

Sustainability Report 2014

*Building a
Sustainable
Community*



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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

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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. This is our second standalone sustainability report which discloses programmes, initiatives and data associated with the Group's corporate sustainability performance.

Due to our diverse business nature, the scope is the same as our first report and mainly focused on wholly owned subsidiaries ("Group Companies") of the four listed

companies in New World Group. The report highlights our sustainability performances between 1 July 2013 and 30 June 2014 (the "reporting period"). 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 delighted to present our second Sustainability Report, which offers detailed information about our approach to corporate sustainability, key initiatives and achievements during the past year.

Our “3Ps” approach to corporate sustainability continues to underpin the Group’s various initiatives, that is, while pursuing returns (Profit) from our wide range of businesses, we are keen to support the development of different stakeholders in our community (People) and our environment (Planet) to make the world a better place for everyone.

Property development is one of our core businesses. We strive to be a community builder and adopt a life cycle approach to systematically address sustainability and stakeholder issues during the property development process. This also works to create synergy to improve our sustainability performance.

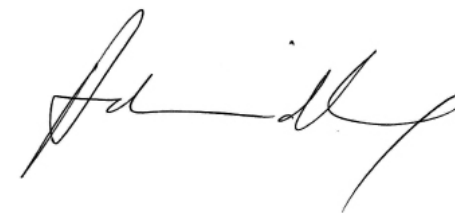
We believe art is part of our everyday lives, a powerful platform that sparks off our creativity. K11 Art Foundation promotes art appreciation in the community by facilitating a diverse array of art exhibitions, workshops and seminars. We also offer a sustainable platform to groom young, promising artists in the contemporary art sector of Asia, enabling the region to become a leading multi-cultural art hub.

Entering its third year, New World Springboard continues to promote equal opportunities for all and improve social mobility with various sustainable community programmes

which include professional sports training and mentorship for under-resourced youth. It is encouraging to see that young swimmers from New World Springboard compete in New World Harbour Race alongside international contestants. Their great results motivate us to nurture more budding athletes for Hong Kong.

It is our strong belief that there is always room for improvement and we are actively benchmarking with international best practices. Policies, guidelines and code of conducts are being developed to further strengthen our internal systems.

Sustainability is a joint project and this is why stakeholder engagement is a significant aspect of our sustainability philosophy. We are developing a comprehensive stakeholder engagement system, while continuing to connect with our internal and external stakeholders through various means. We value your feedback on this report. Together, we can create a better New World for all.

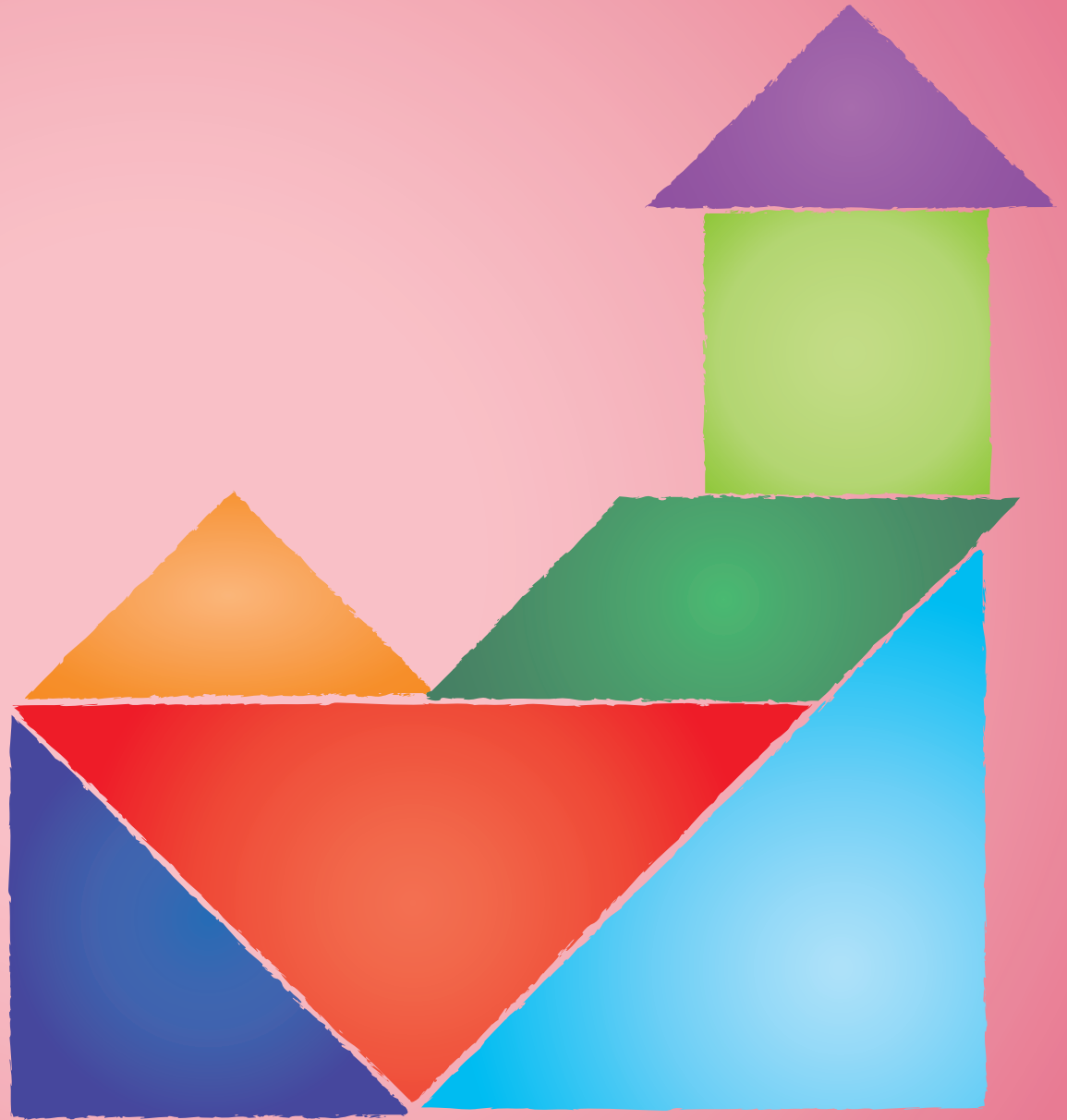


Adrian Cheng

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



Our
Business



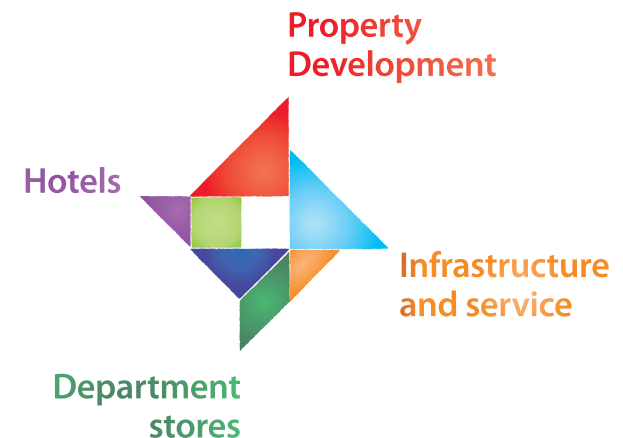
Founded in 1970, New World Development Company Limited (The "Group", Stock Code: 17.HK) was publicly listed in Hong Kong in 1972 and is a constituent stock of the Hong Kong Hang Seng Index. The three listed companies under New World Group are NWS Holdings Limited ("NWS"; Stock Code: 659.HK), New World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

Corporate Structure



Core Businesses

New World Group is a diversified holding company with a focus on property development, other core businesses include infrastructure and service, department stores and hotels. The Group's businesses have a large geographical coverage, spanning from Hong Kong to Mainland China and numerous international cities.



Property Development

Catering to the needs of different customers, residential projects developed and invested by the Group are meticulously planned by professional teams. The unique designs, premium building materials, attentive service and innovative management of our projects offer customers an experience like no other.

As at 30 June 2014, the Group's major property development portfolio in Hong Kong comprises 29 projects.

Total GFA (sq ft):
14,222,050

Residential (sq ft):
6,359,654

Retail (sq ft):
86,667

Total Attributable GFA (sq ft):
6,446,321

The Group's property portfolio comprises shopping malls, offices, hotels and service apartments, dominating prime business districts along Victoria Harbour. Located in Tsim Sha Tsui, K11 integrates three core elements, Art • People • Nature, into its business philosophy. The innovative positioning of K11 inspires the public to make art a part of their daily lives. In recent years, K11 has been expanding its presence in Mainland China, with the opening of Shanghai K11 Art Mall in June 2013. Discovery Park Shopping Centre in Tsuen Wan is one of the popular destinations for shopping and leisure in the district.

As at 30 June 2014, the Group's investment property portfolio in Hong Kong comprises 18 major projects.

Total GFA (sq ft):
15,868,364

Residential (sq ft):
116,954

Retail (sq ft):
1,607,732

Others (sq ft):
3,771,464

Office (sq ft):
681,353

Carpark (Number):
4,338

Hotel (sq ft):
2,159,227

Total Attributable GFA (sq ft):
8,336,730

New World China Land, the flagship property arm of the Group in Mainland China, is one of the leading developers in the market. Listed in Hong Kong in 1999, it has properties located in more than 20 major cities in Mainland China, including large-scale residential projects, service apartments, villas, offices, shopping centres, multi-purpose buildings, hotels and resorts.



► The Signature



► Shanghai K11 Art Mall



► Hong Kong Convention and Exhibition Centre



► New World First Ferry



► ATL Logistic Centre



► Guangzhou Northern Ring Road

Infrastructure and Service

NWS Holdings Limited (NWS) under the Group provides infrastructure facilities and public service in Hong Kong, Mainland China and Macau.

NWS's infrastructure business, comprising roads, energy, water and ports and logistics, aims to boost living standards of the public. Its toll roads and related projects are located in Guangdong, Zhejiang, Guangxi, Shangxi, Tianjin, Hangzhou and Hong Kong. In addition to operating power plants in Guangdong and Sichuan and coal handling pier in Guangdong, NWS also invested in a number of water, sludge and waste treatment projects in Mainland China, Hong Kong and Macau, and technical consultancy companies. NWS has three port projects in strategic coastal cities of Mainland China. It also develops and operates 18 large-scale pivotal rail container terminals across Mainland China and logistics services in Hong Kong.

NWS's services cover facilities management, construction & transport and strategic investments. These services include the management and operation of Hong Kong Convention and Exhibition Centre and Free Duty shops at land boundary control points, and professional facility services in Hong Kong, Mainland China and Southeast Asia. It also provides one-stop construction services for many leading clients and developers in Hong Kong and Mainland China, plus bus and ferry transport services, and strategic investments.



► Hong Kong New World Department Store - Shanghai Chengshan Branch Store



► Wuhan New World Department Store - Wuchang Branch Store

Department Stores

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. Its retail portfolio comprises 31 "New World" branded department stores across the nation, 10 "Ba Li Chun Tian" branded department stores and shopping malls in Shanghai, and the "Shanghai Hongxin Trendy Plaza" shopping mall. Covering a total GFA of over 1.6 million sq m, its department store retail chain spans 21 major cities in Mainland China, including Beijing, Shanghai, Shenyang, Wuhan and Chengdu.



Hotels



New World Group owns a collection of stylish luxury hotels. As at 30 June 2014, the Group has invested in 17 hotels in Hong Kong, Mainland China and Southeast Asia, providing more than 7,600 guestrooms.

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.

Rosewood Hotel Group, the hotel management arm of New World Group, manages 53 hotels in 17 countries across North America, Europe, Asia, the Middle East

and the Caribbean/Atlantic. The three brands under the Rosewood Hotel Group include the ultra-luxury Rosewood Hotels & Resorts®, the deluxe New World Hotels & Resorts and the neighbourhood lifestyle pentahotels.

A stylish and cosy hotel targeting young trendsetters, pentahotel Hong Kong, Kowloon is one of the Group's hotels, which was completed and commenced operation in 2013. Another one is New World Beijing Hotel located in Chongwenmen district, a prime area in Beijing. Targeting the upmarket, Rosewood Beijing is the first project in Mainland China under the Rosewood Hotels & Resorts brand and opened in October 2014.

The scope of this sustainability report does not cover the hotel operations of New World Group.



▶ Grand Hyatt Hong Kong



▶ Rosewood Beijing



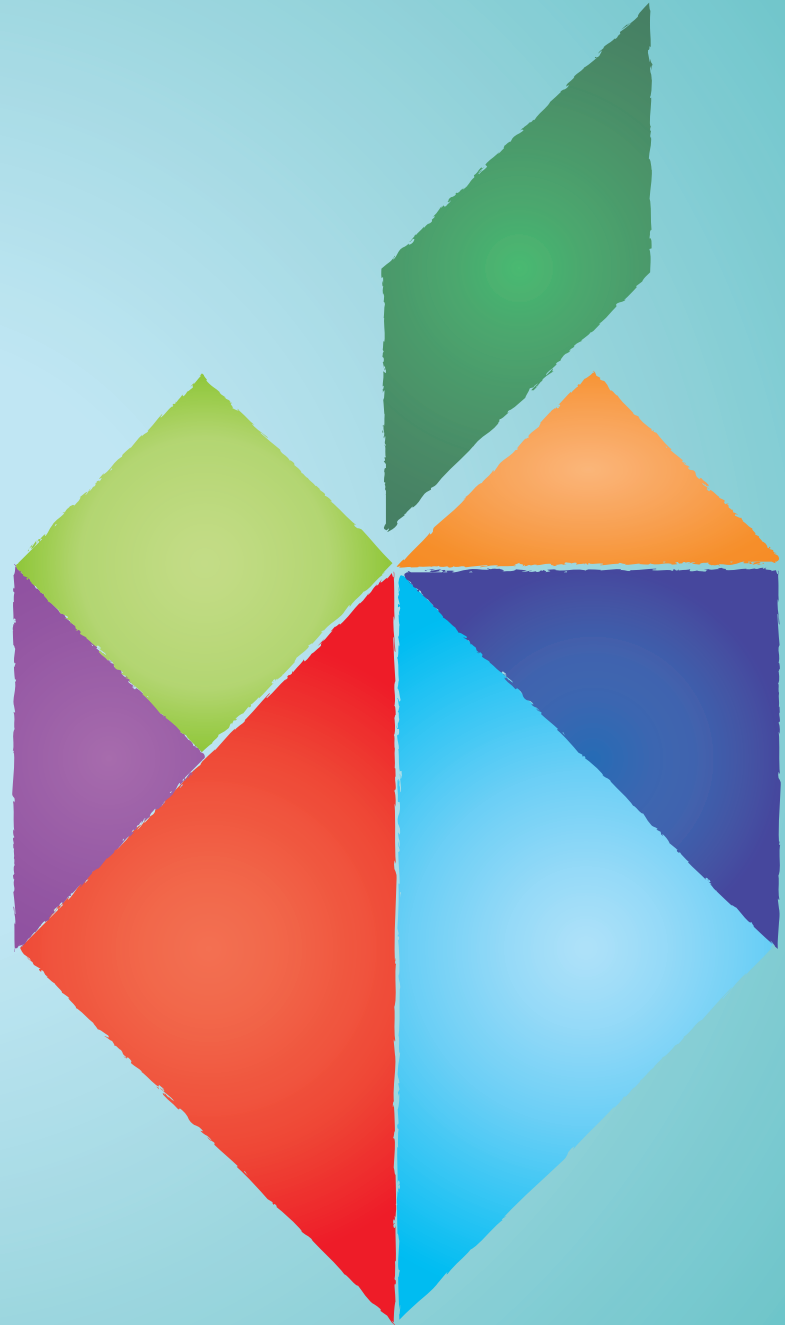
▶ New World Beijing Hotel



▶ pentahotel Hong Kong, Kowloon



Management Approach
to Corporate
Sustainability



New World Group strives to maintain a balance between making profit and fulfilling its responsibilities towards the environment and the community by incorporating sustainable development considerations into its daily operations.

The Group is committed to deliver more than the hardware to the communities in which it operates in order to create a better and more harmonious society. We believe in equal opportunities for everyone and work to improve social mobility of under-resourced children and youth through corporate sustainability initiatives focusing on sports, art and culture.



The following structure of sustainability committees and task force are established to ensure sustainability messages are effectively communicated vertically and horizontally 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 minimizing 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.

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, NWD and our core business, property development and the more general aspects which are relevant to most business operations within the scope of this report.

During the development of the model for Life Cycle Approach to Sustainable Property Development (see *Our Environment*), all department heads involved in the property development process were consulted regarding sustainability issues encountered during the different stages of the property development process. Based on these information and the material aspects identified by NWS, NWCL and NWDS, the material aspects to be covered by this report are identified.

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.

Stakeholder Engagement

“No man is an island” and no organisation can achieve a sustainable growth without understanding and engaging its internal and external stakeholders. New World Group actively seeks every opportunity to understand and engage its stakeholders.

Investors

As a commercial organisation, investors are among the more important stakeholders. The Group treasures every face-to-face opportunity with investors for two-way communication. Press conferences followed by analysts’ briefings were organised on the date of results announcement which were participated by the Board and senior management for an in-depth explanation of the Group’s financial positions.

In addition, the Group has joined over 20 global investor conferences and roadshows held in Mainland China, Singapore, the U.S. and Europe and has also maintained active communications with over 800 investors and analysts. Visits to Shanghai K11, one of its flagship developments in Mainland China, plus visits to Hong Kong residential projects such as Park Signature, The Woodville, The Austin, EIGHT SOUTH LANE and Grand Austin have been organised for over 50 investors and analysts during the reporting period.



Corporate Governance

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.

A policy and a code of conduct, developed to further enhance performance in corporate governance, came into effect on 1 August 2014. 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 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.

External Stakeholders

A systematic approach to identify and engage external stakeholders during project development is being developed, please refer to the *Life Cycle Approach to Sustainable Property Development* section.

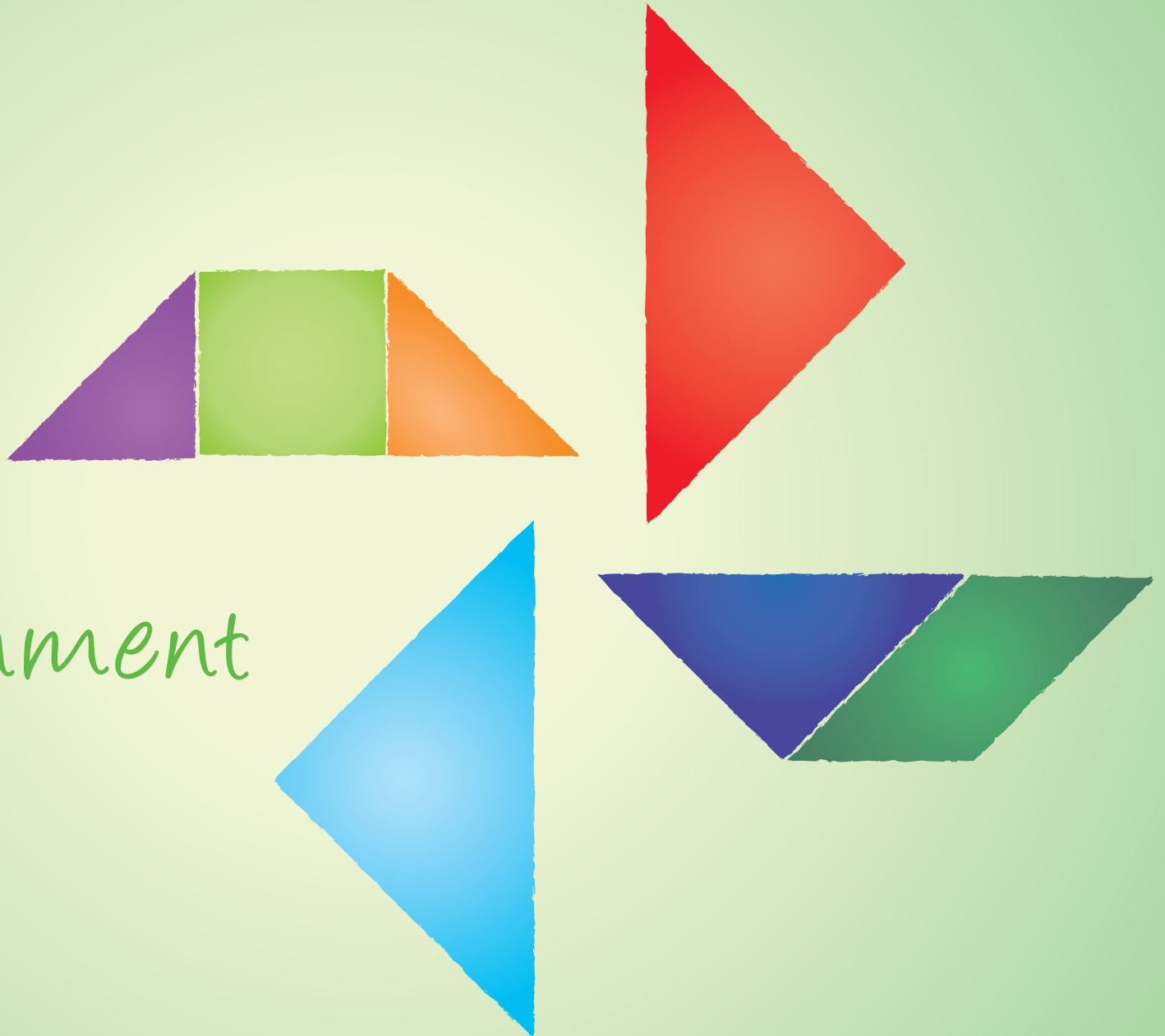
Internal Stakeholders

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 formulates employee caring programmes. The survey was conducted and handled by an external consultant on an anonymous basis, employees were encouraged to provide feedback and express their ideas freely.

The overall Employee Satisfaction Index in 2013 was 93.7% and the survey indicated that a vast majority (90%) would recommend others to join the Company.



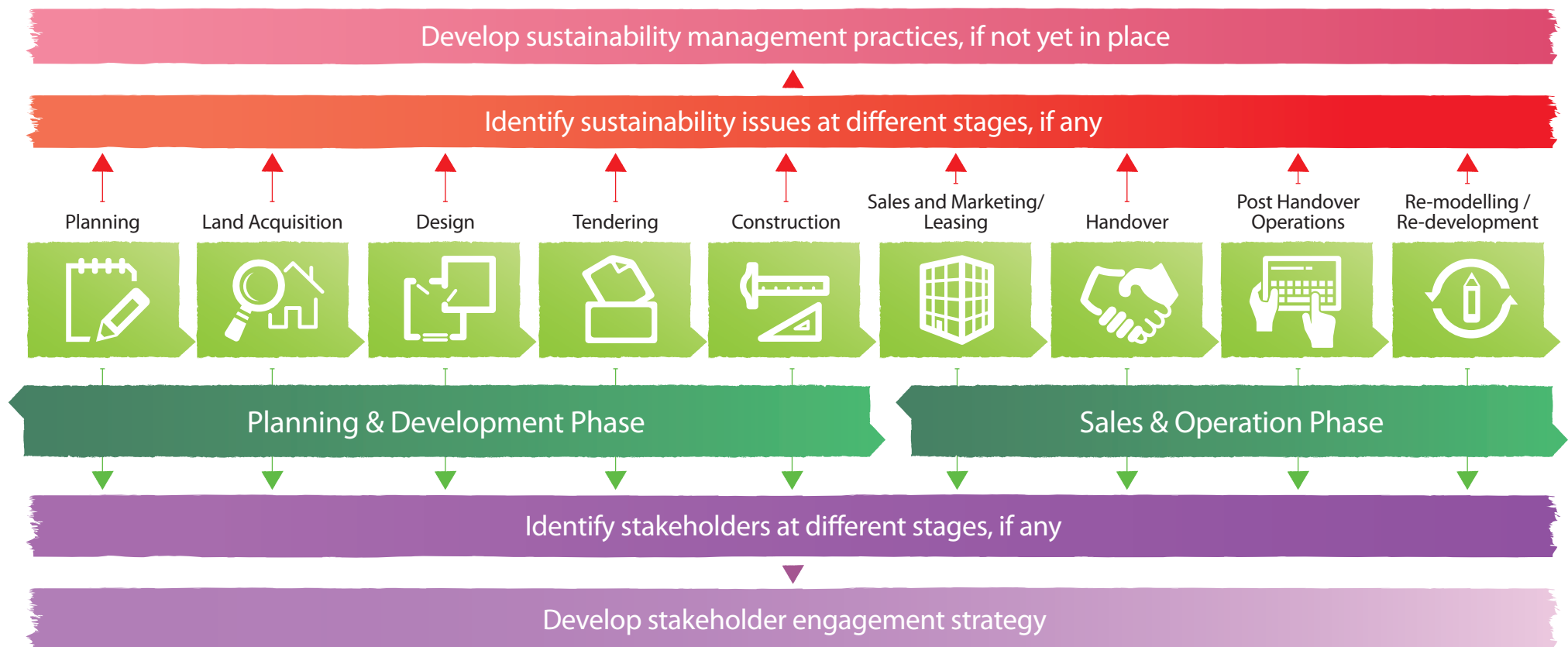
Our Environment



New World Group's Sustainability Policy has specifically stated that the Group is committed to minimising the potential environmental impacts of its projects as far as practicable. It is through understanding and communication of sustainability issues that the awareness of internal and external stakeholders are raised and measures are developed and deployed to address these potential environmental impacts associated for our projects.

Life Cycle Approach to Sustainable Property Development

As property development is one of its core businesses, New World Group strives to be a community builder and provides more than the hardware to the community in which it operates. A life cycle approach model for sustainable property development is developed to enhance understanding of sustainable issues throughout the development process and facilitate communication by various internal and external stakeholders from a holistic perspective. With a focus on environmental issues, the model also addresses community and staff issues.





Planning and Land Acquisition Stages

During the planning stage and prior to land acquisition, analytical and feasibility studies are conducted to determine the financial as well as technical viabilities of a development. A rating system is used to consolidate various criteria being considered to determine the feasibility of a project, sustainability aspects will be incorporated into the rating system to highlight any potential environmental or social issues that possibly create potential impacts to a development. Flagging up these issues at this early stage of the development life cycle could terminate a development with insurmountable impacts or mitigation measures can be considered and incorporated during the initial design stage, which is a more effective option to address environmental and social impacts of a development compared to the retrofit option.

Design Stage

Delivering quality products that meet our stakeholders' requirement are vital to ensure sustainable growth of an organisation. Focus groups for potential buyers are being conducted and their suggestions will be incorporated into the design of our products.

In addition to delivering quality properties as its prime objective, New World Group recognises the importance of the environmental sustainability of its products. Green building certification sets a benchmark for determining a development project's level of environmental design and the Group is committed to achieving BEAM Plus or LEED certification rating for all its new projects in Hong Kong as far as practicable. For development projects in Hong Kong, 87% of the total gross floor area has applied for green building certification (BEAM or BEAM Plus), which is a significant improvement from 62% in 2010.

Tendering Stage

A large number of suppliers and contractors are involved in developing a property project and it is important to ensure these stakeholders share the same beliefs in sustainable development with us. A "Supplier Code of Conduct" and a "Supplier Sustainability Self-Assessment Questionnaire" have been developed and distributed to suppliers and contractors when tenders or requests for quotations are issued. Over 1,110 questionnaires were issued and a reply rate of approximately 44% was achieved between January 2013 and October 2014. The return of the questionnaire is currently on a voluntary basis and it is our ultimate aim to incorporate the sustainability performance into the selection process for suppliers and contractors.



% of total gross floor area applied
for green building certification

87% (2014)

62% (2010)



1,110 / 44%

Supplier Sustainability Self-
Assessment Questionnaires
issued / Return Rate
of questionnaires





Construction Stage

Potential environmental impacts and health and safety issues are of vital importance during the construction stage. In addition to adopting internationally recognised quality management system for managing the Group's development projects in Hong Kong, environmental, health and safety management systems are also adopted and certified by independent certification bodies.

To promote a safety culture on site, it is targeted that all Group's on-site staff for our development projects have to attend recognised safety supervisors' training, which is beyond the legislative requirement for safety training for construction site staff.

In order to ensure the durability and safety of the materials used in its projects, New World Group establishes its own research laboratory which has earned accreditation for testing of certain construction materials by the local authorities.



Sales and Marketing/Leasing Stage

As a responsible property developer, New World Group takes every measure to comply with legislative requirement and extra efforts to ensure accurate information is disclosed to aid potential customers to make appropriate purchasing decisions. As the Residential Properties (First-hand Sales) Ordinance came into full effect in April 2013, a new department, Sales Practice Department, was set up with an independent checking function to ensure advertisements, sales brochures, show flat, property models and documents, to name but a few related to new property development projects in Hong Kong comply with the new legislation and minimise the risks to provide inaccurate information to our stakeholders. Based on the experience of the first few projects under new Ordinance, a paperless Compliance Checking System is being developed to minimise a large amount of paper usage during the preparation of sales brochures.

While ensuring its upstream stakeholders such as suppliers and contractors to share our beliefs in sustainable development is important, New World Group also tries its utmost to influence its downstream stakeholders of its value chain such as its commercial and retail tenants. "A Guide to Sustainable Office" and "Green Guide for Shop Tenants" are being developed, which includes sustainability considerations for design and renovation of new offices and shops. These will be distributed to clients to raise sustainability awareness when new agreements are signed.





Handover Stage

To enhance customers experience during the sometimes daunting handover process, New World Group has developed a handover process which includes dedicated handover officer for each property with round the clock mobile number for easy contact. In addition, a paperless Defect Management System (DMS) has been developed to reduce environmental impact and improved monitoring and control of defects rectification works. The DMS has resulted in a more efficient handover process and enhancing customers' satisfaction.



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 and waste reduction initiatives have been implemented at our K11 Art Mall, which resulted in carbon emissions reduction of approximately 20% in FY 2013/2014 compared to FY 2010/2011.

As a responsible organisation, New World Group also tries to influence its neighbours to improve their sustainability performance. In addition to collecting food waste generated by our food and beverage tenants at K11 Art Mall in Hong Kong, we also encourage the restaurants in the nearby vicinity to segregate their food waste and deliver to our centralized food waste collection facilities free of charge. The collected food waste is sent to food waste recyclers and processed into animal feed stock.







Re-modelling/Redevelopment Stage

Towards the end of a life cycle of a property development, economic, environmental and social considerations similar to those at the planning stage are revisited making reference to the latest legislative and industry requirements and trends. These requirements and trends include, but not limited to, market needs, economic viability such as return of investment, green building certification and preservation of the heritage of local community.



Identification of External Stakeholders

Development Stages									
External Stakeholders*	Planning	Land Acquisition	Design	Tendering	Construction	Sales and Marketing/Leasing	Handover	Post Handover Operations	Re-modelling/Redevelopment
Government Departments	✓	✓	✓		✓	✓		✓	✓
Joint-venture partners, if any	✓	✓	Project Specific	Project Specific	Project Specific	Project Specific	Project Specific	Project Specific	Project Specific
Suppliers and Contractors				✓	✓	✓			
Financial Institutions		✓				✓			
Property Agency						✓			
Pressure Groups	✓		✓		✓				✓
Media	✓					✓	✓		
Investors	✓	✓				✓			
Prospective Buyers	✓		✓			✓			
Tenants (residential, commercial, retail)						✓	✓	✓	
Local communities near project sites	✓	✓	✓		✓			✓	✓

* This list is not exhaustive and additional external stakeholders will be considered on a project basis.



Looking Ahead

We have developed this life cycle approach model to systematically address sustainability and stakeholder issues of a property development process from a holistic perspective. This model is still at its preliminary development phase and refinements will be made as the model develops. Following the identification of the

relevant stakeholders and at different development stages, New World Group is going to develop a more comprehensive stakeholders engagement system. We envisage that the progress of these initiatives will be fully covered in future reports, at the same time, we look forward to the continual support of our stakeholders for building a better community and will certainly value their feedback on this report.

Case Study

Eco-home

New World Group supports various green activities to promote environmental education and strive to build a more harmonious society. In order to advocate a low carbon lifestyle to the community, New World Group Charity Foundation sponsored the refurbishment of Eco-home at Zero Carbon Building under the Construction Industry Council.

In addition to the modern interior design and advance green technologies, Eco-home included five environmental elements (Energy, Water, Comfort, Material and Sustainable Lifestyle) in the core design philosophy as to demonstrate a holistic sustainable lifestyle does not necessarily mean primitive living with hardships. In fact, it can be stylish and modern.

There are various green technologies applied in the Eco-home. Thermoelectric Cooling Headboard saves energy by cooling the bed area with thermoelectric technology instead of cooling the entire bed room. Food Waste Digester installed in the kitchen can reduce

domestic wastes at source by converting them into organic fertiliser. In the washroom, Greywater Treatment Tank collects greywater from bath and shower, wash basin and laundry, and reuse water in flushing and irrigation; and vacuum water closet required about 80% less water per flush than the traditional water closet.

There are also energy generation exercise equipment in the Eco-home to advocate the concept of energy saving to the public.



► Bed with thermoelectric cooling headboard



► Food waste Digester installed in the kitchen



► Energy generation exercise machine



Case Study

Too Good to Waste

Every day, Hong Kong produces more than 3,300 tonnes of food waste, accounting for 40% of the city's municipal solid waste. The HKSAR government has proposed to address this environmental issue with a variety of policies and measures, including a municipal solid waste charging scheme which aims to reduce waste at source by the polluter pays principle.

As part of its corporate efforts to address waste issue, NWS Holdings (NWS) held a Foodwise Cooking Challenge in August 2014 as a finale to its "3R Formula" campaign that promotes the concept of reduce, reuse and recycle to employees. Staff members were encouraged to think out of the box and submit recipes that recreate new dishes from typical food wastes, such as vegetables peels and ends, or meal leftovers. Selected based on creativity and environmental ideas of their recipes, six finalist teams from its Corporate Office and subsidiaries took part in the cooking contest, adjudicated by the Executive Director and Chairman of Environmental Sustainability Committee of NWS, representative from Greeners Action, the co-partner of the contest, and award-winning green author.

The team from the Hong Kong Convention and Exhibition Centre (Management) Limited was awarded the championship with their innovative gourmet "Zero Food Waste," which is made from fruit and vegetable



peels typically end up in trash bin rather than on the table. The winning dish is being served at the Congress Plus restaurant of the Hong Kong Convention and Exhibition Centre (HKCEC) to promote the idea of wise cooking and healthy dining to customers.

The NWS Foodwise Cooking Challenge was a key internal engagement activity under NWS's 3R Formula green campaign. The company organises internal green campaign every year to cultivate environmental mindsets among employees. Since 2013, 3R Formula was made the campaign theme to raise awareness of waste management. Other staff activities under the campaign included waste management talk, used banner upcycling workshop, DIY Accessories Design contest and green tips.



Our
Community



Together we build a sustainable and harmonious society

New World Group strives to build a harmonious and inclusive society through major sustainable community programmes that ensure equal opportunities for all and promote social mobility.



New World Springboard

New World Springboard was launched in 2012 and is entering its third year. Funded by the New World Group Charity Foundation, the sustainable community programme provides under-resourced youth between the ages of seven and 12 with up to seven years of professional swimming or basketball training. These programmes aim to help students unleash their potential, build self-confidence, foster perseverance and embrace life's challenges with a positive attitude.

Through the sustainable community programme, the Group wishes to assist under-resourced youth to improve social mobility and tackle intergenerational poverty. It is also the Group's objective to build a more harmonious community and nurture human capital for the betterment of society.





Raising elite athletes with long-term professional sports training

The Group has joined forces with the Hong Kong Amateur Swimming Association and the Hong Kong Basketball Association to launch the New World Swimming Academy and the New World Basketball League respectively to offer under-resourced youth professional swimming and basketball training. The two programmes also train students to be persistent in the face of adversity, while building up their athletic potential.

Budding swimmers shines

Talented swimmers are given opportunities to showcase their encouraging results after the hard work they put into their practices. In May 2014, the 1st New World Springboard Inter-District Swimming Championships was organised, in which close to 150 student participants competed against each other, demonstrating their determination and sportsmanship. In addition, the Group invited two members of the Hong Kong swimming team to give a swimming demonstration and offer their invaluable experience of being professional swimmers.



Promising students from the programme have also begun to emerge in public competitions.

A 12-year-old student from New World Swimming Academy, one of the youngest contestants, took part in New World Harbour Race 2013 and five qualified young swimmers from the programme took part in New World Harbour Race 2014 held in October 2014.

Promoting sportsmanship through team sports

Building team spirit and sportsmanship, as well as persistence and determination, are the key objectives of the programme. The Group holds an Inter-district Basketball Tournament for students of New World Basketball League every year. The tournament at April 2013 gives around 100 students from five districts the opportunity to compete with each other and put into practice of the basketball skills they have acquired, while gaining an understanding of the importance of teamwork and sportsmanship.

Sharing by representative from partnering NGO:

Kitty Heung Supervisor

Tuen Mun Integrated Services Centre
Tung Wah Group of Hospitals

"I highly appreciated the New World Springboard sustainable community programme and its concept. New World Swimming Academy provided opportunity for more than 80 students from under-resourced families in Tuen Mun to develop their potential in sports and persevering attitude in the past two years. The programme offers a valuable long term support to the under-resourced youth. In addition, the vast array of activities organised by New World Group and the programme allow the students to broaden their horizons and obtain knowledge beyond the textbooks."



Varied activities for broadening horizons and holistic development

Besides offering athletic training, the Group organises different activities and learning opportunities on regular basis to expand students' horizons. The programme also provides chances for students to meet and interact with successful athletes, who can encourage the students to compete against the odds with their personal experiences.

Students were invited to visit the depot headquarters in July 2013, where they took a bus tour and learnt about the environmental facilities at the depot.



► Visit environmental facilities in the bus depot



► Summer trip to Beijing - Visit Jeremy Lin Summer Camp

As a token of appreciation for eight students of New World Basketball League with full attendance, the Group organised the "Journey of Dreams", a three-day summer trip to Beijing for these students and parents, where they got the opportunity to visit the famous NBA Player, Jeremy Lin's training session and had the chance to talk to Lin, who exchanged valuable learning experiences with them. The students and parents also visited various famous scenic spots in Beijing.

Visits to the Group's subsidiaries were organised on a regular basis as a learning opportunity for the students, including K11 Art Mall in Tsim Sha Tsui. During the visit, they participated in themed exhibition and activities to improve their art appreciation.



► Visits to Hong Kong K11 Art Mall of New World Group



Leap into a brighter future with life coaching

The Group has enriched the New World Springboard Programme to cater for the students' psychological development. Launched in 2013, the New World Springboard Mentorship Programme has recruited over 400 staff members as mentors to help with activities organised for the students. To enhance the mentorship programme, "Star Mentors" was introduced in early 2014 to offer students one-on-one coaching in order to provide more in-depth attention to selected students who have demonstrated commitment to the programme. Trainings and team-building activities are also organised for mentors regularly to equip them with better skills to communicate with the youth, and enhancing the team bonding between the mentors.



Sharing by mentor and mentee:

Anke Ho Star Mentor

"The Programme frequently organises a vast array of activities and trainings for students and mentees, thereby broadening my horizons and an experience which also benefited me. Being a 'Star Mentor' allows me to establish long-term friendships with my mentee which helps foster our communications. I have immense joy of being a mentor."

Lu Ka Wing

Advanced class student (Tung Chung District)
New World Swimming Academy,
One-on-one Mentorship Programme

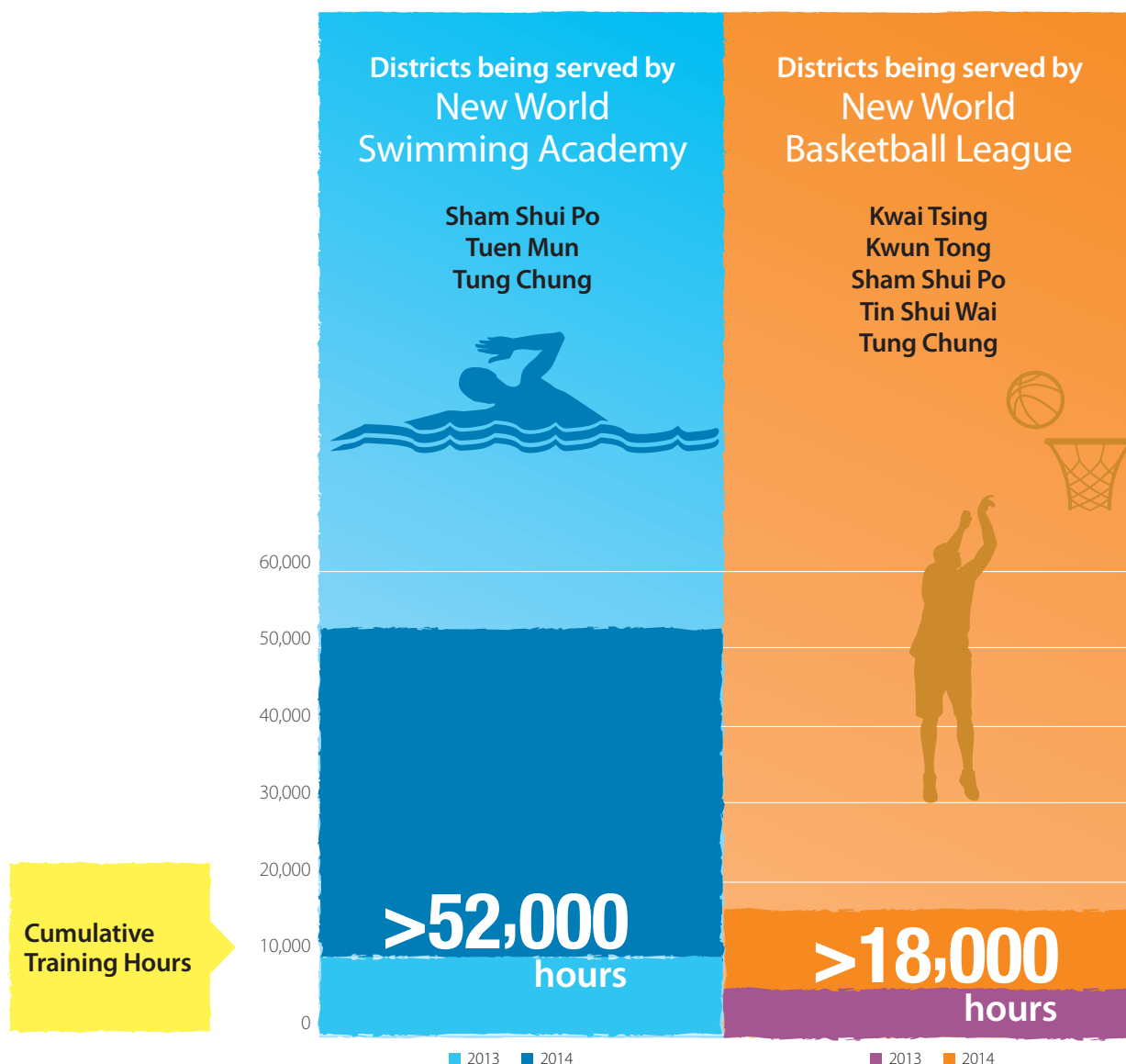
"I'm so glad that I got paired up with my mentor as a friend who gave me the opportunity to receive advice, guidance and encouragement. I'm the lucky one that she walks with me in growing up."

New Parent Club promotes positive attitude

In addition to holistic development for students, the programme also extends its support to their parents. The New World Springboard Parent Club was established in May 2014 to support parents in nurturing their kids through promoting positive thinking. Guidance and adolescent psychological development training are offered to assist parents in learning best-practice parenting concepts to foster children's well-rounded development.



Facts and Figures



Partners, NGOs and schools we were collaborating with:

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



K11 Art Foundation ("KAF")

Being a Hong Kong registered charitable institution, 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.

K11 ART
FOUNDATION



KAF serves as a springboard for young emerging artists from Greater China where new artistic talents are nurtured and their creative ideas and contribution to humanity globally manifested. 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, KAF provides the public easy access to appreciate art and thereby elevate our collective understanding of culture.

KAF is to offer a creative platform to talented young artists from Asia which provides them with opportunities to showcase their full potential and reach a larger audience via initiatives such as the Artist-in-Residence Programme and cross-regional experimentations such as the Artist Exchange Programme. Through facilitating a diverse array of art exhibitions, workshops and seminars, KAF strives to strengthen the public's art awareness and appreciation in order to enrich the city's art scene and enable it to become a leading multi-cultural art hub.



K11 Art Village

KAF continual effort to promote the development of young talents in the contemporary arts sector, K11 Art Village is established with the aim to nurture artists by providing a platform and means for them to create art. This is achieved through the Artist-in-Residence Programme, which invites passionate and creative individuals to our artist studios the participants are able to cultivate their artistic accomplishments through KAF's resources and networks and the programme facilitates further support by bringing the artists' works to the nationwide and international stage of K11 via open art activities and exhibitions.



Local Artist-in-Residence Programme

KAF sponsors local young artists in Hu Bei region to provide them access to the artist studio and exhibition space in our Art Villages from three months to a year, as well as the chance to plan and participate in art activities to support the growth of local art.



Artist Exchange Programme

The Artist Exchange Programme selects two outstanding participants from the Artist-in-Residence Programme each year to offer two studios outside of the region to facilitate a short term artistic exchange. This programme spans across Hong Kong, Wuhan, Shanghai and other K11 art space locations.



Global Special Events

"Inside China"@Palais de Tokyo

In early 2014, KAF and Palais de Tokyo joined together in an extensive three-year partnership designated to encourage cross-cultural exchange and to bring the most exciting art from China to the international stage. Set to open during FIAC Week, the exhibition will remain on display in Paris through January 2015, before travelling to China.



Space Painting by Zhang Enli@Art Basel Hong Kong
During Hong Kong Art Basel 2014, KAF presented the first ever solo exhibition – Space Painting of Chinese contemporary artist Zhang Enli in Hong Kong. The exhibition showcases the artist's recent works exploring spatial creativity, as well as a unique installation reflecting the artist's emotional response to the Hong Kong cityscape. Space painting is a direct connection and communication between his old and new artworks, but more significantly for Hong Kong, it is his personal response to the concept of space in our small but vibrant city.



Ink Art: Past as Present in Contemporary China @The Metropolitan Museum of Art (The MET)

The Metropolitan Museum of Art has recently exhibited their first Chinese contemporary art show – *Ink Art: Past as Present in Contemporary China*. Two of those extra educational programmes are made possible by KAF, including the one-day Ink Art Symposium and Sunday at the Met which explore how contemporary Chinese artists are reinterpreting traditional practices and techniques to make art that addresses the complexity of present-day China.



The China Symposium@The Armory Show

In conjunction with The Armory Show, New York's leading contemporary art fair, the China Symposium was launched. Presented in partnership with KAF, the two-day symposium includes a series of eight panels aimed to offer extensive discussion on contemporary cultural landscape in China. It assembles leading speakers from around China and beyond and is widely participated by New York and international audience.

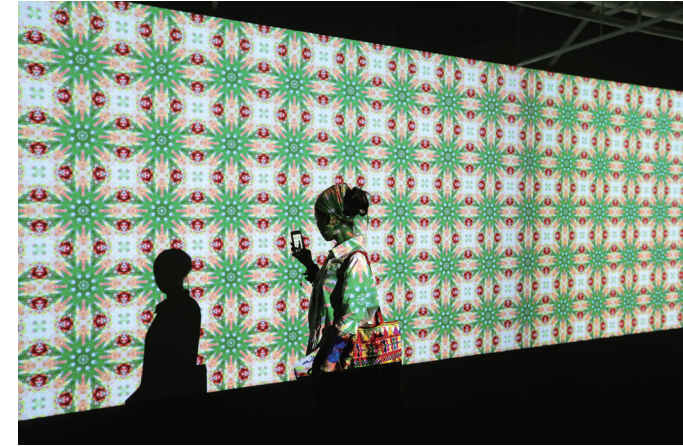


SHANGHAI

Master of Impressionism - Claude Monet@K11 Shanghai



Truth, Beauty, Freedom and Money:
Art After Social Media Era



Teppei Kaneuji: Towering Something



HONG KONG

Polar Power



SCM7/K11 - Transcendent Ordinarity



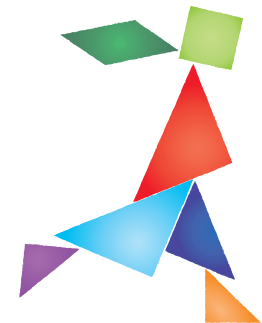
Beijing

Social Sculpture: Beuys in China@Art Museum, China Central Academy of Fine Arts



WUHAN

The Post-Linguistic Context - Extended Territory And Weathered Homeland



Case Study

New World • City Trace Memories

“New World • City Trace Memories” organised by New World China Land Limited (“NWCL”) aimed to raise public’s interests and respects to traditional culture through reinterpreting the Intangible Cultural Heritages (“ICH”) in the form of contemporary sculpture.

Roving exhibitions were held in six cities including Shenyang, Jinan, Wuhan, Chengdu, Guiyang and Guangzhou. An online voting was conducted, which attracted over ten thousand public voters, in which Sichuan shadow puppet show, Shandong nut-carving, Shenyang song-and-dance duet, Hubei Wudang martial arts, Guangdong dragon boat and Guizhou Miao embroidery were selected as “My Favourite ICH Items”. A team of art professors from Tsinghua University then created sculptures based on the selected items.



Thanks to the positive and widespread impact on the promotion of traditional culture, NWCL was invited to bring ICH to the US through “New World China Week” event held in Washington D.C.. With a view to promoting the cultural heritage of Mainland China and Hong Kong to foreigners, NWCL has invited Champion Lam Siu Ngong to demonstrate his skill of making “Yuanyang” beverage, which is a symbol of crossover between Western and Chinese culture and is listed on the ICH inventory of Hong Kong. In addition, a team of artists and performers from Tsinghua University showcased the unique craftsmanships such as paper-cutting, Chinese pinwheels-making, lantern-binding and many more.



The “City Trace Memories - The Intangible Cultural Heritage of Hong Kong” held in August 2014 was an extension of the roving exhibitions in Mainland China and the US to echo the announcement of the first ICH inventory of Hong Kong. Apart from showcasing the sculptures, NWCL has also invited Tse Kwok Wah, one of the very few experienced white metalsmiths in Hong Kong, together with the local social enterprise Run 2 Tree to produce a unique “Urban Cultural Typecase” installation art. Through the silhouette windows of the installation, visitors can have a better understanding of Hong Kong’s ICH items such as Fire Dragon Dance, Bun Scrambling Competition, techniques for making Bamboo Steamer and White Iron, Cantonese Opera and Movable-type Printing.



Case Study

@Dream Sustainable Development Program

To promote a balanced mental and physical development for under-resourced children in Mainland China, New World Department Store ("NWDS") has launched the "@Dream Sustainable Development Program" ("@Dream Program"), its largest nationwide

sustainable development community project in July 2013. Through a series of activities held in accordance with the four major themes, namely music, learning, sports and soul, NWDS provides a diversified learning platform for under-resourced children in Mainland China to help them pursue their dreams with continuous and specific assistance, promoting social mobility in the long run.

"@Dream Program" received unanimous commendations from society and helped over 6,000

children realise their dreams. Through soliciting contributions and recruiting volunteers from the public, NWDS has successfully improved the engagement level of customers and employees. During the reporting period, about 310 employees, 650 customers and their friends and family members participated in volunteer activities organized by NWDS, which reflected their recognition to NWDS' sustainability philosophy and "@Dream Program", and helped NWDS build an image of good corporate citizen.

@Music – Rainbow Orchestra



NWDS and Shanghai Fengxian Education Bureau formed the "@Music – Rainbow Orchestra", which provided a year-long musical instrument and vocal training to 300 children who have newly migrated to the district with their parents. The orchestra staged its interim performance at Hong Kong New World Department Store – Shanghai Shaanxi Road Branch Store in October 2013 to demonstrate the results of their hard work to the public.

@Learning – Education Voyage



NWDS co-organised the "@Learning-Education Voyage" with Shanghai Fengxian Education Bureau, offered year-long extra-curricular lessons in English, calligraphy, drawing, handicrafts and scientific studies to about 200 under-resourced children in the district.

@Sports – Tennis Academy



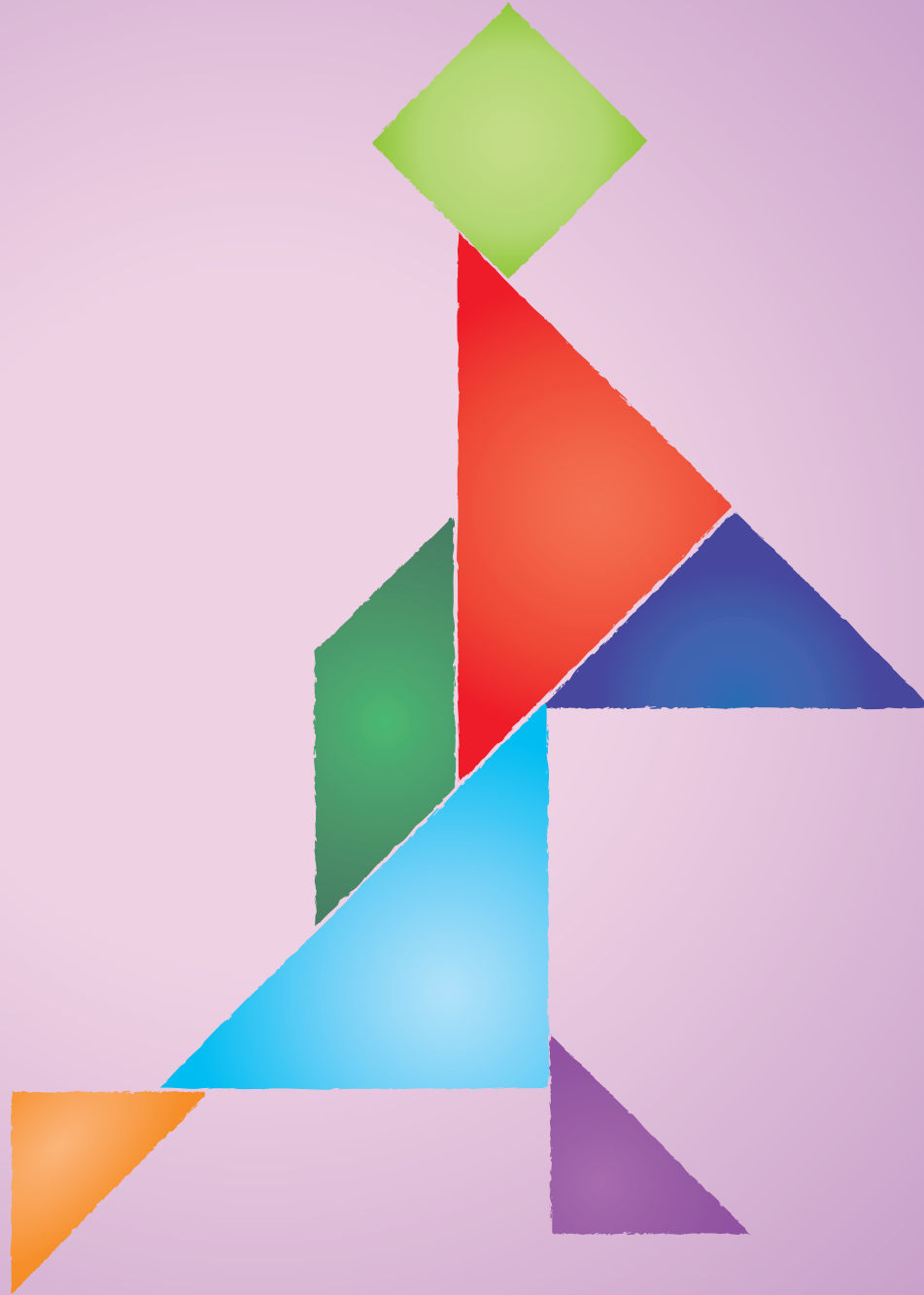
NWDS collaborated with Shanghai Changning District Sports Association to launch the "@Sports – Tennis Academy" in early 2014 and its first phase provided 50 potential elite players aged seven to 12 from Shanghai Changning Road Primary School with tennis learning opportunities.

@Soul – Distant Calls



NWDS partnered with the Red Cross Society of Qinghai and "@Soul Campaign" Charitable Society and successfully acquired a total of 418 spare cell phones from NWDS stores nationwide between September and November 2013. The devices were donated to four primary schools in Qinghai Province in April 2014 with the airtime sponsorship, enabling children to have heart-to-heart talk with their parents living far away.

Our
People



Employee Care

New World Group fulfils its family-friendly commitment and promotes a caring culture. This caring spirit has been extended to employees' relatives, with a number of family-friendly measures launched in 2014 to encourage staff to maintain a work-life balance.



Family Care Leave

An extra paid leave was introduced in 2014 to allow staff to take care of their spouse, children or parents when they suffer from illness.

Flexible Working Hours

To enhance employee morale and productivity, a flexible working hours scheme was introduced in 2014. Staff members may choose to shift their official working hours either earlier or later.

Inventing Your Future Education Sponsorship Scheme

In addition to staff development, nurturing youth is also an important aspect of our corporate sustainability. During the year, we launched the Inventing Your Future Education Sponsorship Scheme to provide employees' children of high potential with primary and secondary school textbook and university tuition fee subsidies.



Grooming talent

We place great emphasis on staff wellbeing and development, with a New World University scheme that offers long-term and continuous trainings to help employees realise their full potential.

The training programmes include New World Star Executive Development Programme, the Accelerating Management Talent Programme, the New World Young STAR Programme, the Management Trainee Programme, the Annual Group Management Forum and a series of trainings to strengthen employees' leadership skills and knowledge, plus tailored courses for staff at different levels.

There are also regular sharing sessions by Group senior executives. Professionals such as accountants and lawyers, and representatives from the government and other corporations are also invited to bring a wide spectrum of knowledge and success stories to employees.





UNITI Circle

New World Group values employees' suggestions and encourages them to pursue innovation and improvement. The UNITI Circle programme was launched in March 2013 to promote the Group's core values UNITI (You – U, New World – N, Innovation – I, Trust – T and Improvement – I) and intrapreneurship. Employees take the initiative to enhance the Group's products and services with innovative ideas. The programme motivates staff to sharpen their analytical and problem solving skills, while developing cohesion and a sense of belonging.

UNITI Circle is an employee-driven campaign for excellence. Staff members form groups and put forward proposals on practical improvement measures. Outstanding proposals are adopted and recognised. Since programme launch, a total of 170 proposals entered in four categories, including Process / Servicing Improvement, Engineering / Technology, Safety, Health and Working Environment, and Environmental Protection. The judging committee selected 15 outstanding projects for presentations in front of an audience of 400 at the first UNITI Circle Convention, which was held in June 2014. Group and business

units management, plus Hong Kong and mainland colleagues, gathered together to see the project presentations. The Judging Panel selected winning teams at the convention and also presented Best Intrapreneurship Award to business units with high degree of participation in the programme.

We will continue to provide regular training courses and activities for staff to learn about enhancing quality and creativity. In the spirit of UNITI, they offer customers exceptional products and service, and constantly pursue excellence and innovation.





Case Study

Management Trainee Journal

Management Trainee Programme of New World Group aims at recruiting the graduates with “New World Talent”. Applicants should carry and outstand the attributes represented by each letter in “NW TALENT”. Being one of the Group’s Management Trainees (MT), I treasure every learning and growing opportunities provided by various training and activities, which will shape us into a real New World Talent.

N represents Newness

“One Step Forward” is a spirit promoted by the Group to its staff which leads to sustainable improvement through innovative thinking. For MTs, we feel curious and excited on every single task and we always strive for perfection. We are expected by the management

for new perspective, inspiration and ideas. When I was working in Corporate Communication Department, I was so proud that I had contributed to the production of the corporate materials with brand new concepts, like the desk calendar and corporate brochure themed “New Perspective”.

W represents World-vision

Annual Group Management Forum is a significant event for the Group every year as it is a great gathering for the senior executives from all the subsidiaries. MTs are invited to participate in the Management Forum, in which we can interact closely with our management. We are eager to join this annual event since a number of renowned guest speakers will give speeches on specific topics each year. For instance, themed “Innovation and Development in the Digital Age”, experienced speakers from international media organisations, delivered amazing sharing in this year’s forum held in July 2014.

Two Ts represent Trust-worthy and Teamwork

Maintaining good relationship and communication with working partners, especially teamwork among colleagues or stakeholders is always the key for success. I have learnt the importance of both Trust-worthy and Teamwork during my attachment in Corporate Communication Department. Through successfully organised three international events including the New World Harbour Race, New World International Triathlon and New Year New World Hong Kong Countdown Celebrations within a three-month period where we worked long days and nights, I have experienced unconditional support and care from my colleagues and realised the power of teamwork.



A represents Advancement

A two-year “All-rounded Familiarization Programme” is prepared for MTs starting as early as the orientation ceremony when we first join the Group. During the two-year programme, we will understand the businesses of the Group through visiting various business units regularly. We have been to pentahotel Hong Kong, Kowloon, ATL Logistics Centre, First Ferry and First Bus, etc. in the past year. A month after the site visit, we need to conduct a presentation for suggestions on improving business operation and brand image to relevant parties, contributing to consistent advancement.



L represents Leadership

Each MT is assigned one Mentor who provides us with management guidance and career advice throughout the programme. Although my Mentor and I are working for different businesses of the Group, we gather from time to time to catch up and share our experiences with each other. We are very good friends and I feel thankful for his constant support and advice. Apart from learning from my Mentor, we also have the opportunity for direct interaction with top management which always provides invaluable inspiration.



E represents Extra-curricular

The Group values work-life balance. A lot of diverse extra-curricular activities are organized for the staff, including sports training, voluntary services and interest classes or workshops, to name but a few. I enjoy participating in various extra-curricular activities as I can meet staff from different business units to enhance a sense of belonging to the Group. It was an unforgettable experience for me to be playing side by side in the Group's volleyball team with the Captain of Hong Kong Volleyball Women Team who joined the Group through the Hong Kong Athletes Career and Education Programme.



N represents Nimble

Job rotation provides MTs with diversified business exposure since the job attachment is designed as cross business, cross disciplines and cross boundaries. In order to complete each attachment satisfactorily, effective time management and nimble interaction are essential elements to succeed. We, MTs treasure the opportunity of job rotation as we believe that experiences mean a lot to our development in the future. I experienced the process of holding a sales launch when I was working in Sales and Marketing Department; and I could join the meeting with clients in Guangzhou when I was attached in Project Leasing of K11. All these experiences create a fruitful MT life for me!

Cherry Lau

MT 2013

Our Way Forward

New World Group embarked on its sustainability journey with introduction of its Sustainability Policy in January 2012, internal awareness of the management's commitment to corporate sustainability has greatly increased since then, and numerous sustainability initiatives and programmes have been implemented throughout the Group. Most notably, all listed subsidiaries under the Group published their own sustainability reports in December 2014. The independently verified reports detail their own sustainability performance in accordance with the latest GRI G4 framework.

As a holding company, New World Group will continue to incorporate sustainability considerations into its day-to-day management and operations. In the next financial year, the Group will focus on raising awareness and identifying risks

associated with climate change for relevant business units to address environmental sustainability challenges. We will also continue to provide long-term support to under-resourced youth through the New World Springboard sustainable community programme to promote social mobility.

Since property development is the core business of the holding company, we will enhance our Life Cycle Approach to Sustainable Property Development model to improve our sustainability performances. In addition, the Group will strengthen the stakeholder engagement process and include their feedback when developing sustainability initiatives and programmes.



Performance Table

GRI Indicators		Units	New World Group
EN1	Materials Use by Weight and Volume		
	Paper (A3 & A4)	kg	245,929
	Paper Products	kg	87,056
EN3	Energy consumption		
	Natural Gas	GJ	178,994
	Gasoline	GJ	66,060
	Diesel	GJ	4,153,235
	Towngas	GJ	1,237,149
	Electricity	GJ	1,778,375
EN15	Direct greenhouse gas emissions (Scope 1) ¹	tonne CO2-e	21.02
EN16	Energy indirect greenhouse gas emissions (Scope 2) ¹	tonne CO2-e	6,313.5
EN17	Other indirect greenhouse gas emissions (Scope 3) ¹	tonne CO2-e	16.2

¹ 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. Quantities include greenhouse gas emission at NWD and NWDS Corporate Offices and Hong Kong K11 Art Mall.

GRI Indicators		Units	New World Group
EN23	Total weight of waste by type		
	Waste to landfill or incineration	tonne	65,654.5
	Construction & Demolition Waste (Reused or Recycled)	tonne	511,258.2
	Paper	tonne	383.5
	Cardboard	tonne	917.4
	Plastics	tonne	32.0
	Aluminum Cans	tonne	3.8
	Scrap Metals	tonne	2,411.2
	Glass	tonne	50.5
	Food waste	tonne	4,293.6
	Cooking Oil	tonne	5.5
	Toners	tonne	3.0
	Wood (including wooden pallets)	tonne	560.9

GRI Indicators		Units	New World Group
G4-10² & LA1	Total Number of Employees by Age Group, Gender and Region		
	Total Number		23,205
	under 30 / 30-39 / 40-49 / 50 and above		5,875 / 6,683 / 5,086 / 5,561
	Male / Female		14,975 / 8,230
	Hong Kong / Mainland China		10,909 (8,969 / 1,940)
	Mainland China (Male / Female)		12,296 (5,994 / 6,302)
	Employees / Supervised Workers		23,029 / 176
	Permanent (Male / Female) / Fixed Term or Temporary Contract		13,056 (9,636 / 3,420) / 10,149
	Rates of New Employee Hires by Age Group, Gender and Region		
	under 30 / 30-39 / 40-49 / 50 and above	%	16.3 / 7.2 / 2.8 / 1.6
	Male / Female	%	15.2 / 12.8
	Hong Kong / Mainland China	%	8.5 / 19.5
	Employee Turnover by Age Group, Gender and Region		
	under 30 / 30-39 / 40-49 / 50 and above	%	15.1 / 8.7 / 2.9 / 2.3
	Male / Female	%	15.6 / 13.4
	Hong Kong / Mainland China	%	6.7 / 22.4
LA6	Rates of injury, lost days and absenteeism, and number of occupational diseases and fatalities		
	<i>Injury Rate</i>		
	Hong Kong / Mainland China	Per 100 employees	1.40 / 0.25
	Male / Female	Per 100 employees	1.42 / 0.24
	<i>Absentee Rate</i>		
	Hong Kong / Mainland China	%	1.94 / 0.87
	Male / Female	%	1.94 / 0.84
	<i>Lost Days Rate</i>		
	Hong Kong / Mainland China	Per 100 employees	57.7 / 9.8
	Male / Female	Per 100 employees	57.8 / 9.7
	<i>No. of Occupational Diseases</i>		
	Hong Kong / Mainland China		0 / 0
	<i>No. of Fatalities</i>		
	Hong Kong / Mainland China		1 / 1

² Data collection system will be improved for the next report to fully comply with G4-10 requirements

GRI Indicators		Units	New World Group
LA9	Average Hours of Training by Gender		
	Male / Female	hour	14.4 / 14.4
	Average Hours of Training by Employee Category ³		
	Assistant General Manager and above	hour	8.8
	Senior Manager	hour	12.4
	Manager	hour	13.3
	Assistant Manager	hour	10.8
	General Staff	hour	14.0
	Operational Staff	hour	16.1
LA12	Breakdown of employee category by gender		
	Assistant General Manager and above (M / F)	%	1.1 / 0.5
	Senior Manager (M / F)	%	1.0 / 0.4
	Manager (M / F)	%	2.2 / 1.3
	Assistant Manager (M / F)	%	2.3 / 1.8
	General Staff (M / F)	%	20.3 / 15.6
	Operational Staff (M / F)	%	37.6 / 15.9
	Breakdown of employee category by age group (under 30 / 30-39 / 40-49 / 50 and above)		
	Assistant General Manager and above	%	0.0 / 0.2 / 0.8 / 0.6
	Senior Manager	%	0.0 / 0.3 / 0.7 / 0.4
	Manager	%	0.1 / 1.6 / 1.2 / 0.6
	Assistant Manager	%	0.5 / 2.2 / 0.9 / 0.4
	General Staff	%	13.3 / 13.3 / 6.6 / 2.7
	Operational Staff	%	10.8 / 11.9 / 11.7 / 19.2

³ Training records provided by Group Companies excluding NWD and NWS Corporate Offices

Awards

Category	Organiser/Scheme	Awards/Recognitions	Company
Corporate Governance	Hang Seng Indexes Company Limited	Hang Seng Corporate Sustainability Benchmark Index	NWD (Sep 2014) NWS
	Corporate Governance Asia	4th Asian Excellence Recognition Awards • Best Investor Relations Company • Asia's Best CEO (Investor Relations) • Asia's Best CFO (Investor Relations) • Best Investor Relations Officer	NWD, NWDS NWD NWD NWD
	Quamnet	Outstanding Enterprise Awards 2013 - Outstanding Investor Relations	NWD
	The Hong Kong Institute of Financial Analysts and Professional Commentators	IFAPC Outstanding Listed Company Award 2013	NWD
	Finet and QQ.com	Top 100 Hong Kong Listed Companies Selection 2013 • Top 100 - Comprehensive Strength	NWD
	League of American Communications Professionals LLC	LACP Vision Awards 2012 Financial Report • Silver Award - Real Estate/REIT LACP Vision Awards 2013 Financial Report • Top 100 Worldwide Annual Reports (Rank 81) • Top 80 Asia-Pacific Annual Reports (Rank 27) • Top 20 Chinese Reports	NWCL NWD

Category	Organiser/Scheme	Awards/Recognitions	Company
		<ul style="list-style-type: none"> • Gold Award - Conglomerates: Holding Companies: Diversified Investment • Bronze Award - Real Estate/REIT 	
	US MerComm, Inc.	27th International Mercury Awards 24th International Astrid Awards 28th International ARC Awards	1 Gold, 1 Silver, 1 Bronze, 1 Honours 2 Gold, 2 Silver, 2 Bronze, 2 Honours 3 Gold, 5 Silver, 1 Bronze, 2 Honours
	The 8th Asia Brand Ceremony	Top 10 (Industry) Most Investment Value Brand in China	NWDS
Environmental	Environmental Protection Department	Indoor Air Quality Certificate <ul style="list-style-type: none"> • Good Class Source Separation of Commercial and Industrial Waste <ul style="list-style-type: none"> • Certified 	2 Business Units 2 Business Units
	Water Supplies Department	Quality Water Recognition Scheme for Building Flushing Water Plumbing Quality Maintenance Recognition Scheme	K11, NWFM, DPSC K11
	Electrical and Mechanical Services Department	Energy Saving Charter on Indoor Temperature	NWD, K11, NWFM, DPSC
	Development Bureau	2013 Considerate Contractor Site Award <ul style="list-style-type: none"> • Gold Award in the Non-public Works - New Works category at the Outstanding Environmental Management & Performance Awards 2013 	Hip Hing
	Hong Kong Awards for Environmental Excellence	Wastewi\$e Label <ul style="list-style-type: none"> • Class of Excellent • Class of Good 	NWD + 12 Business Units NWD + 11 Business Units

Category	Organiser/Scheme	Awards/Recognitions	Company
		Energywise Label	
		• Class of Excellent	12 Business Units
		• Class of Good	1 Business Unit
		IAQwise Label	
		• Class of Good	4 Business Units
		Carbon Reduction Certificate	4 Business Units
	Hong Kong Productivity Council	CarbonSmart Programme Participants and "CarbonSmart Low - Carbon Commitment Partner"	NWD, NWCL, NWDS, NWTMT, NWFM, NWFF
	WWF Hong Kong	WWF Low-carbon Office Operation Programme (LOOP) - LOOP Labelling Award	K11
		• Gold Class	
	Hong Kong Green Mark Certification Scheme	Environmental Management System on Property Management of Shopping Arcade	K11
		• Certified	
	World Green Organisation	"Green Office" Label and UNMDG's "Better World Company" Label	NWDS
	CLP Power Hong Kong Limited	GREEN PLUS Recognition Award	K11
		• Certificate of Merit	
	<<21st Century Business Herald>> and Urban development and environmental Institute of Chinese Academy of Social Sciences	2012-2013 Pioneer Enterprise of Low Carbon3 & 2013-2014	NWCL
	World Economy and Environment Congress	2014 Carbon Value Citizen of the 4th International Carbon Value Award	NWCL

Category	Organiser/Scheme	Awards/Recognitions	Company
Community	Hong Kong Productivity Council and the Committee on the Promotion of Civic Education of HKSARG	4th Hong Kong Corporate Citizenship Programme	
		• Enterprise category - Merit Award	NWD
		• Volunteer Team Category - Gold Award	NWS
	The Hong Kong Council for Social Service	Caring Company	
		• 10 Consecutive Years	NWD + 6 Business Units
		• 5 Years +	3 Business Units
	Social Welfare Department	• Logo	7 Business Units
		Barrier-free Companies	3 Business Units
		Volunteer Movement - Volunteer Service	
		• Bronze Award	NWDS
		Community Caring Shop Award Scheme	Discovery Park
		• Community Caring Shop of Tsuen Wan, Kwai Fong and Tsing Yi District	
	Hong Kong Arts Development Council	Hong Kong Arts Development Awards 2012 & 2013 Award for Arts Sponsorship	K11
	China Public Relations Association	11th China Golden Awards for Excellence in Public Relations	
		• Gold Award - The category of Community Relations - Culture, Sports and Public Relation awarded to New World • City Trace Memories - Intangible Culture Heritage initiative	NWCL
		• Silver Award - The category of Community Relations - Culture, Sports and Public Relations awarded to New World Harbour Race	NWD
		• Silver Award - The category of Corporate Social Responsibility awarded to New World Springboard sustainable community programme	NWD

Category	Organiser/Scheme	Awards/Recognitions	Company
	The Office of the Government Chief Information Officer and the Equal Opportunities Commission	Web Accessibility Recognition Scheme "Website Stream" • Gold Award • Silver Award "Mobile App Stream at the second Web Accessibility Recognition Scheme" • Silver Award	NWS NWDS NWFF
	The Economic Observer	2013 Top CSR Contributor	NWCL
	2013 China Charity Festival	2013 China Charity • Group Award 2013 Best Charity Project @Dream Sustainable Development Program	NWDS
	2013 Golden Bee CSR China Honor Roll Award Ceremony	Golden Bee - Customer Focus Award 2013 Golden Bee CSR Competitiveness Case Collection@Dream Sustainable Development Program	NWDS

Category	Organiser/Scheme	Awards/Recognitions	Company
Staff	Family Council	2013/14 Family-Friendly Employers Award Scheme • Distinguished Family-Friendly Employers • Family-Friendly Employers • "Special Mention" award	NWD, NWS NWCL, NWDS, K11, NWFM, NWFF NWD, NWS
	Best Practice Management Group	Best Practice Award 2013 - Winner of Employee Care Category	NWS
	Hong Kong Council on Smoking and Health	Certificates of Merit of Smoke-free Leading Company (Hong Kong)	NWCL
	Occupational Safety & Health Council	Construction Safety Award 2013 Gold Award - Best Occupational Health Programme to Prevent Heat Stroke at Work Category	Hip Hing
	China Staff Magazine	16th China Staff Awards Grand Award of the Year • Best Practice in Engagement & Retention of the Year	NWS
	The award ceremony of "Top List of Corporate University"	Top 20 China Corporate Training Program • Project Feipeng- Core Talents Nurturing Plan China's Best Corporate University • The Award for Social Responsibility of China Corporate University	NWDS

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 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
Strategy and Analysis		
G4-1	NWD Annual Report - Joint General Managers' Report - Outlook Message from Management	✓ (p. 53)
Organisational Profile		
G4-3	About this report	✓ (p. 53)
G4-4	Our Business	✓ (p. 53)
G4-5	Content	✓ (p. 53)
G4-6	Our Business	✓ (p. 53)
G4-7	NWD Annual Report - Report of Directors	✓ (p. 53)
G4-8	NWD Annual Report - Principle Project Summary Our Business	✓ (p. 53)
G4-9	Performance Table	✓ (p. 53)
G4-10	Performance Table	✓ (p. 53)
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	✓ (p. 53)
G4-12	Life Cycle Approach to Sustainable Property Development	✓ (p. 53)
G4-13	Within the reporting scope of this report, no significant changes has occurred during the reporting period with regards to organisation's size, structure, ownership or the supply chain	✓ (p. 53)

General Standard Disclosures	Cross-reference/Comments	External Assurance
G4-14	NWD Annual Report - Corporate Governance Report Corporate Governance	✓ (p. 53)
G4-15	NWD is signatory to the Government's Energy Saving Charter and Food Waste Charter.	✓ (p. 53)
G4-16	Senior Management sat on the Board of Directors and Executive Committee of The Real Estate Developers Association of Hong Kong (REDA)	✓ (p. 53)
G4-17	The comprehensive list of NWD subsidiaries are show in <i>NWD Annual Report - Principal Subsidiaries</i> . The scope and boundary of this sustainability report is shown in <i>Appendix 1 - Scope of Reporting</i>	✓ (p. 53)
Identified Material Aspects and Boundaries		
G4-18	About this report	✓ (p. 53)
G4-19	Materiality Considerations Life Cycle Approach to Sustainability Property Development	✓ (p. 53)
G4-20	Materiality Considerations	✓ (p. 53)
G4-21	About this report Materiality Considerations	✓ (p. 53)
G4-22	There is no restatement	✓ (p. 53)
G4-23	No significant changes from previous reporting periods in the scope and boundary	✓ (p. 53)
Stakeholders Engagement		
G4-24	Stakeholder Engagement	✓ (p. 53)
G4-25	Stakeholder Engagement Life Cycle Approach to Sustainability Property Development	✓ (p. 53)
G4-26	Stakeholder Engagement Life Cycle Approach to Sustainability Property Development	✓ (p. 53)
G4-27	Life Cycle Approach to Sustainability Property Development	✓ (p. 53)

General Standard Disclosures	Cross-reference/Comments	External Assurance
Report Profile		
G4-28	About this report	✓ (p. 53)
G4-29	January 2014	✓ (p. 53)
G4-30	The reporting cycle is annually	✓ (p. 53)
G4-31	Content	✓ (p. 53)
G4-32	About this report GRI Content Index	✓ (p. 53)
G4-33	About this report Verification Statement	✓ (p. 53)
Governance		
G4-34	NWD Annual Report - Corporate Governance Report Management Approach to Corporate Sustainability	✓ (p. 53)
Ethics Integrity		
G4-56	Corporate Governance	✓ (p. 53)

Specific Standard Disclosures

Material Aspects	DMA and Indicators	Cross-reference/Comments	External Assurance
Economic Performance	DMA G4-EC1	NWD Annual Report - Management Discussion and Analysis NWD Annual Report - Financial Section	✓ (p. 53)
Energy	DMA EN3	Our Environment Performance Table	✓ (p. 53)
Emissions	DMA EN15, EN16, EN17	Our Environment Performance Table	✓ (p. 53)
Materials	DMA EN1	Our Environment Performance Table	✓ (p. 53)

Material Aspects	DMA and Indicators	Cross-reference/Comments	External Assurance
Effluents and Waste	DMA EN23	Our Environment Performance Table	✓ (p. 53)
Employment	DMA LA1	Our People Performance Table	✓ (p. 53)
Occupational Health and Safety	DMA LA6	Management Approach to Corporate Sustainability Life Cycle Approach to Sustainability Property Development Performance Table	✓ (p. 53)
Training and Education	DMA LA9	Our People Performance Table	✓ (p. 53)
Diversity and equal opportunity	DMA LA12	Management Approach to Corporate Sustainability Our people Performance Table	✓ (p. 53)
Non-discrimination	DMA HR3	Management Approach to Corporate Sustainability There was no reported incidents of discrimination during the reporting period	✓ (p. 53)
Local Communities	DMA SO1	Our Community Our Community - New World Springboard	✓ (p. 53)
Marketing Communications	DMA PR7	Management Approach to Corporate Sustainability Life Cycle Approach to Sustainability Property Development A department was set up to ensure 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	✓ (p. 53)

Verification Statement



Assurance Statement

New World Development Company Limited ("New World Group" or "the Group") has prepared the New World Group Sustainability Report 2014 (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 verification¹ of the Report, which covers the sustainability performance of New World Group in terms of environmental, social and economic aspects between 1 July 2013 and 30 June 2014.

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 procedures² consisted of a comprehensive review of the Report, followed by the selection of a representative sample of statements and data pertaining to significant sustainability aspects of New World Group to be used for verification. During an interview with a New World Group representative conducted on 16 December 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.

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. However, the Report covers material aspects and boundaries which were internally identified and determined by New World Group; this may have led to the views of some stakeholders being overlooked during the process of defining the report's content. In turn, this may have affected the completeness of the report.

In terms of the accuracy and reliability of the Report, the selected sample of statements and data examined during the verification process was 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 were generally considered to be reliable.

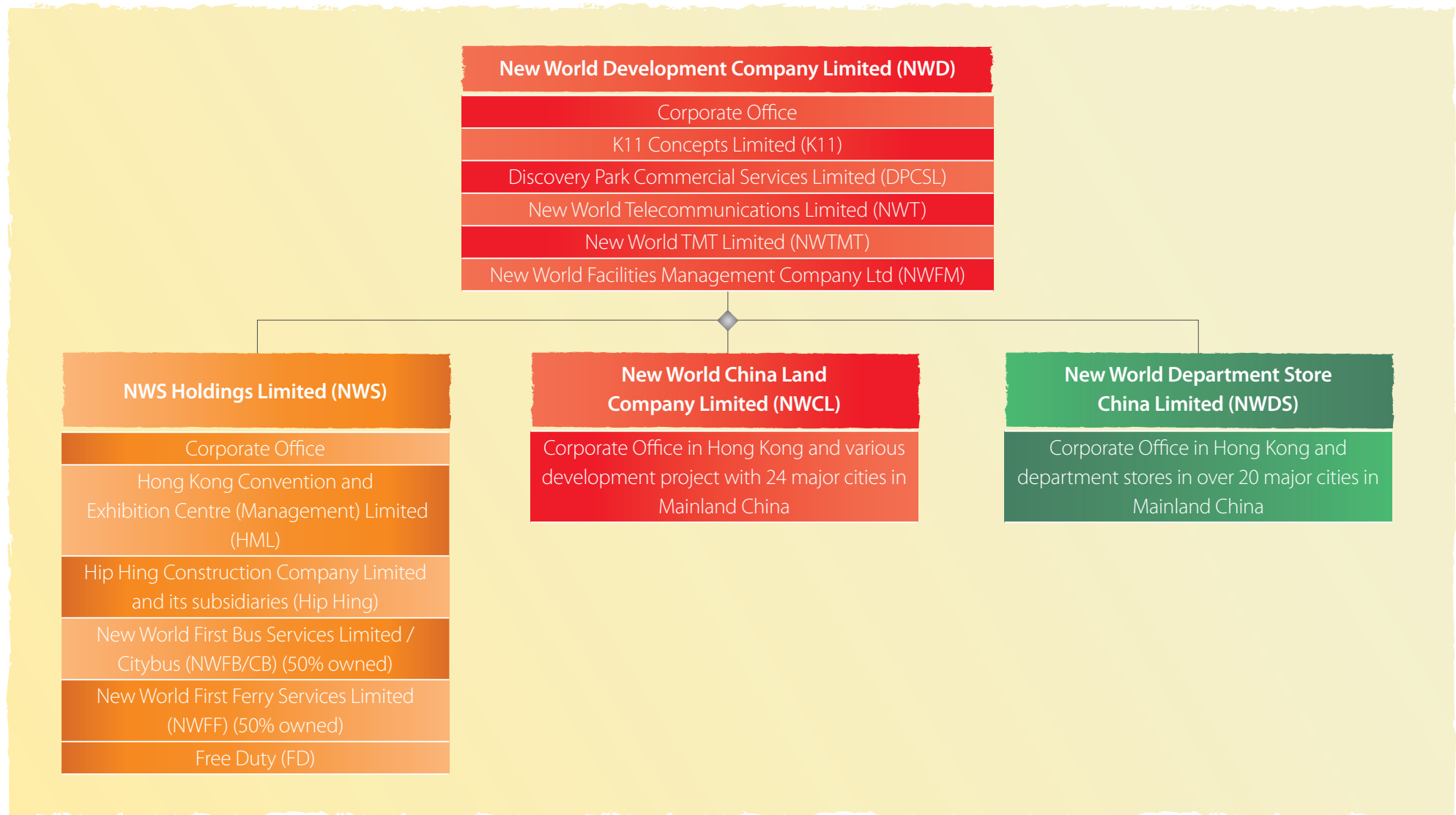
A handwritten signature in black ink, appearing to be 'Clement Li', written over a horizontal line.

Clement Li
Principal Consultant
Hong Kong Productivity Council
24 December 2014

¹ This verification statement has been prepared for New World Group for the purpose of assuring the statements and data presented in its Sustainability Report 2014 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 verification statement.

² 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







新世界發展有限公司

New World Development Company Limited