANTS
1/7/2014 - 30/6/2015	Commission on Poverty	Future Star's Programme	NWD, K11, DP, NWFM, HKCEC, NWFB, NWFF
4-8/6/2014	Habitat for Humanity	Farmhouse Rebuild Programme	NWD
1-30/8/2014	YMCA of Hong Kong	"Smile Now - Love Forward" Community Support Programme	NWTMT
8/2/2014	<ul style="list-style-type: none"> <li>- Baptist Oi Kwan Social Service</li> <li>- Fair Circle</li> <li>- Fu Hong Society</li> <li>- Caritas Green Baby</li> <li>- HKSKH Lady MacLehose Centre</li> <li>- The Neighbourhood Advice-Action Council</li> <li>- Richmond Fellowship of Hong Kong</li> <li>- Senior Citizen Home Safety Association</li> <li>- Yan Chai Hospital Board</li> <li>- The Church of United Brethren in Christ - Tuen Mun Integrated Children and Youth Centre</li> <li>- The Society of Rehabilitation and Crime Prevention Hong Kong</li> <li>- Hong Kong Association Of The Deaf</li> <li>- The Boys' and Girls' Club Association of Hong Kong Jockey Club South Kwai Chung Children and Youth Integrated Services Centre</li> </ul>	New World x NGO Fair 2014	NWD

DATE	ORGANISER/SCHEME	EVENTS	PARTICIPANTS
	<ul style="list-style-type: none"> <li>- Hong Kong Children &amp; Youth Services</li> <li>- Free Methodist Church Tuen Mun Children and Youth Integrated Services Centre</li> </ul>		
22/8/2014-13/9/2014	Children's Cancer Foundation	CCF -Heart of an Angel Exhibition	NWFM
6/9/2014-7/9/2014	SOCO (Society for Community Organization)	Social Leadership Camp Sponsorship	NWFM
13/9/2014	HKBA	New World Springboard Basketball Tournament 2014	NWD
4/10/2014	<ul style="list-style-type: none"> <li>- Entrepreneurship Workshop Ministry Limited</li> <li>- Hans Andersen Club Limited</li> <li>- New Life Psychiatric Rehabilitation Association</li> <li>- United Christian Nethersole Community Health Service</li> <li>- Child Welfare Scheme</li> <li>- Christian Action</li> <li>- Hong Kong Down Syndrome Association</li> <li>- HKSKH Lady MacLehose Centre</li> <li>- Hong Kong Playground Association</li> <li>- The Boys' and Girls' Club Association of Hong Kong Jockey Club South Kwai Chung Children and Youth Integrated Services Centre</li> <li>- The Church of United Brethren in Christ - Tuen Mun Integrated Children and Youth Centre</li> </ul>	New World x NGO Fair 2014	NWD

DATE	ORGANISER/SCHEME	EVENTS	PARTICIPANTS
19/10/2014	Hong Kong Breast Cancer Foundation	Pink Walk for Breast Health 2014	NWCON
1-30/10/2014	The Community Chest of Hong Kong	Dress Causal Day	NWT
2/12/2014		Love Teeth Day	NWT
20/3/2015		Skip Lunch Day	NWT
12/10/2014	HKASA	New World Harbour Race 2014	NWD
30/11/2014	AQUAWIZ	New World International Triathlon 2015	NWD
27/12/2014	<ul style="list-style-type: none"> <li>- Baptist Oi Kwan Social Service</li> <li>- Hong Kong Children &amp; Youth Services Sane Centre</li> <li>- The Neighbourhood Advice-Action Council - Extraordinary Human Resources Market</li> <li>- Fair Circle</li> <li>- Hong Kong Society for the Protection of Children - Children and Family Services Centre</li> <li>- Sisters of the Good Shepherd</li> <li>- Life Workshop</li> <li>- St. James' Settlement - Holyfield Social Enterprise</li> </ul>	New World x NGO Fair 2014	NWD
1/1/2015 - 30/4/2015	The University of Hong Kong	The HKU-New World Group Business Elite Students (BEST) Programme	NWD

DATE	ORGANISER/SCHEME	EVENTS	PARTICIPANTS
7/2/2015	The Boys' and Girls' Clubs Association of Hong Kong	New World Springboard Community Ambassador Programme - Sham Shui Po	NWD
7/3/2015	Hong Kong Playground Association	New World Springboard Community Ambassador Programme - Kwai Tsing	NWD
14/3/2015 23/5/2015 6/6/2015	Children's Cancer Foundation	Visit to Ocean Park for Children's Cancer Foundation	NWD
18/4/2015	TREATS	"Integration For ALL" Community Exploration Programme	K11
3/5/2015	HKASA	2nd New World Springboard Swimming Championships	NWD
1-30/5/2015	World Vision Hong Kong	Fund raising to Nepal Earthquake victims	NWT
27/6/2015	TWGH Tuen Mun Integrated Services Centre	New World Springboard Community Ambassador Programme - Tuen Mun	NWD

## GRI CONTENT INDEX

This report was prepared in accordance with the Core requirements of Global Reporting Initiative (GRI) G4 Guidelines. The General Standard Disclosures and Material Specific Standard Disclosures are presented below with either linkage to the reported section(s) or direct answer.

### GENERAL STANDARD DISCLOSURES

GENERAL STANDARD DISCLOSURES	CROSS-REFERENCE/COMMENTS	EXTERNAL ASSURANCE
<b>Strategy and Analysis</b>		
G4-1	NWD Annual Report – Executive Vice Chairman’s Report – Outlook Message from Management	
<b>Organisational Profile</b>		
G4-3	About this report	
G4-4	Our Business	
G4-5	Content	
G4-6	Our Business	
G4-7	NWD Annual Report – Report of The Directors (page83,84)	
G4-8	NWD Annual Report - Principle Project Summary (page248-267) Our Business	
G4-9	NWD Annual Report – Consolidated Income Statement Performance Tables (page100-103)	
G4-10	Performance Tables	
G4-11	There is no collective bargaining legislation exists in Hong Kong and NWD has not identified any operations that constitute risk to the right to exercise freedom of association.	

## GENERAL STANDARD DISCLOSURES

GENERAL STANDARD DISCLOSURES	CROSS-REFERENCE/COMMENTS	EXTERNAL ASSURANCE
<b>Organisational Profile</b>		
G4-12	Sustainable Property Development	
G4-13	Within the reporting scope of this report, no significant changes has occurred during the reporting period with regards to size, structure, ownership or the supply chain.	
G4-14	NWD Annual Report - Corporate Governance Report (page238-247) Corporate Governance	
G4-15	NWD is signatory to the Government’s Energy Saving Charter and Food Waste Charter.	
G4-16	Senior Management sat on the Board of Directors and Executive Committee of The Real Estate Developers Association of Hong Kong (REDA).	
G4-17	The comprehensive list of NWD subsidiaries are shown in <i>NWD Annual Report – Principal Subsidiaries</i> , joint venture and associated companies. (page200-220)  The scope and boundary of this sustainability report is shown in <i>Appendix 1 – Scope of Reporting</i> .	

## GENERAL STANDARD DISCLOSURES

GENERAL STANDARD DISCLOSURES	CROSS-REFERENCE/COMMENTS	EXTERNAL ASSURANCE
<b>Identified Material Aspects and Boundaries</b>		
G4-18	About this report	
G4-19	Materiality Considerations Sustainability Property Development	
G4-20	Materiality Considerations	
G4-21	About this report Materiality Considerations	
G4-22	There is no restatement.	
G4-23	New World Construction Company Limited has been included in the scope of reporting. Performance Tables	
<b>Stakeholders Engagement</b>		
G4-24	Stakeholder Engagement	
G4-25	Stakeholders Engagement Sustainable Property Development	
G4-26	Stakeholders Engagement Sustainable Property Development	
G4-27	Sustainable Property Development	

## GENERAL STANDARD DISCLOSURES

GENERAL STANDARD DISCLOSURES	CROSS-REFERENCE/COMMENTS	EXTERNAL ASSURANCE
<b>Report Profile</b>		
G4-28	About this report	
G4-29	December 2014	
G4-30	About this report	
G4-31	Content	
G4-32	GRI Content Index	
G4-33	About this report Assurance statement	
<b>Governance</b>		
G4-34	NWD Annual Report – Corporate Governance Report (page 238-247) Management Approach to Corporate Sustainability	
<b>Ethics Integrity</b>		
G4-56	<p>Corporate Governance is one of the core elements that ensures sustainable development of our businesses. 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.</p> <p>The Conflict of Interest Policy sets out basic principles and practices to protect the Group’s interests, preserve reputation for integrity, secure the trust and loyalty of stakeholders and provide clear</p>	

## GENERAL STANDARD DISCLOSURES

GENERAL STANDARD DISCLOSURES	CROSS-REFERENCE/COMMENTS	EXTERNAL ASSURANCE
<p><b>Ethics Integrity</b> G4-56</p>	<p>guidance to all directors and employees with regard to the Group's expectation in this matter. The Employees' Code of Conduct sets out the conduct requirements and guidelines for all employees of New World Development Company Limited.</p> <p>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.</p> <p>As a responsible corporate citizen, the Group also realise the need of influencing our suppliers and have issued a Supplier Code of Conduct and a Supplier Sustainability Self-Assessment Questionnaire which have been included in the vendor selection process.</p>	

## SPECIFIC STANDARD DISCLOSURES

MATERIAL ASPECTS	DMA AND INDICATORS	CROSS-REFERENCE/COMMENTS	EXTERNAL ASSURANCE
Economic Performance	DMA	NWD Annual Report – Management Discussion and Analysis (page 36-41)	
	G4-EC1	NWD Annual Report – Financial Highlight (page13)	
Energy	DMA EN3	Our Environment Performance Tables	
Emissions	DMA EN15, EN16, EN17	Our Environment Performance Tables	
Materials	DMA EN1	Our Environment Performance Tables	
Effluents and Waste	DMA EN23	Our Environment Performance Tables	
Employment	DMA LA1	Our People Performance Tables	
Occupational Health and Safety	DMA LA6	Management Approach to Corporate Sustainability Sustainable Property Development Performance Tables	
Training and Education	DMA LA9	Our People Performance Tables	

## SPECIFIC STANDARD DISCLOSURES

MATERIAL ASPECTS	DMA AND INDICATORS	CROSS-REFERENCE/COMMENTS	EXTERNAL ASSURANCE
Diversity and equal opportunity	DMA	Management Approach to Corporate Sustainability Our people	
	LA12	Performance Tables	
Non-discrimination	DMA	Management Approach to Corporate Sustainability	
	HR3	There was no reported incidents of discrimination during the reporting period.	
Local Communities	DMA	Our Community	
	SO1	Our Community - New World Springboard	
Marketing Communications	DMA	Management Approach to Corporate Sustainability Sustainable Property Development	
	PR7	A dedicated department ensures all NWD marketing materials for new development projects comply with the Residential Properties (First-hand Sales) Ordinance. No prosecution was issued under the said legislation during the reporting period.	

# ASSURANCE STATEMENT



## ASSURANCE STATEMENT

New World Development Company Limited ("New World Group" or "the Group") has prepared the New World Group Sustainability Report 2015 (hereinafter referred to as "the Report") in accordance with the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines. The Hong Kong Productivity Council (HKPC) was commissioned by New World Group to provide independent verification<sup>1</sup> of the Report, which covers the sustainability performance of New World Group in terms of environmental, social and economic aspects between 1 July 2014 and 30 June 2015.

## OBJECTIVES

The main objective of HKPC's verification work was to provide independent assurance on the completeness, accuracy and reliability of the information presented in the Report. More specifically, the objectives were to:

- assess whether the scope of the Report covered all significant aspects of New World Group's sustainability performance;
- check whether the Report conformed to the Core option of the GRI G4 Sustainability Reporting Guidelines;
- evaluate whether the selected statements and data presented in the Report were accurate;
- review whether the data collection and information management mechanisms used to prepare the Report were reliable; and
- provide recommendations for future reports.

## APPROACH

HKPC's verification procedures<sup>2</sup> consisted of a comprehensive review of the Report, followed by the selection of a representative sample of statements and data pertaining to the significant sustainability aspects of New World Group for verification. During an interview with New World Group representatives conducted on 28 January 2016, 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.

## CONCLUSION

The Report conforms to the Core option of the GRI G4 Sustainability Reporting Guidelines. It presents an overview of New World Group's environmental, social and economic performance with respect to the key services, activities and initiatives of the Group and the three listed companies under the Group. We commend New World Group for extending the scope of report this year to include the greenhouse gas emissions of the three listed companies under the Group to enhance the completeness of the Report.

The selected sample of statements and data of the Report examined during the verification process is consistent with the source materials reviewed and reflects a fair account of New World Group's environmental, social and economic performance. The data collation and information management systems adopted by New World Group are generally considered to be reliable. We encourage New World Group to consider incorporating stakeholder views in the identification and determination of material aspects and boundaries for reporting. This will allow more complete views for defining the Report's content.

A handwritten signature in black ink, appearing to be 'Clement Li', is written over a horizontal line.

Clement Li  
Principal Consultant  
Hong Kong Productivity Council  
18 February 2016

<sup>1</sup> This verification statement has been prepared for New World Group for the purpose of assuring the statements and data presented in its Sustainability Report 2015 only. The statement was prepared based on HKPC's review of information provided by New World Group during the verification process. HKPC will not accept or assume any responsibility or liability (legal or otherwise) in relation to this

<sup>2</sup> verification statement. Our verification work did not cover data and information which had already been published in the press releases, on the Group or its subsidiaries' websites, in the subsidiaries' sustainability reports, or in the annual reports of New World Group.

# APPENDIX 1

## SCOPE OF REPORTING

