



Pacific Century
Premium Developments
盈科大衍地產發展

STOCK CODE: 00432

SUSTAINABILITY REPORT
2016

Embracing
Sustainability
Momentum

Awards and Recognitions

Charter/ Scheme	Award	Entity/ Property	Awarding Organisation	Year of Award	Jurisdiction	Voluntary/ Mandatory
Quality Award	Bronze Winner	ISPML ¹	Hong Kong Management Association	2015	Hong Kong	Voluntary
Caring Company Scheme	5 Years Plus Caring Company Logo	ISPML	Hong Kong Council of Social Service	2016	Hong Kong	Voluntary
Family-friendly Employers Award Scheme	- Family-friendly Employer - Family-friendly Employer - Special Mention - Award for Breastfeeding Support	ISPML	The Family Council	2015/ 2016	Hong Kong	Voluntary
Social Caring Awards for Green Excellence	Green Excellence	ISPML	Social Enterprise Research Institute	2016	Hong Kong	Voluntary
Hong Kong Green Mark Certification Scheme	Honorary Certificate	ISPML	The Hong Kong Q-Mark Council	2016	Hong Kong	Voluntary
Quality Property & Facility Management Award (QPFMA)	Excellence Award – Large-scale Residential Property Management	ISPML/ Bel-Air Phase 1 - Phase 6	The Hong Kong Association of Property Management Companies (HKAPMC) and The Hong Kong Institute of Surveyors (HKIS)	2016	Hong Kong	Voluntary
Quality Property & Facility Management Award (QPFMA)	Merit Award – Small-scale Residential Property Management	ISPML/ ONE Pacific Heights	HKAPMC and HKIS	2016	Hong Kong	Voluntary
Leadership in Energy and Environmental Design (LEED)	Pre-certification Platinum Grade	PCP Jakarta ²	The US Green Building Council (USGBC)	2014	International/ Indonesia	Voluntary
Greenship (New Building)	Pre-certification Platinum Grade	PCP Jakarta	Green Building Council Indonesia	2014	Indonesia	Voluntary
Green Building Award under New Building Category (building under design)	Finalist	PCP Jakarta	The Hong Kong Green Building Council (HKGBC)	2014	Hong Kong/ Asia Pacific	Voluntary
Best Green Building Development	Winner	PCP Jakarta	The Indonesia Property Awards	2015	Indonesia	Voluntary
Best Office Building	Highly Commended	PCP Jakarta	The Indonesia Property Awards	2015	Indonesia	Voluntary
Best Green Development	Highly Commended	PCP Jakarta	The South East Asia Property Awards	2015	South East Asia	Voluntary
Best Office Architectural Design	Highly Commended	PCP Jakarta	The Indonesia Property Awards	2016	Indonesia	Voluntary
Special Recognition in Sustainable Development	Winner	PBI ³	The Indonesia Property Awards	2016	Indonesia	Voluntary

¹ Island South Property Management Limited

² Pacific Century Place Jakarta

³ PT Prima Bangun Investama

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WELCOME TO PCPD'S FIRST SUSTAINABILITY REPORT

This is the first Sustainability Report published by Pacific Century Premium Developments Limited (referred to in the report as 'PCPD' or 'the Company') (Stock Code: 00432), which is majority owned by PCCW Limited (Stock Code: 00008). The report covers the financial year that ended on 31 December 2016 and discloses PCPD's approach to sustainable property development and management throughout the lifecycle of its developments as well as its overall sustainability strategy, priorities and objectives.

The report explains how PCPD complies with the 'comply or explain' provisions of the Environmental, Social and Governance ('ESG') Reporting Guide in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ('HKEX ESG Reporting Guide'). The general disclosures set out under each ESG aspect of the HKEX ESG Reporting Guide are referenced in 'HKEX ESG Reporting Guide Content Index' section of this report.

PCPD's board of directors (the 'Board') has reviewed and approved this report.

Questions and comments can be sent to PCPD's Head of Corporate Communications by e-mail (enquiry@pcpd.com) or by post (8th Floor, Cyberport 2, 100 Cyberport Road, Hong Kong).

Report Scope

PCPD is principally engaged in developing and managing premium properties as well as investing in premium-grade buildings, luxury resorts and hotels in Hong Kong and around the world.

Pacific Century Premium Developments Limited



This report covers PCPD's operations in Hong Kong; its project developments in Japan, Indonesia and Thailand; and its hospitality and leisure services in Japan. The scope of this report reflects the role of PCPD as a property developer, investor, manager and operator.

The content of the report focuses on material sustainability issues – based on PCPD's most significant economic, environmental and social impacts, and the issues that are of most interest or concern to its stakeholders – based on a comprehensive materiality assessment, which included stakeholder engagement. The 'Building for a More Sustainable Future' section of this report provides further details of the assessment process.

This report highlights PCPD's sustainability efforts in the following areas:

Environmental Aspects

- Green building certification
- Customer engagement in environmental issues
- Waste
- Energy consumption

Social Aspects

- Customer satisfaction, product quality and responsibility
- Community investment and engagement
- Supply chain management
- Employment, including talent attraction and retention
- Training and development
- Inclusion and equal opportunities
- Health and safety
- Labour standards
- Anti-corruption



CHAIRMAN MESSAGE

Dear Stakeholders

As population numbers and resource constraints continue to increase, property investors, developers and managers are well positioned to help create a better future for Asia. While continuing to contribute to economic progress, we can minimise the environmental impact of our business by engaging stakeholders through public-private partnerships, setting attainable targets and implementing measurable plans.



Enhancing and sustaining business and brand value: Our success as a business is founded on happy customers living in healthy communities in thriving cities. We are constantly working to sustain and build our brand equity as a premium property developer in Asia. A strong brand helps us attract prestigious tenants and customers who share our sustainable development values. As most of our properties are in landmark locations, sustainability is important and adds significant value to our developments.

Working towards net zero impact: We are embracing innovative opportunities and tackling climate and resource challenges by working towards green building certification, and we aspire achieving net zero impact in the future. Our business model, which includes undertaking small-scale projects, gives us more flexibility to engage a broader group of stakeholders and achieve results faster. We are inspired by the opportunities that green buildings provide to positively improve our environmental performance. At Pacific Century Place Jakarta in Indonesia we are incorporating green design elements such as passive cooling strategies, for example, solar shading devices to improve thermal performance. We are also currently testing a green energy procurement model with the aim of off-setting our carbon emissions.

Future-proofing our business: We want to be a responsible company. In order to continue to thrive while increasing the value of our properties, we must continuously strive to exceed the expectations of our most important stakeholders: our employees, our customers and local communities. That is why stakeholder engagement is important to us. At our Japan development, for example, we are fortunate to have first-class snow conditions that enable us to offer an amazing outdoor winter experience to our guests. But we also deeply value the local community and want to be a business that consistently contributes to the local economy by creating year-round employment and economic opportunities. We have therefore expanded our business scope beyond the winter skiing season by offering golfing in the summer and other recreational activities throughout the year. We believe that these efforts will create a flourishing local community, help protect and build greater appreciation for the natural environment, and offer exciting experiences for sports enthusiasts of all kinds.

This is PCPD's first sustainability report. We see the new Environmental, Social and Governance Reporting Guide issued by Hong Kong Exchanges and Clearing Limited as an opportunity for us to share our sustainability performance and strengthen our future path. In developing our property portfolio based on solid sustainability values, we aim to build a strong and profitable company that will continue to thrive and grow in the years ahead.

A handwritten signature in black ink, consisting of a large, loopy 'R' followed by a smaller 'L'.

Richard Li
Chairman
Pacific Century Premium Developments Limited

CEO MESSAGE

Dear Stakeholders

At Pacific Century Premium Developments Limited, we develop, manage and invest in exceptional properties throughout Asia that offer unique experiences to our residents and guests. We care deeply about customer satisfaction and the quality of our buildings. We aim to enhance our brand value by engaging with property owners, residents, guests and communities to continuously improve our performance and by ensuring our management and staff are empowered and inspired to always give their best.



Sustainability is good for business

Sustainability-centred built environments contribute to the physical and psychological well-being of those who live, work and play there, resulting in greater social engagement, improved productivity, economic growth and civic pride.

We believe that incorporating sustainability principles into the fabric of our business is not only possible but positive, productive and profitable. By collaborating closely with our stakeholders, we can simultaneously and successfully enhance the economic value of our properties while also growing social and environment value in the communities in which we operate.

Performance in 2016

We took significant strides forward with our sustainability agenda in 2016. We established a Sustainability Committee that formalised our sustainability governance structure. We stepped up stakeholder engagement and the collection of environmental performance data. We revamped our Sustainability Policy, which establishes best practice guidelines for our offices and employees around Asia, and made further efforts to share its principles with our business partners. We also benchmarked our sustainability performance against our industry peers and set priorities for the next five years, including improving governance and reporting and strengthening the framework that supports our sustainability strategy.

In close collaboration with our contractors and suppliers, we focused on further enhancing environmental standards at our properties under development. Our Pacific Century Place Jakarta project in Indonesia received 'Special Recognition in Sustainable Development' at the Indonesia Property Awards. For our properties in Thailand and Japan that are still in the early stages of development, we sought input from local stakeholders through a variety of engagement activities.

A handwritten signature in black ink, appearing to read 'Robert Lee', with a stylized, flowing script.

Robert Lee

Deputy Chairman and Chief Executive Officer
Pacific Century Premium Developments Limited

We met all our 2016 environmental and social targets for our properties under management. Most notably, we delivered on improving energy efficiency and customer service quality at Bel-Air. The installation of high-efficiency equipment and light sensors at various locations and improvements to the energy performance of elevators and air-conditioners led to significant energy and cost reductions. We were delighted to receive the 'Excellence Award – Large-scale Residential Property Management' at the Quality Property & Facility Management Award in recognition of our strong customer service performance.

The year ahead

We will work on further developing and refining our sustainability strategy and communicating its principles and priorities to our operations across Asia and our business partners, while working closely with local communities. Our key tasks include:

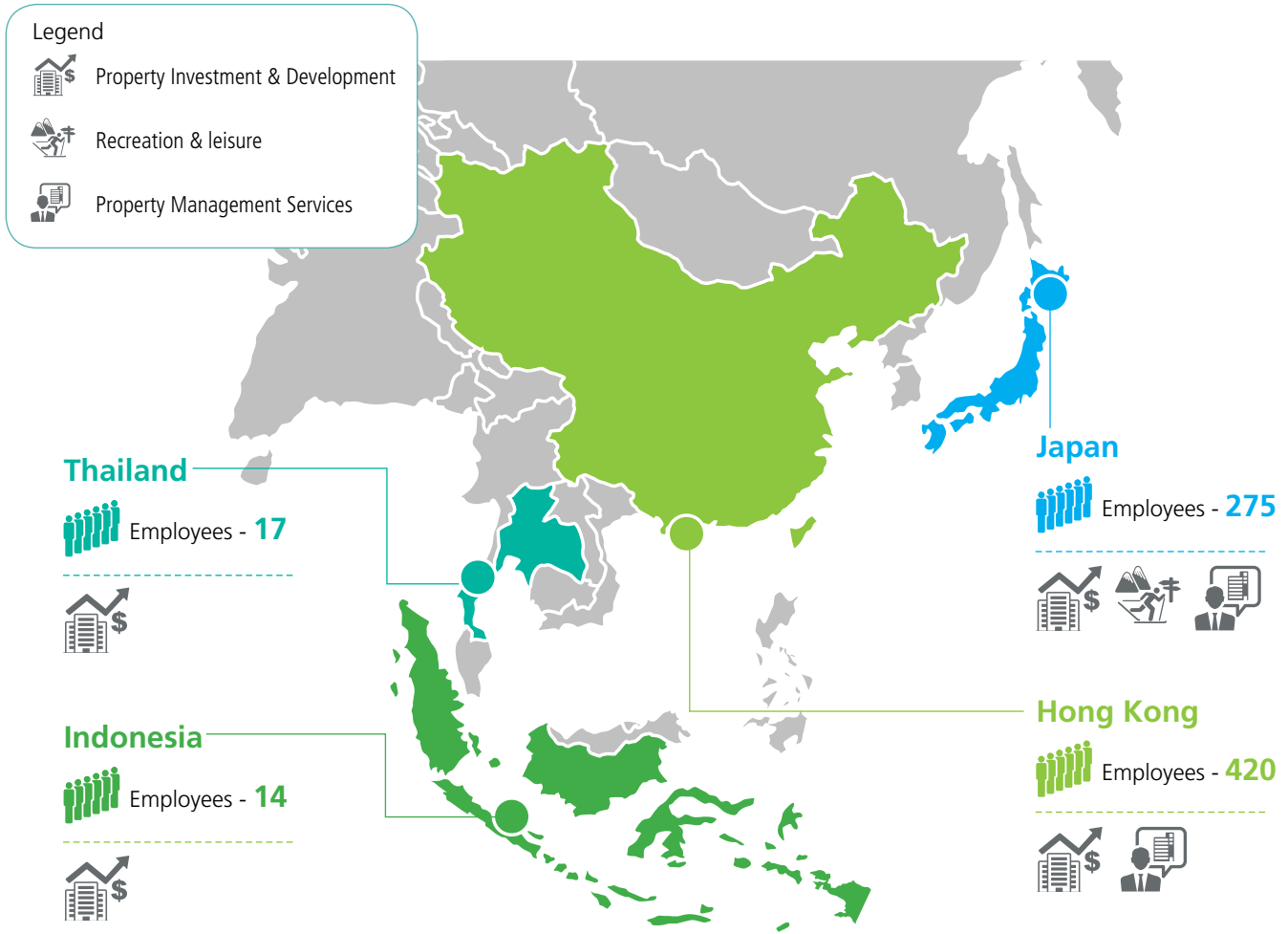
- Continuing to develop and move forward with our sustainability roadmap
- Organising more sustainability engagement and awareness activities for our staff
- Developing systems to allow us to collect more sustainability performance data
- Continuously engaging with our key stakeholders, including customers, employees, local communities, suppliers and contractors

Thank you for taking the time to read our first sustainability report. I wish to express my appreciation for the contributions made by PCPD's management and staff in supporting our sustainability agenda and to offer special thanks to those colleagues who worked on producing this report.

We are pleased with the progress that we made in 2016 but we are aware that there is still much to do and that challenges lie ahead. With the strong support of our staff, clients, suppliers and contractors, I am confident that we will keep moving forward towards a more sustainable future for all.

OUR BUSINESS AT A GLANCE

PCPD GROUP



Our overarching business objectives are to develop and manage premium property and infrastructure projects, and invest in premium-grade buildings throughout the Asia Pacific region.

Scope of Activities



- Property investment and development in Indonesia, Japan and Thailand



- All-season activities in Niseko, Hokkaido, Japan, including ski lifts, ski school and snowmobile tours, and golfing in the summer



- Property management in Hong Kong
- Lodging, accommodation and property management in Japan

LIST OF PROPERTIES

List of Properties under Development

Project	Usage	Size	Year of completion
1 Pacific Century Place ('PCP') Jakarta	Commercial	Total project building gross floor area (GFA): approximately 90,500 square metres (excluding parking areas)	2017 (scheduled)
2 Park Hyatt Niseko, Hanazono, Hokkaido	Hotel	Approximately 100 rooms	2019 (scheduled)
Park Hyatt Niseko Hanazono Residences, Hokkaido	Hotel / Residential	More than 110 luxury branded residences	2019 (scheduled)
Phang-nga, southern Thailand	Residential / Hospitality	Overall gross site area: approximately 1,700,000 square metres	Planning stage



List of Properties under Management

Project	Usage	Size*	Year of completion
3 Bel-Air, Hong Kong	Residential	Large – over 2,000 luxury residences	2008
4 ONE Pacific Heights, Hong Kong	Residential	Medium – over 100 luxury boutique apartments	2009
Gough Hill, Hong Kong	Residential	Small – below 10 residential homes	Not applicable
5 Niseko, Hokkaido	Residential / Hospitality	Medium – over 100 All-season units	Not applicable

*Size: Small (below 100 units),
Medium (over 100 and below 2000 units),
Large (over 2,000 units)

Further information about PCPD can be obtained from our corporate website:
<http://pcpd.com/html/eng/index.php>



BUILDING FOR A MORE SUSTAINABLE FUTURE



Property development is not simply about the bringing together of bricks, steel and glass. To achieve long-term business success, sustainable development – considering the environmental, social, and economic consequences of our corporate decisions and actions – must be a cornerstone principle.

By making sustainable development an integral part of our business, we aim to bring benefits and value to the local communities as well as the companies and individuals who occupy our properties.

As a responsible property developer and manager, we strive to develop properties that satisfy the needs of our customers as end-users, while upholding high environmental and social standards and helping to tackle large-scale challenges such as climate change. We believe that building greener properties contributes to creating a solid foundation for working towards broader sustainable development goals. A sustainability-centred built environment can contribute to physical and psychological well-being of those who live, work and play there, resulting in greater productivity, social engagement, and civic pride. Greener buildings create fewer emissions, minimise waste and use precious finite resources more efficiently – they also serve to inspire innovation in design, materials, and processes.

We seek to instil these goals and values across our value chain and the entire property lifecycle.

SUSTAINABILITY VISION

PCPD's sustainability vision is to conduct our business in a responsible manner that protects the environment, benefits the communities in which we operate, and creates value for our customers, partners, and employees while enhancing the long-term success of our company.

These objectives are in line with several of the United Nations Sustainable Development Goals (SDGs), including:

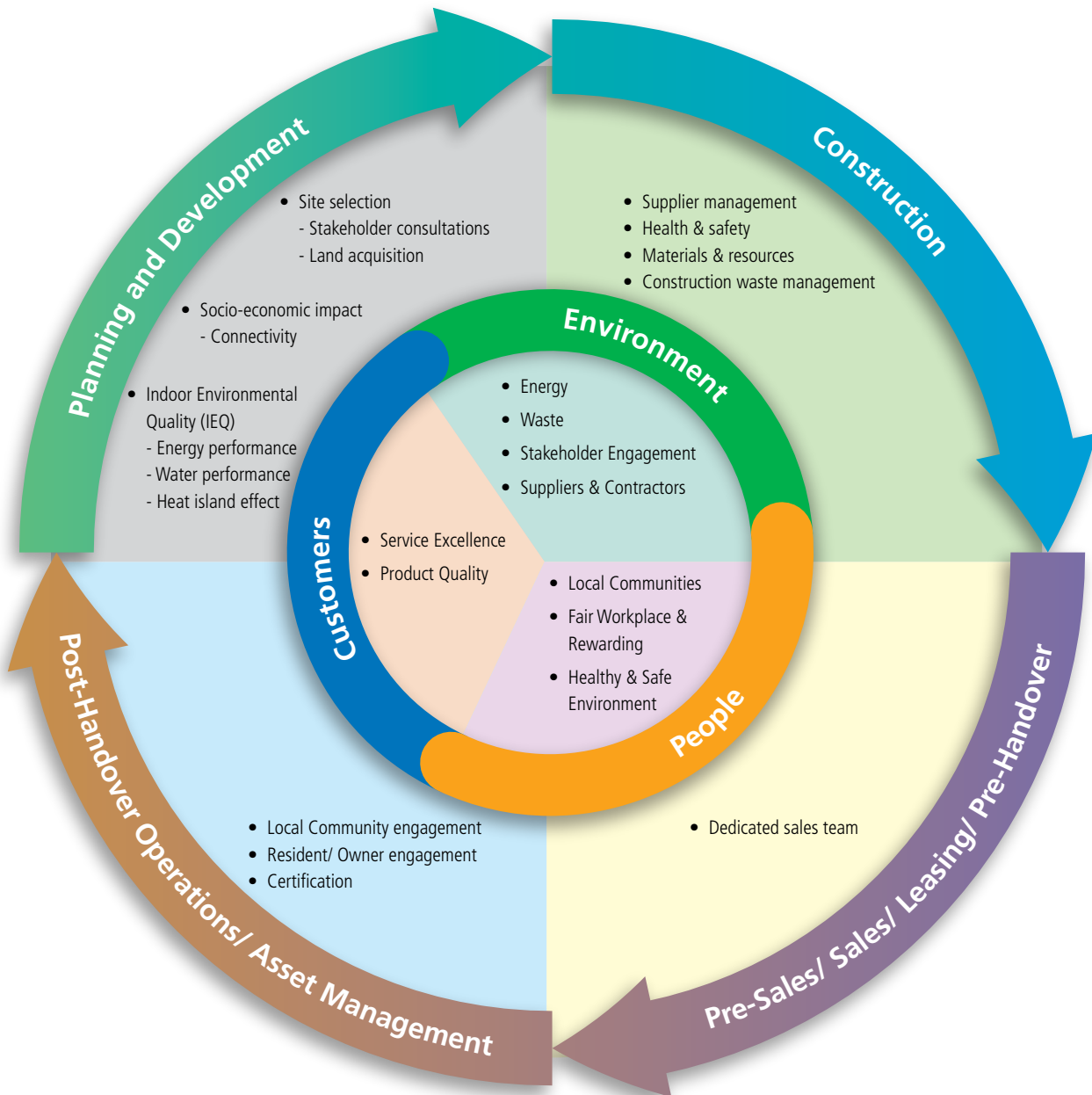


SUSTAINABLE PROPERTY DEVELOPMENT AND MANAGEMENT

In recognition of the environmental concerns associated with property development, construction activities, and property management, we seek to apply principles of sustainable development throughout the lifecycle of our property developments. This includes embracing innovative design, applying environmentally considerate construction practices and engaging in community-focused property management.

For each new project, we establish a team comprised representatives from all departments involved in the property development lifecycle and take into account the expectations of different stakeholder groups. This approach allows us to integrate sustainability across the entire project lifecycle – from conceptualisation to completion.

Sustainability Management Approach Across Value Chain



We seek to develop green buildings by meeting internationally recognised standards of environmental protection and sustainable development through the adoption of energy-efficient building design, responsible use of materials during the construction phase and environmentally aware management throughout our site operations.

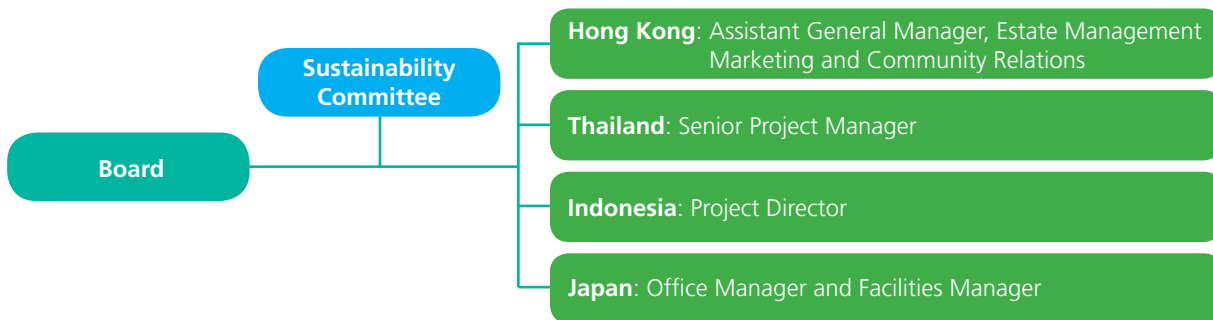
Green Certification and Compliance

We aim to obtain internationally recognised green building certifications for all our new commercial developments. Obtaining such certifications helps show our stakeholders that we integrate social and environmental considerations into our design process, development phases and operations. Green building schemes also enable us to demonstrate compliance with state and national regulations, benchmark our sustainability practices against our peers, and track and improve on our environmental performance across our properties.

We attained US Green Building Council ('USGBC') Leadership in Energy and Environmental Design ('LEED') Platinum Grade core and shell pre-certification for our PCP Jakarta project in 2014.

Sustainability Management

The Board supports sustainability at all levels and the Sustainability Committee (the 'Committee,') is ultimately accountable for our sustainability efforts. The Board monitors the Company's corporate governance practices and procedures and maintains appropriate and effective risk management and internal control systems to ensure the Company and its employees comply with all applicable rules and regulations.



In 2016, we established the Sustainability Committee, which is responsible for designing our sustainability policies, guidelines and procedures, and for monitoring the effectiveness of our sustainability approach and the progress of our sustainability strategy. The Committee also monitors relevant external sustainability-related developments and our exposure to sustainability-related risks, and sets our reputation assurance priorities. The overarching responsibility of the Committee is to foster a culture of responsibility and enhance sustainability awareness throughout the Company.

Reporting directly to the Board, the Committee is chaired by the Company Secretary and is comprised of members of the management team. In 2016, the Committee met four times. Regional CSR teams manage our sustainability efforts on the ground across different geographic locations.

The Property Management Department undertakes environmental initiatives at our headquarters. We also maintain a Register of Environmental Aspects to track our environmental controls and performance at an operational level.

We have assigned Senior Project Manager in Thailand and Project Director in Indonesia to take responsibility for handling the environmental aspects of project implementation in those jurisdictions, including engaging with appropriate consultants on environmental considerations for project development. In Japan, office managers in Tokyo and facilities manager in Niseko are responsible for overseeing our green initiatives.

Sustainability Policy

In 2016, we revamped our Sustainability Policy ('Policy'). The Policy, which has been approved by the Board, provides clear guidance on how the Company will interact with its stakeholders, society at large and the environment to meet and exceed minimum legal standards. The Policy applies to all directors, officers and employees of the Company, and its objectives and requirements are communicated to all contractors, subcontractors, and individuals acting for or on behalf of the Company. All projects across the Company's supply chain are encouraged to adopt the Policy as best practice guidance with the aim of ensuring consistent operational practices.

SUSTAINABILITY POLICY

Scope

The purpose of this policy is to set clear commitments by Pacific Century Premium Developments Limited (“PCPD” or the ‘Company’) to foster a culture of sustainability within the Company, incorporate sustainability into our business strategy and carry out actions aligned with sustainable development.

This Sustainability Policy applies to the Company and all its subsidiaries, affiliates and associated companies, in Hong Kong and other parts of the world (the ‘Group’).

The commitments outlined in this policy define the Group’s framework for sustainability, and provide a reference for establishing corporate goals on sustainability in specific material areas. An implementation plan supports this policy outlining specific actions, targets, timeframes and indicators for tracking our performance.

Vision

Our sustainability vision is to conduct our business in a responsible manner that protects the environment, benefits the communities that we operate in, creates value for our customers, partners and employees while enhancing the long-term success of our business.

Our Commitments

- Protect the natural environment and respect the local culture of the communities where we develop and manage property, recreational and infrastructure projects;
- Minimise the extent of any adverse environmental or social impact our operations may have;
- Create an enabling environment that helps our employees take responsibility for delivering on our sustainability commitments;
- Engage our employees, customers, suppliers, contractors, shareholders and other stakeholders in an effort to work together to continually improve our environmental, economic and social performance; and
- Actively collaborate with governments and local forums to advance sustainable and responsible business practices in our industry.

Our commitments on specific topics:

OUR PARTNERS

Customers

- Provide the highest quality property development, management and recreation-related services and products, while considering the environmental and social benefits and impacts of our properties throughout their entire life cycle;
- Communicate with our customers about our green building standards and environmental considerations; and
- Advise our customers on sustainable actions they can take when using our services and properties.

Community

- Engage the local community to ensure sustainable development with mutual benefits;
- Create a harmonious, dynamic and liveable environment for the communities in which we operate by developing and managing properties that take into account local culture, environment and community priorities;
- Maintain a strong level of community involvement and provide support to community activities; and
- Encourage our employees to participate in community services.

Suppliers and Contractors

- Take into account environmental and social considerations in our procurement decisions; and
- Share our sustainability policy with our suppliers and contractors, support them in adopting sustainability initiatives aligned with this policy and seek constructive feedback from them to help us improve our sustainability performance.

OUR ENVIRONMENT

- Strive to achieve green building certification for all our new developments;
- Identify significant environmental impacts associated with our activities, adopt measures to manage and minimise the environmental impacts during design, construction and operation of all our properties;
- Reduce energy consumption and enhance energy efficiency in our properties;
- Minimise waste generated by our operations, and ensure that waste is reused or recycled as much as possible, with the disposal of any remaining waste occurring in a responsible manner;
- Ensure that we operate in a way that exceeds legal requirements, and integrate industry environmental best practices; and
- Monitor and measure our progress and set targets to continually improve our environmental performance.

OUR PEOPLE

- Provide a fair and supportive workplace, offer good working conditions for all our employees and strive to be employer of a choice;
- Ensure all our activities respect, promote and advance internationally recognised human rights;
- Ensure work done on our behalf is performed in a healthy and safe working environment; and
- Ensure that all our employees have access to development and training opportunities.

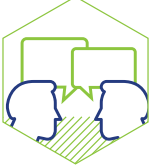






CORPORATE GOVERNANCE

- Uphold high standards of corporate governance and ethics, transparency and integrity in all aspects of our business;
- Promote ethical behaviour throughout our sphere of influence;
- Integrate social responsibilities within core management systems and decision-making processes; and
- Prevent any form of corruption in our business, including extortion and bribery.

STAKEHOLDER ENGAGEMENT

We are committed to developing and maintaining strong relationships with our stakeholders by actively engaging with them across our diverse businesses to better understand and respond to their needs and concerns. We maintain open and honest stakeholder dialogue through a variety of channels, including e-mails, newsletters, statements, reports, press releases, and meetings.

Figure 1: Stakeholder Engagement

	<p>Customers</p>	<ul style="list-style-type: none"> • Customer satisfaction surveys • Guest satisfaction surveys • Newsletters
	<p>Community</p>	<ul style="list-style-type: none"> • Newsletters to residents of our managed properties • Press releases • Communication meetings
	<p>Business Partners</p>	<ul style="list-style-type: none"> • Newsletters • Direct communication • Supplier training, workshops and forums
	<p>Employees</p>	<ul style="list-style-type: none"> • Employee satisfaction surveys • Internal communication • Communication with employee representatives
	<p>Investors</p>	<ul style="list-style-type: none"> • Annual meetings • Press releases • Annual report • Communication meetings
	<p>NGOs</p>	<ul style="list-style-type: none"> • Collaborative projects, donations, support for various programmes
	<p>Government & Regulators</p>	<ul style="list-style-type: none"> • Issue-specific collaboration

MATERIALITY

In 2016, we undertook our first comprehensive materiality assessment exercise. This involved conducting focus groups, interviews and a survey of internal and external stakeholders to identify ‘material issues’ – defined as those issues that reflect the most significant economic, environmental and social impacts of our business and the issues that matter most to our stakeholders.

Figure 2: Materiality Process

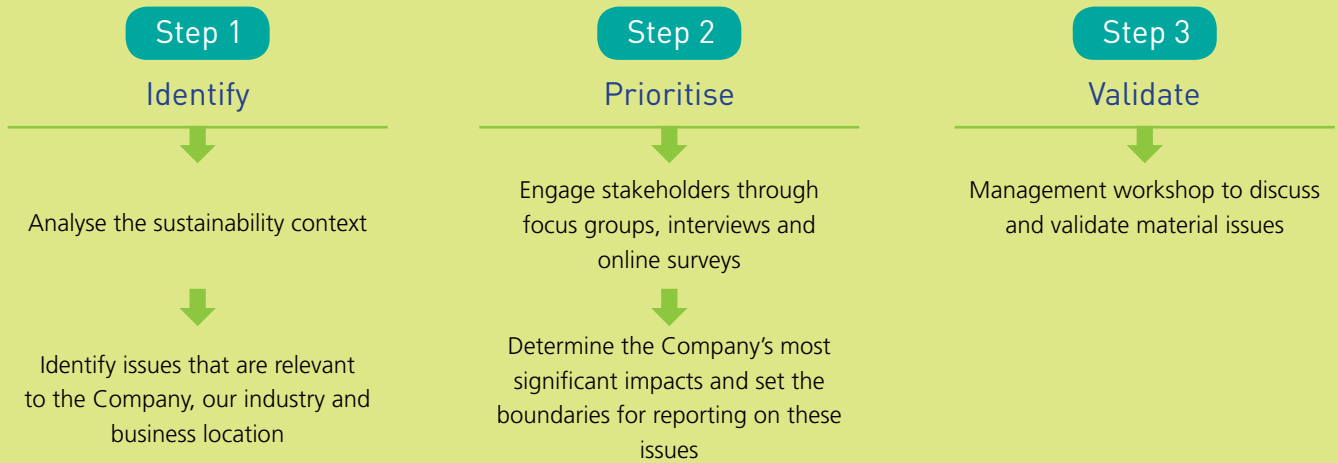
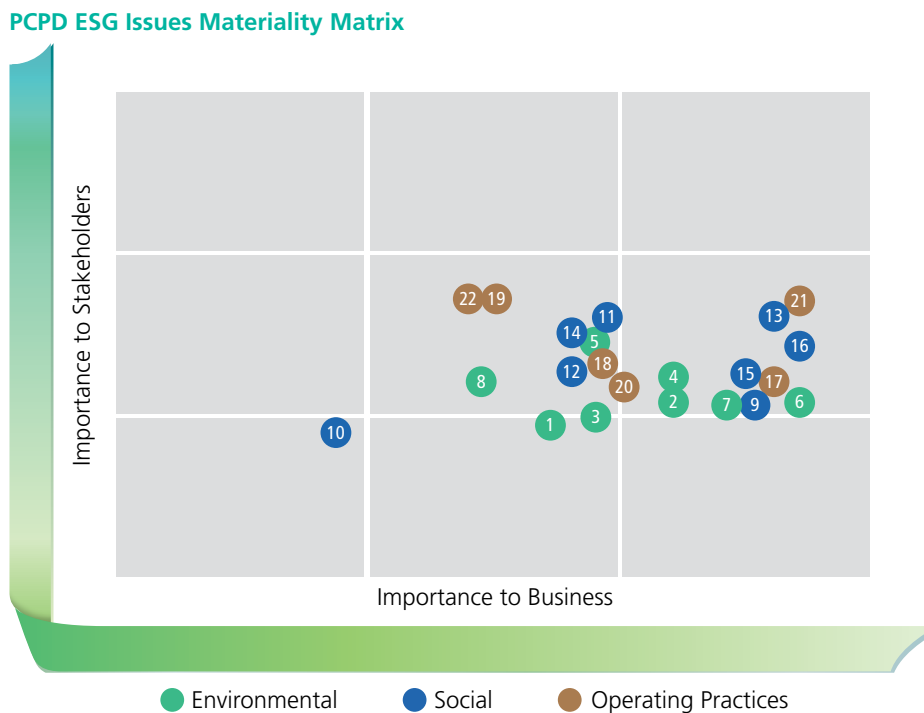


Figure 3: List of Material Issues



#	Issues	Category
1	Greenhouse gas emissions	Environmental practices
2	Energy consumption	Environmental practices
3	Water consumption	Environmental practices
4	Waste	Environmental practices
5	Environmental impact of construction	Environmental practices
6	Green buildings certification	Environmental practices
7	Customer engagement in environmental issues	Environmental practices
8	Use of chemicals	Environmental practices
9	Local community engagement	Social
10	Community investment	Social
11	Occupational health and safety	Social
12	Labour standards in supply chain	Social
13	Training and development	Social
14	Employee welfare	Social
15	Inclusion and equal opportunities	Social
16	Talent attraction and retention	Social
17	Economic value generated	Operating practices
18	Corporate governance	Operating practices
19	Anti-corruption	Operating practices
20	Supply chain management	Operating practices
21	Customer satisfaction	Operating practices
22	Customer privacy	Operating practices

Based on the materiality assessment process and follow-up discussions, PCPD management has prioritised the following 10 key issues as material for disclosure in our first sustainability report:

Environmental practices	Social issues	Operating practices
1. Green building certification	5. Talent attraction and retention	9. Customer satisfaction and product quality
2. Customer engagement on environmental issues	6. Training and development	10. Economic value generated
3. Waste	7. Inclusion and equal opportunities	
4. Energy consumption	8. Community engagement	

CUSTOMER SATISFACTION AND PRODUCT QUALITY

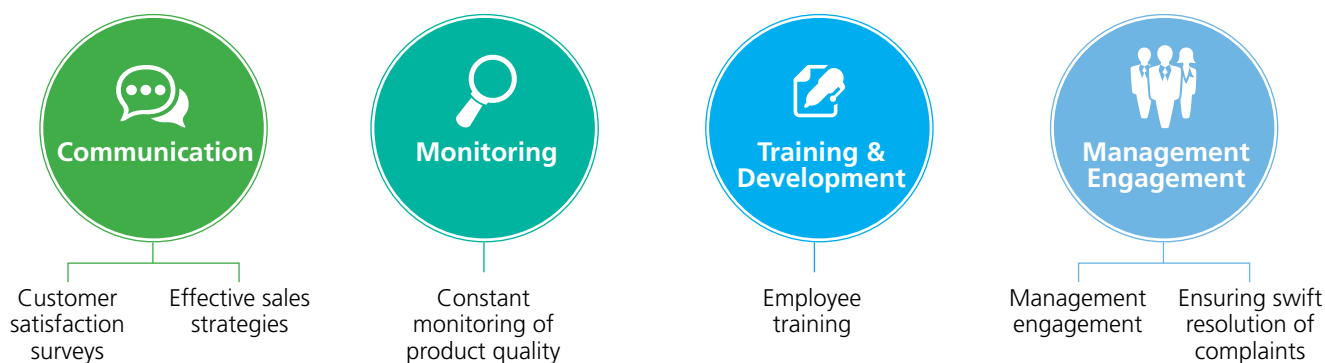


PCPD's diverse range of customers includes owners of residential properties, residential and commercial tenants, and guests at our managed ski resort. We aim to continuously enhance customer satisfaction and experience by providing high-quality, healthy and safe services.

SERVICE EXCELLENCE

We recognise that providing a superior customer experience relies on the quality of service and care we provide, as well as the range of services and value we offer. We monitor our performance and management is actively engaged in driving improvements to processes, systems, and assets that will help us achieve our service goals.

Service Excellence



Communication

Properties under Management

We deeply value our customers and recognise that when we understand their needs, we can make better decisions and offer a more tailored service experience. We collect customer views and opinions through regular satisfaction surveys and via our hotlines, and actively communicate information about developments and changes at our managed properties.

We strive to instil a culture of continuous improvement and use key performance indicators ('KPIs') to benchmark the effectiveness of our processes, systems, and behaviours. Since 2013, ISPML has conducted an annual Customer Satisfaction Survey ('CSS') to measure, monitor and manage resident satisfaction and collect opinions and expectations relating to our services.

We have conducted regular maintenance and renovation works to ensure residents continue to enjoy a high-quality living environment. We have also strengthened security by increasing the number of patrols and enhancing property entrance controls. In addition, a mobile application is available for our large-scale property residents for easy and convenient access to a range of respective property information.

Ski Operations

We leverage our distinctive end-to-end customer experience to differentiate ourselves in this competitive and fast-evolving industry. We conduct regular CSS and have staff available to take suggestions. We have a robust process for swiftly handling complaints, including, where appropriate, direct action by line supervisors and management.

The number of customer complaints is one of our KPIs. We registered very few complaints in the 2016/17 season and achieved customer satisfaction levels of at least 90 per cent for all our KPIs. Nevertheless, we took several steps to further improve our performance. To address customer demand for better transportation services and to discourage private vehicle use, we increased the number of vehicles available and began offering free transportation for guests on a discretionary basis. We also introduced morning shuttle services for two of our village properties.

For easier booking, we launched a 'one-stop-shop' reservation system that covers accommodation, ski tickets, gear rental, and lessons. We also have strengthened our Guest Services department by hiring one additional full-time and two seasonal employees. We began internal and furnishing renovation work on our accommodation units, many of which are now 10 years old. This will continue in 2017.

Housekeeping continues to be a challenge in an environment where further property development is increasing the number of rooms but the supply of housekeeping staff is limited. In the 2016/17 season, we began to recruit housekeeping staff from Taiwan through an agency and this has helped mitigate the shortage.

Management Engagement

Properties under Management

Our award-winning professional team is committed to implementing Total Quality Management throughout our properties. ISPML management is actively engaged in property inspections, referred to internally as 'walk management'. We maintain comprehensive glitch reports and take swift action to resolve all recorded issues. We also conduct mystery shopper exercises on a regular basis. Findings related to these activities are discussed with company management and the members of our Owners Committees.

Ski Operation

NHR and its management company NMS are relatively small operations. Management are therefore able to take an active and hands-on role in evaluating quality and customer satisfaction. Our management team regularly visits our residential estates and the NHR ski resort to demonstrate the Company's commitment to customer care excellence to staff and guests.

Training and Development

Properties under Management

At ISPML, our scope of services is based on the principle of 'going the extra mile'. Our Service Pledge to maintain outstanding service quality that exceeds the expectations of our customers covers seven areas: Services, Utilities, Club, Customers, Environment, Security, and Safety. We have also adopted an Integrated Management System ('IMS') Policy and Management Plan, which guide our employees towards meeting our Service Pledge objectives and commitments.

The IMS maps out the overall vision and management approach of the Company and outlines how our Three-year Plan is designed to meet quantitative goals in areas relating to communication with internal and external stakeholders, management issues, conservation, and employee welfare.

To further enhance customer safety and satisfaction, our annual plan incorporates regular training and workshops for our employees in areas such as work safety, operational procedures, environmental performance, and handling of complaints.

Relevant employees also receive regular product knowledge and property management training. This enhances job performance and improves employees' understanding of operational and legal issues related to our business. In 2016, we provided 720 hours of legal training for 120 employees through a series of legal talks.

Ski Operation

Seasonal businesses such as NHR have relatively high staff turnover rates. We have improved our recruitment process and extended the training period for winter staff. We uphold a high standard of service by conducting comprehensive induction training for all employees at the start of each operational season and organising formal training courses in specific areas on a regular basis. In 2016, NHR and NMS collectively conducted more than 50 training sessions on various topics. We also have plans to develop new staff accommodation, which will help us attract and retain high-quality full-time regular and seasonal employees.

Customer Privacy

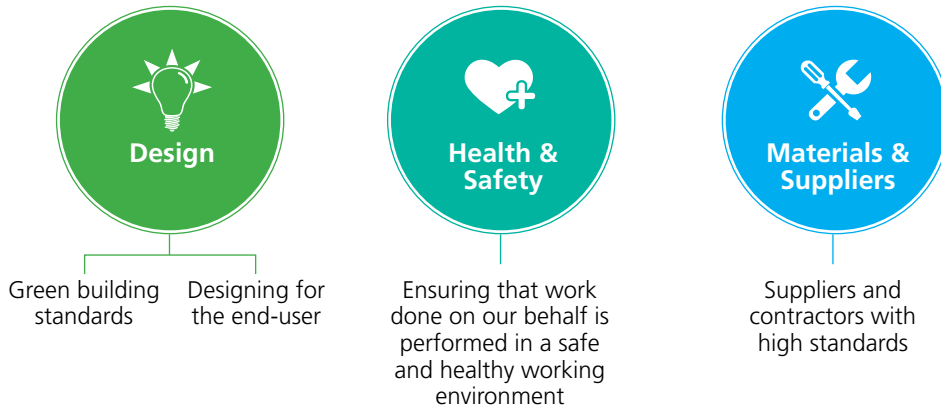
PCPD takes customer privacy seriously. We have safeguards in place to protect customer information from unauthorised access, use, or disclosure. All members of staff with responsibilities that include handling client data are obliged to follow our 'Six Data Protection Principles', which are based on the requirements set out in the Hong Kong Personal Data (Privacy) Ordinance. Personal information collection and non-disclosure statements are included on all forms, documents, and communications material issued by ISPML. We do not retain any personal customer data. We do not use customer e-mail addresses for marketing purposes unless authorised.

There were no leaks or losses of customer data or data privacy-related customer complaints received in 2016.



PRODUCT QUALITY

We build properties with the end-user in mind by incorporating timeless design features, using excellent materials, and employing the services of high-quality contractors and suppliers.



Designing for the End-user

The architectural design of PCP Jakarta reflects our emphasis on providing a superior end-user experience. We engaged sustainability consultants at an early stage to establish the required performance standards for design and construction principles, building materials, sustainability, and lifecycle costing. We hold regular coordination meetings and workshops to ensure that the development is proceeding in line with these standards.

Construction Contractors

We engage external consultants for Construction Management ('CM') to ensure the quality of our construction work. The CM team includes resident site staff ('RSS') who monitor on-site work by conducting regular site inspections and coordinating with our construction contractors. We also establish a Quality Assurance ('QA') team, comprised our own staff, to carry out inspections on the workmanship and quality of works. The CM team, RSS and the QA team monitor and liaise with contractors to ensure full compliance with our construction standards.

We engage professional consultants for planning and design work, and contractors that can implement and manage all aspects of the construction project, including engaging subcontractors, supervising site works and supplying all necessary labour, plant, materials and equipment. When selecting contractors, we require them to provide details of their project experience and certifications if available.

In jurisdictions outside Hong Kong where our knowledge of the local contractor market is more limited, we look for ways to minimise our hiring risk. For our PCP Jakarta project, one of the challenges was finding a local contractor that could meet the quality standards we established for the project. Our solution was to award the main contract to a contractor that is a joint operation between the largest local contractor and a Japanese contractor.

In the selection of major subcontractors for overseas projects, we employ a rigorous pre-qualification process that includes a thorough review of certification and other documentation, assessment of previous project work and inspections of workshops and/or warehouses.

Materials and Supply Chain Management

We hire suppliers and contractors that have a demonstrable track record of performance excellence. We require our suppliers to act responsibly and adhere to our environmental, social and governance standards. In situations where several companies meet our project requirements, we will select those with a good reputation for being environmentally and socially responsible and/or that hold environmental certification. We offer our contractors encouragement and support in their efforts to further improve their sustainability performance. Building trusting business relationships helps us manage our potential environmental and social risks while enhancing the efficiency of our operations.

We engage architects, engineers and other consultants to provide professional services and advice in developing quality designs and selecting appropriate materials and equipment. We hold regular design workshops during a project's design and construction stages. We evaluate quality, durability, lifecycle, future maintenance, sustainability and cost when making design and materials selection decisions.

Green procurement considerations



- Prioritising recyclable and raw materials



- Using environmentally friendly materials



- Following Hong Kong laws or international conventions if more stringent than local regulations



- Carrying out efficient and effective supply chain practices to reduce waste



- Introducing transparency to the supply chain



- Ensuring social responsibility in the supply chain



- Observing to supply chain regulation



- Designing and developing under environmentally and socially responsible conditions



- Bringing new technology and job opportunities to the local community as the first and prioritised consideration to achieve a win-win situation

Customer Health and Safety

Indoor Air Quality

Maintaining good indoor air quality within our properties is an important part of ensuring our customers enjoy a healthy, comfortable, and safe environment.

PCP Jakarta was designed to comply with ASHRAE Standard 62.1 2007, an international standard which mandates minimum ventilation requirements for an acceptable air quality level. We have established a system of fans, variable air distribution systems with motorised dampers, and automatic controls for air conditioning and medium voltage air systems that will ensure we meet ASHRAE requirements in all indoor areas – even during times when these areas are not occupied.

ISPML prohibits smoking in all common areas at our managed developments. We also pay particular attention to materials used in maintenance and repair work, and prohibit the use of products and materials containing volatile organic compounds and formaldehyde. Our maintenance contractors regularly clean air-conditioning filters and system coils.

Safe Ski Operation

Mountain Safety

Safety is our top priority at NHR. We have several programmes in place to promote mountain and winter sports safety best practices, including providing guests with our skier responsibility code and the 'Niseko Local Rules', which govern on-slope behaviour. We also ensure that avalanche information, which is updated at least on a daily basis, is available at lift stations and ticketing counters as well as on the NHR website. We use appropriate physical barriers to prevent access to off-piste and back-country areas that lie outside our established ski area. We employ ski patrollers to monitor the slopes and attend to any incidents or injuries.

Restaurants

NHR outsources its food and beverage operations to Tokyu Resort Service ('TRS'), one of the most reputable food catering companies in Japan. We do not subject TRS to an external audit and the Company handles all relationships with suppliers. TRS maintains all the licences required by NHR's restaurant in Japan and also handles any related inspections. There were no cases of non-compliance with hygiene regulations at the restaurant in 2016.



ENVIRONMENT

PCPD aims to maintain a good balance between the natural and built environments. We integrate environmental considerations into our business processes and continually strive to improve our environmental performance in line with local regulations and industry-specific guidelines.



Management



Employees



Suppliers



Contractors



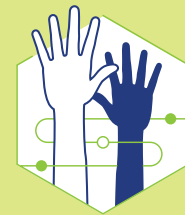
Residents



Guests



NGOs



Local Communities

Planning & Development

- Eco-design
- Materials and sourcing
- Building envelope
- Indoor Environmental Quality

Property Management

- Waste management
- Energy efficiency
- Water efficiency
- Tenant/ Owner engagement

Minimising carbon emissions



Improving energy and water efficiency



Improving waste diversion from landfills



Minimising the impact of our business on the natural environment



Adopting sustainable design for new developments



Influencing the behaviour of our partners and stakeholders



Adopting green procurement principles



ENERGY PERFORMANCE AND EFFICIENCY

Making our buildings and operations more energy efficient was a priority for 2016.

As our business encompasses a wide range of operational activities across different geographical locations, we have not established company-wide environmental targets. Instead, we have devolved environmental performance management to the local level. We encourage our operations teams to look for ways to reduce energy consumption and to set energy efficiency targets.

Properties under Development

We work with our consultants, contractors, and suppliers to identify opportunities for reducing energy consumption and enhancing the efficiency of building performance. This not only leads to improved environmental outcomes, but can also cut costs in the operation phase of a development. Our baseline objective is to obtain the highest international building certification for our new projects. As of the end of 2016, PCP Jakarta had attained LEED Platinum pre-certification.

After completion, we aim to reduce PCP's Jakarta energy consumption by 22 per cent on a yearly basis compared to the average for comparable commercial buildings in Jakarta by establishing building systems that optimise visual, thermal, and acoustic controls, including through the use of smart lighting controls, energy-efficient air-conditioning and sensor systems to enhance energy management. For example, we are using energy-saving LED lighting in the offices, car park, and most of the common areas within the building. We are also installing a lighting management system with timer controls that will reduce lighting levels by 50 per cent between 11 pm and 5 am.

We actively look for opportunities to increase our use of renewable energy and have made efforts to participate in carbon-trading schemes. For PCP Jakarta, we procured 3,290 mWh of green power from the Three Degrees Group⁴, representing 35 per cent of the total estimated energy⁵ that will be consumed by the core and shell area of the building over a two-year period.

Properties under Management

ISPML's current Three-year Plan includes a target to reduce electricity consumption by one to two per cent a year overall.

Ski Operation

We have installed automatic doors and other climate control infrastructure at our ski resort to help keep indoor temperatures at a comfortable level in an energy-efficient manner.

Company Offices in Hong Kong and Tokyo

In addition to upgrading to more energy-efficient equipment and optimising lighting and air-conditioning systems, visual reminders and assigned personnel help ensure that all office equipment and lighting is turned off when not in use or office hours. As established in our environmental guidelines, the standard temperature set-point for our centralised air-conditioning systems in Hong Kong is between 23 and 24 degrees Celsius.

The replacement of light bulbs at our Tokyo office has cut annual energy consumption by 8,155 kWh.

Our Approach

Optimise:

- Lighting
- Equipment
- Cooling
- Heating

2016 Targets

Reduce annual energy consumption by 1-2% at ISPML

Achieve annual energy savings of 22% at PCP Jakarta

Procure at least 35% of green power within next two years at PCP Jakarta

2016 Performance: Energy Consumption

4,504.74 GJ – Ski Operation

7,810.00 GJ – Properties under Management

68.08 GJ - Offices

138.54GJ – Properties under Development

⁴ The Three Degrees Group trades in green energy sources, including, wind, solar, biomass, geothermal and hydro.

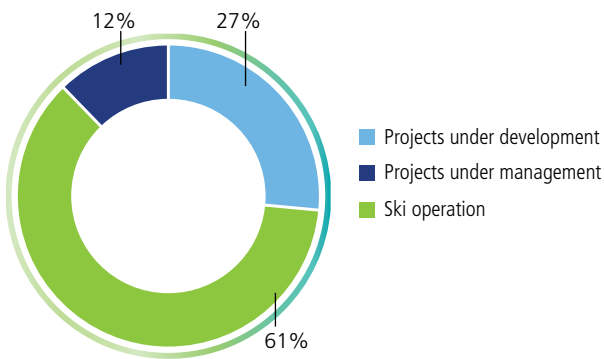
⁵ Based on energy modelling.

DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS

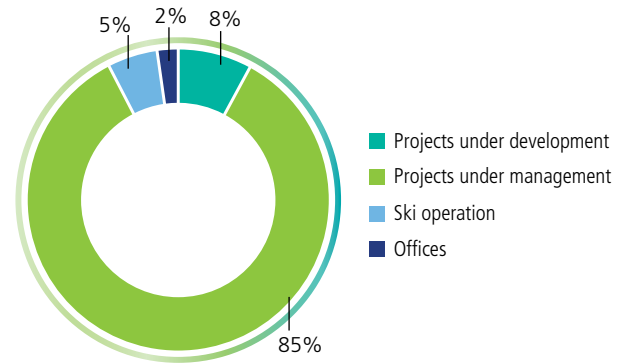
Emissions to Air

Electricity consumption by our residential and commercial properties, offices, and ski-lift operations is our largest source of greenhouse gas ('GHG') emissions. Our electricity-related (scope 2) carbon-equivalent emissions were 20,180.58 tonnes⁶ in 2016.

Direct emissions: Scope 1 Emissions in 2016



Indirect emissions: Scope 2 Emissions in 2016



Transportation is a minor source of GHG emissions from our operations. Our primary approach to managing this has been to encourage the use of shared or public transportation and to limit the size of our vehicle fleet.

Properties under Development

Good access to public transportation by residents and tenants is a key consideration in the selection of sites and planning of associated infrastructure for our developments. PCP Jakarta is located in the Sudirman Central Business District in close proximity to an existing rapid bus line, a shuttle bus line, and a Mass Rapid Transit underground station that is due to open to the public in 2018. At least five per cent of the total capacity of the building's parking spaces will be designated as preferred parking for low emissions and fuel-efficient vehicles. These preferred parking lots will be located close to the building's entrances. The development also includes designated parking for around 50 bicycles.

Properties under Management

We encourage residents, customers of ISPML, and employees to walk or use bicycles within the vicinity wherever possible, and to use shared, low-emissions or public transportation when travelling to or from further afield.

Ski Operation

The main sources of GHG emissions at NHR are ski lifts, kerosene heaters and our 37-vehicle fleet, which includes snowmobiles, snow groomers, and leased cars. We operate the ski lifts at slower speeds in off-peak hours to cut energy consumption and encourage our guests to make use of our shuttle bus services rather than use their own vehicles.

⁶The GHG Protocol further categorises these direct and indirect emissions into three broad scopes:

Scope 1: All direct GHG emissions.

Scope 2: Indirect GHG emissions from consumption of purchased electricity, heat or steam.

Scope 3: Other indirect emissions, such as the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity, electricity-related activities not covered in Scope 2, outsourced activities, waste disposal, etc.

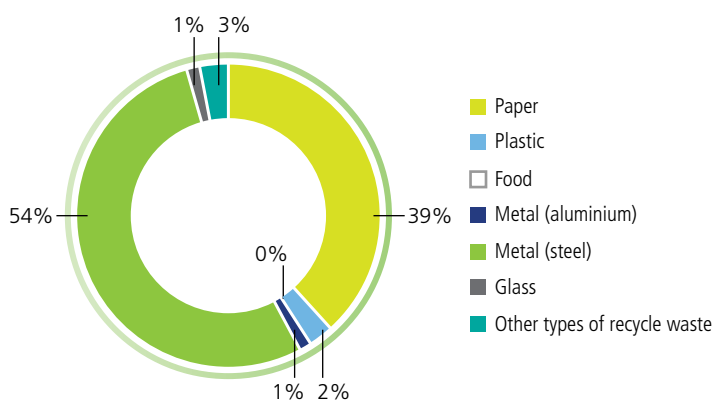
WASTE MANAGEMENT

PCPD is committed to reducing waste and our use of finite the use of resources. This means using raw materials in an efficient and responsible manner, optimising the property construction and development processes, and engaging relevant stakeholders in our '3Rs – reduce, reuse and recycle' initiatives for reducing the production of municipal solid waste ('MSW') at our offices and properties under our management.

In 2016, our operations sent 11,286.63 tonnes of waste to landfills⁷ and recycled 371 tonnes of waste⁸. Almost all of our waste comes from properties under management.

The figure below reflects our efforts to recycle materials across our offices, managed properties, and properties under development in 2016.

Recyclable Waste in Tonnes - 2016



Properties under Development

For properties under development in Indonesia, we have employed measures to:

- Divert at least 75 per cent of construction, demolition, and excavation waste from landfills.
- Maximise the use of rail, waterway, or other non-fossil-fuel transportation for moving construction materials. At PCP Jakarta, our target is to ensure that at least 20 per cent of construction materials are sourced within a 500-mile 'travelling distance' (as defined by USGBC) of the site and contain recycled content. We will also limit our use of timber for construction and aim to have at least 50 per cent of the wood materials we use come from Forestry Stewardship Council-certified sources.
- Use Materials Management Plan ('MMPs') for the delivery, distribution, storage, collection, and removal of materials.

Handling construction waste is part of our contractors' responsibilities. The main contractor is responsible for allocating an appropriate area for temporary waste storage, drafting a construction waste management plan ('CWMP'), identifying the type of construction waste that will be generated, identifying the collection strategy, identifying the possible recyclers or alternative uses of waste, and monitoring waste management performance to produce a monthly tracking report. All contractors and subcontractors associated with our construction projects must follow the relevant CWMP.

Following the completion of PCP Jakarta, recycling bins will be provided in appropriate public spaces. Segregated waste from these bins will be brought to a centralised recycling area on a daily basis.

⁷ Excluding Japan and Thailand.

⁸ Excluding ski resort in Japan.

Our Approach

3Rs:

- Reducing
- Reusing
- Recycling

2016 Targets

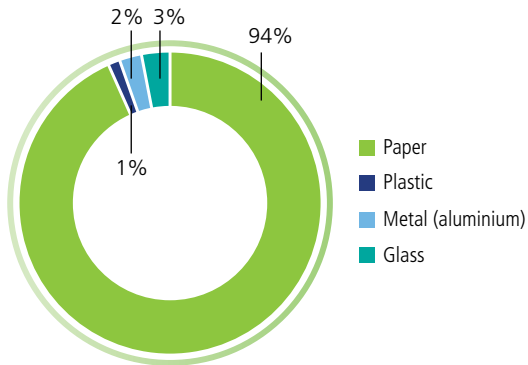
Reduce MSW by 1-2% at ISPML

Reduce construction waste by diverting up to 75% of construction waste at the PCP Jakarta

Properties under Management

Properties managed by ISPML produced 11,276 tons of residential waste and 92.82 tons of recyclable waste in 2016.

Recyclable Collected at the "ISPML-managed" Properties - 2016



To help us reduce the amount of waste that is sent to landfills from our properties under management, we provide on-site waste segregation and recycling bins. We also engage suppliers, owners, residents, and guests through various waste reduction schemes and campaigns.

We encourage our residents to adopt good sustainability practices and provide waste reduction advice and recycling facilities at properties we manage.

Our Approach

- Resident Initiatives
- Newsletter
- Digital Communication Channels (website and mobile app)
- Green Ambassadors
- Events

Reduce

- Provide residents with tips on responsible disposal and recycling of decorations, food and beverages during festivals and holidays

Reuse

- Item donation for charity sales & fundraising campaigns
- Mooncake Donation Programme

Recycle

- Glass Bottle Recycling Programme organised by Environmental Protection Department
- Hong Kong Government Rechargeable Battery Recycling Programme
- During Christmas season, collaborated with Hong Kong Environmental Protection Association to encourage tenants to send their natural Christmas trees for processing into mulch and composting material
- Other programmes during 2016 included Eco Earth Care: Recycled Paper Workshop 2 and Recycled CD Workshop, Fun Green Tour and a day trip to an organic farm

ISPML has implemented a range of waste handling and related work instruction guidelines and Environmental Guidelines on Green Purchasing.

We organised a number of environmental awareness and recycling campaigns for staff and residents at managed properties during 2016. Our staff bulletin board includes a section that is specifically designated for green-related information and initiatives. We also encourage our staff to participate in training courses and seminars that enhance their knowledge of environment-related technologies.

Wastewi\$e Label Class of Excellence

ISPML has set annual waste reduction and recycling targets for its Hong Kong operations through the Wastewi\$e Certificate programme organised by the Hong Kong Awards for Environmental Excellence. The programme encourages and recognises waste reduction efforts by Hong Kong businesses and organisations. Key actions under the programme include increasing recycling rates, cutting food waste and reducing use of paper and other resources.

Hong Kong Office

Our Hong Kong office provides recycling facilities for paper, toner cartridges, and general waste. Obsolete IT equipment is collected by our electronics supplier who disposes of it in compliance with the relevant Environmental Protection Department guidelines and regulations.

We produce very limited amounts of hazardous waste. In 2016, as part of the Hong Kong Government Rechargeable Battery Recycling Programme, we sent 0.006 tons of rechargeable batteries for recycling.

Green Monday

PCPD is committed to raising awareness and promoting green and sustainable lifestyles among our staff. In collaboration with a local social enterprise, we launched a 'Green Monday' programme in Hong Kong. To kick-start the initiative, we invited a nutritionist to explain the 'Green Monday' concept and objectives and share valuable information how to read nutrition labels. Around 30 colleagues attended the event, which included the chance to enjoy a delicious vegetarian meal and take part in an interactive cooking demonstration.



Ski Operation

National regulations in Japan prohibit businesses from disposing of waste directly to landfills. We comply with all local waste disposal rules, including paying the required waste disposal fees. We follow the General Waste Management Plan and Municipal General Waste Management Plan, which set out how waste is to be collected and disposed of type.

We separate recyclables, non-recyclables, and burnable or compostable waste. To facilitate this process, we have recycling bins for glass, paper, plastics, and food waste. NHR delivers certain types of sorted waste to the local waste treatment plant. We pay an authorised contractor to pick up and dispose of other types of waste in an appropriate manner.

Cleaning-up Niseko Hirafu Centre Park

When the winter season ended in 2016, 15 employees participated in community clean-up activities in the Hirafu area and public gardens. All local companies and vendors were invited to take part in the clean-up events, which were organised by neighbourhood and tourist associations.

WATER MANAGEMENT

In 2016, 81,460 m³ of water was consumed in properties managed by ISPML in Hong Kong, 323 m³ of water was consumed in Thailand by the site office, and 12,119 m³ of water was consumed by our operations in Japan.

We aim to reduce our water usage by adopting water-efficient design features in our new developments. We have adopted high-efficiency (lower water flow rate) taps and water closets in public spaces across all our properties.

In Jakarta, there is no municipal sewage treatment plant and all buildings must have their own grey-water and black-water treatment systems. At PCP Jakarta, we are installing high-efficiency sanitary fittings that make use of a storm-water recycling system. Our water reduction strategy also includes grey-water harvesting from ablution activities, showers and washbasins, and harvesting rainwater for use in water closet flushing systems. These measures will result in an estimated overall domestic water saving of more than 45 per cent compared to the average retail/ local unit use in the city.

At properties managed by ISPML, we use water-saving taps and water closets in clubhouse. We use auto-sensor taps in all washbasins in our clubhouses and energy-saving taps in washbasins in tower lobbies.

Our Approach

- Behavior
- Sustainable Building Design
- Monitoring & Maintenance
- Green Ambassadors
- Events

2016 Targets

Reduce water consumption by 1% at ISPML

Reduce water consumption by 45% at PCP Jakarta compared to industry average

PEOPLE



PCPD employs over 700 people in Asia. We recognise that our employees are our greatest asset and the key to being a competitive business. We are committed to providing a rewarding and collaborative working environment where personal development and professional growth go hand in hand.



Fair Workplace

Promoting diversity, inclusion and equal opportunities



Health & Safety

Ensuring that work done on our behalf is performed in a safe and healthy working environment



Training & Development

Ensuring that all our employees have access to professional development and training opportunities



Human Rights

Ensuring that all our activities respect, promote and advance internationally recognised human rights standards

We operate in a highly competitive industry. To help ensure our sustainable growth as a company, we have adopted a strategic approach to human resources management that is designed to attract and retain talented individuals with the skills and attitudes that will support the evolving needs of our business. We uphold equal opportunities principles and offer competitive remuneration. Our employees enjoy the benefits of a clear career progression path, a healthy work-life balance and performance-related rewards. Our recruitment process is based on a pre-approved annual operating plan that anticipates the needs and expected growth of each department. We have systems in place that allow for the adjustment of our human resources policies to accommodate changing personnel requirements in the various jurisdictions in which we operate.

EQUAL OPPORTUNITIES

PCPD is an equal opportunities employer that encourages diversity and inclusion at every level of our organisation. Female employees accounted for 40 per cent of our labour force in 2016.

In terms of our full-time regular employees, 82 per cent are based in Hong Kong, 14 per cent in Japan, and the remaining 4 per cent are in Thailand and Indonesia. We hired 186 seasonal employees in Japan for the 2016 ski season. Our average turnover rate across all locations in 2016 was 13 per cent. We aim to build long-term partnerships with our employees and in general only terminate an employment contract in cases involving serious breaches of company policies and/or local laws and regulations.

We are committed to fostering a harassment-free workplace where all employees are treated with respect and dignity. We ensure all allegations of harassment or discrimination are dealt with in a sensitive and confidential manner, and have a well-established complaint notification and handling system⁹. We regularly review our terms and conditions of employment, operational rules, and practices, and workplace conditions to ensure we continue to uphold high anti-discrimination and anti-harassment standards.

Our contractors, subcontractors, and subsidiaries are required to ensure they comply with all statutory labour regulations, including minimum wage requirements, for any employees who are working on our behalf or at our premises.

⁹ Source - Human Resources Manual – Human Resources Philosophy.

Our Approach

- Equal Opportunities
- Fair Remuneration
- Motivation System

2016 Performance

Promotion & Career Progression

726	Employees
23	Nationalities
40%	Women
62%	Employees with full-time regular contracts

TALENT ATTRACTION AND RETENTION

PCPD's human resources team considers a diverse range of candidates and applies equal opportunity and non-discriminatory hiring practices. We assess an individual's suitability for a position based on their qualifications and experience and do not base hiring decisions on factors such as age, gender, race, political opinions, or union affiliations. We also work with local NGOs to provide suitable opportunities for retrainees and prospective candidates among special needs groups or other underrepresented segments of the community.

For frontline staff recruitment, we have partnered with the Methodist Centre in Hong Kong to hold regular recruitment fairs for candidates who have successfully undergone retraining and are now seeking employment in the property management industry.

In 2015, we participated in the Fair Opportunity Expo in Hong Kong, which gives university and tertiary-educated students with disabilities the chance to meet industry professionals and learn more about potential career opportunities. We have since hired two promising students on a part-time basis to enable them to gain valuable real-world work experience.

Employee Referral Programme

We take pride in the fact that our staff views PCPD as a good place to work. Our employee referral programme for recruiting frontline operational staff leverages this to the mutual benefit of the Company and our employees by helping us identify high-potential new talent and rewarding the referrer with a referral bonus in cases that lead to us hiring their referred candidate.

PERFORMANCE APPRAISAL AND RECOGNITION

Recognising and rewarding employee performance is critical to maintaining an engaged and high-performing workforce. Effectively monitoring and evaluating performance also enables us to ensure that our people's actions and outcomes are directly aligned with our business objectives.

We use a system of regular performance reviews to help employees identify and shape their career objectives and set goals that will enable them to realise their potential and move forward in their professional development. Line managers hold one-on-one employee performance discussions with all members of their team on at least an annual basis so that all parties understand the Company's expectations and priorities.

We have a 'five broadband' grading structure for staff. Progression between broadband levels is based on skills, performance and contribution as well as business needs. Progression and development for positions above broadband three are separately planned and managed by management. The management team encourages business unit and department heads to take a leadership role in succession planning for their positions.

Sales Commission and Discretionary Incentive Bonus Scheme

We have incentive schemes that link financial rewards to both individual and company performance. Sales commission is awarded to employees on our sales team for meeting established sales targets. Our Discretionary Incentive Bonus Scheme covers members of full-time regular staff who hold non-sales positions.

Succession Planning and Managerial Enhancement Programmes

Our growth as a company depends on the quality of our people. In ISPML, we have created an internal executive talent management programme and our succession-planning programme offers a mentoring scheme for department heads to train high-potential staff within their departments. The programme also offers job rotation opportunities and comprehensive career development guidance and support.

WELFARE AND WORK-LIFE BALANCE

We want our team to be healthy, happy, and productive. We strive to provide our employees with the support, flexibility, and family-friendly working conditions necessary to ensure they can maintain a good balance between the demands of work and their personal needs, passions and commitments.

Compensation and Benefits

Financially and personally secure employees are better able to focus on helping us grow our business and achieving their personal goals. We support our staff financially, professionally and personally through a combination of competitive pay and comprehensive benefits that exceed the requirements of the Hong Kong Employment Ordinance. This cultivates a healthy working environment and a corporate culture that encourages and enables preventive care, emotional wellness, and healthy living for employees and their families.

Employee benefits at PCPD include full-pay maternity leave, examination leave, compassionate leave, medical insurance, and a choice of either provident fund or MPF coverage.

Working Hours

In recognition of the different needs of our employees, we allow for flexible combinations of vacation, holidays and paid leave as agreed under individual employment contracts or the Employment Ordinance. We also offer our staff other types of circumstance-related leave, including maternity and paternity leave, examination leave and compassionate leave. The working schedules of individual employees vary according to their job nature and the needs of our business.

We respect the rights of our staff to observe their religious beliefs. We seek to accommodate their needs wherever possible, including by providing appropriate facilities for praying and other rituals, and being flexible with respect to working hours during important religious festivals.

Health Care Programme

We provide comprehensive medical care for employees and members of their immediate family in all our operational jurisdictions. This medical coverage meets, and in some cases exceeds, the minimum requirements under the relevant laws and regulations in each jurisdiction.

Internal Communications

Good employee relations are key to uniting all staff members in working towards our corporate objectives. We aim to strengthen the partnership between management and employees by fostering a strong sense of team spirit and trust through direct and effective communication. The key plank of our internal communications strategy is direct dialogue between supervisors and their team members. We also use platforms such as our company intranet to provide information and updates on corporate news and developments.

Our Approach

- Health Care Programme
- Compensation & Benefits
- Working Hours
- Internal Communication

2016 Performance

4,100 Hours of training

Number of staff trained - Male – 248

Number of staff trained - Female – 138

EMPLOYEE TRAINING AND EDUCATION

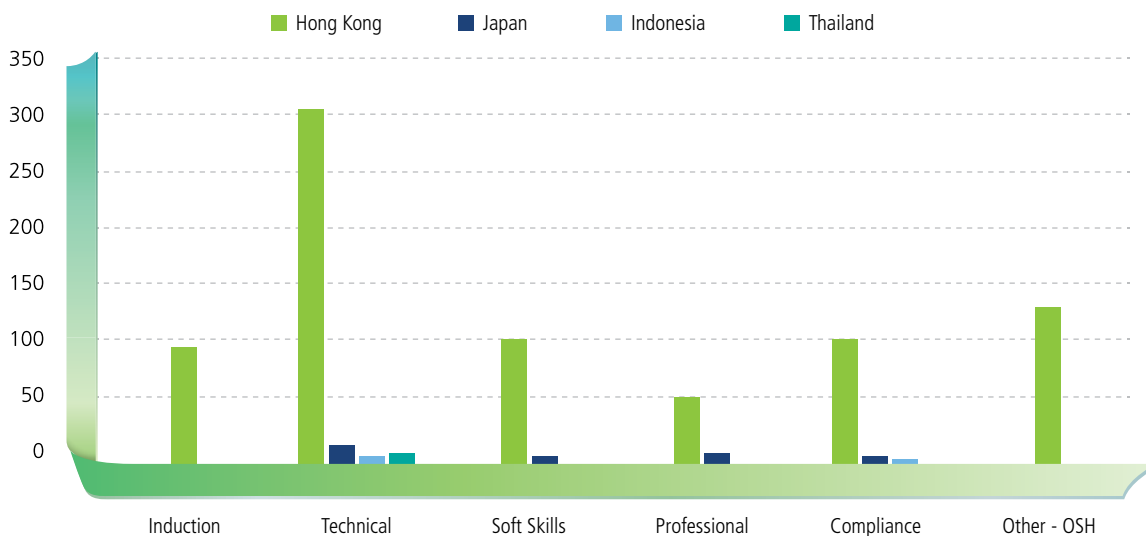
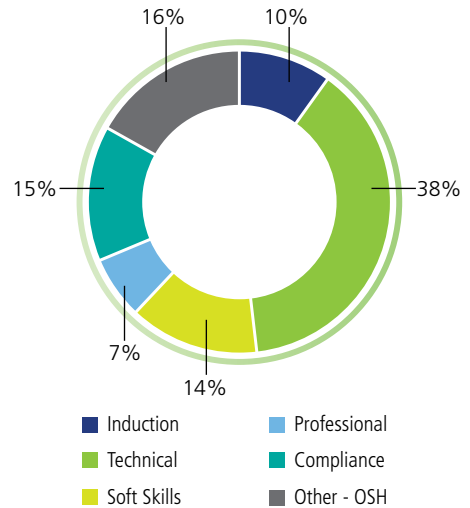
We recognise the value of having knowledgeable and well-trained employees. Our learning and development programmes are structured to support and nurture individuals from the day they join our company and as they grow within their roles and seek to further develop their career. The programme also enhances employee engagement and helps us attract and retain talent.

By developing the knowledge base of our employees and fostering creativity and innovation, we enhance their potential to deliver high-quality performance outcomes for themselves and for our business.

To support professional growth through education, we offer training based on specific job function and professional development needs and interests. This ranges from educating employees about PCPD's operations, policies, and corporate culture, to training designed to enhance technical and soft skills. We also offer a summer internship programme for postgraduate and university students to provide practical work experience and help them plan for their future careers.

Developing leaders who are authentic, accessible, performance-focused, and inspiring is a core component in building and maintaining employee engagement. We have an extensive leadership and development framework to enhance the skill sets of our managers. Our employees are encouraged to embrace the concept of lifelong learning and to collaborate on developing innovative solutions that benefit our customers and keep PCPD at the forefront of the real estate sector.

In 2016, we provided more than 4,100 training hours to our employees. A total of 386 employees (248 male and 138 female) attended various employment and labour training sessions and courses in 2016.



ISPML's training and development programmes, job rotations, and familiarisation and business trips to our overseas subsidiaries provide our employees with a comprehensive and extended overview of the property management industry and how their work contributes to the entire Company rather than just the operations at a single location.

External Training Opportunities

We encourage our employees to acquire skills, knowledge, and academic qualifications to support career development that is in line with their professional goals and our business needs. We offer subsidies and tuition reimbursement for external self-improvement courses. Training subsidies cover the sponsorship of formal part-time education courses.

We also offer up to six days of paid examination leave per year for eligible members of staff.

HEALTH AND SAFETY IN THE WORKPLACE

PCPD is committed to providing a safe working environment in which staff can focus on innovating, collaborating, and delivering performance excellence.

Our health and safety measures are also designed to protect our contractors, suppliers and customers, and the communities in which we operate. We work hard to ensure that tenants and residents at our properties, and guests at our ski resorts, feel safe at all times.

People

To foster a culture of safety, we have established Corporate Safety Guidelines and Work Injury Guidelines. Each business unit is required to formulate its own safety plan and ensure that all employees comply with the established safety regulations at all times. We provide appropriate technical training to ensure employees can competently and safely perform their duties. We also assign specific safety roles and responsibilities, and have clear and robust procedures for recording and following up on any safety-related incident.

Due to the potentially high-risk nature of our industry, particularly for those working at extreme heights or in confined spaces, we expect every individual to take responsibility for their own safety and for that of their colleagues and the members of the communities in which they are working.

We expect our contractors and subcontractors to comply with the same safety requirements as our direct employees, to meet our safety training standards and to terminate contracts with business partners or suppliers that do not or cannot uphold these standards. All potential hazards or incidents are to be reported to line managers as soon as they are discovered.

Processes

Muscular sprains and strains are the most commonly recorded injuries at our sites. To help us achieve an injury-free workplace, we organise jobsite safety training and seminars for relevant members of staff. Employees are required to obtain all necessary licences and we provide them with the tools and skills training necessary to ensure they can complete their work in a safe and professional manner.

In 2016, we held seven occupational health and safety training sessions and one first aid training session. At ISPML, 138 members of staff attended 18 different trainings on the occupational health and safety adding up to a total of 486 hours of health and safety training in 2016.

Our Approach

Influence Behaviour

- Corporate Safety Guidelines
- Work Injury Guidelines
- Influencing/ Engaging third parties

Embed Values

- Certification and licencing
- Training

Safe Environment

- Safety and security measures
- Monitoring/ Inspection

2016 Targets

485.7 Hours of training

0 Fatality rate

2016 Performance

0 Fatality rate

Ski Safety – Achieved

Lost days – work-related injury

Male – 99

Female – 8

Work-related injury rate

Male – 8

Female – 4

Case Study: Occupational Health & Safety Training and Emergency Drill Plan

ISPML employees and residents participate in a regularly scheduled series of drills and training courses to improve safety practices and ensure emergency procedures can be executed correctly and efficiently.

We have a comprehensive annual Emergency Drill Plan to enhance employee risk prevention and crisis management. A series of fire and safety drills were held under the 2016 Plan. The Plan also includes training on controlling infectious diseases in the workplace, preventing heatstroke in hot working environments, personal protective equipment safety, and hazardous chemical labelling, storage and safety training.

We had 14 training sessions at Bel-Air in 2016, covering topics such as emergency procedures for dealing with lift malfunctions and water overflow incidents, handling shuttle bus and other traffic accidents, fire drills and swimming pool life rescue procedures. We have scheduled training on 13 different topics for 2017.

STANDARDS OF ETHICS AND INTEGRITY

Values and guiding principles

To attain our long-term objectives, we must act with integrity, transparency, and accountability. To ensure we maintain high ethical standards it is essential that our staff uphold the highest standards of behaviour in their dealings with the Company, with each other and with our external stakeholders and members of the community at large.

We require employees at all levels to observe our corporate rules and regulations and the laws of the country or countries in which they work. This includes, but is not limited to, upholding the standards established in our corporate policies and manuals, which go beyond the minimum legal and ethical standards in the geographical areas where we operate.

Any employee who breaches our rules or ethical standards is liable to disciplinary action. In cases involving criminal and/or illegal activity, we will report the offence to the appropriate authorities.

We have established channels through which employees and other parties can confidentially and/or anonymously report dishonest, unethical, and illegal behaviour. Details of our whistle-blowing policy and procedures are published on our intranet and public website. All whistle-blowing reports are reported to the Audit Committee and investigated to the fullest extent possible.

Policies

- Corporate Responsibility Policy
- Bribery, Gifts & Entertainment Policy
- Improper Conduct Notification Policy
- Unethical Conduct Notification Procedures Manual

2016 Performance

No legal cases regarding unethical or corrupt practices were brought against PCPD or its employees during 2016.

Zero-tolerance for corruption

We have a zero-tolerance policy regarding bribery and corruption in any form or at any level. Our Bribery, Gifts & Entertainment Policy sets out our requirements and practices as regards the prevention, identification, and handling of any instances of alleged or proven bribery or corruption involving PCPD. This policy is easily accessible by all employees via our intranet. All members of staff are advised of any updates or revisions to the policy in a timely manner. The induction process for new employees includes extensive training on our anti-corruption measures.

When new laws and regulations that affect our business are implemented, we provide training to relevant staff to ensure compliance. We also periodically invite officials from the Independent Commission Against Corruption 'ICAC' in Hong Kong to update our staff on anti-corruption issues and developments. Staff attendance at these events is compulsory.

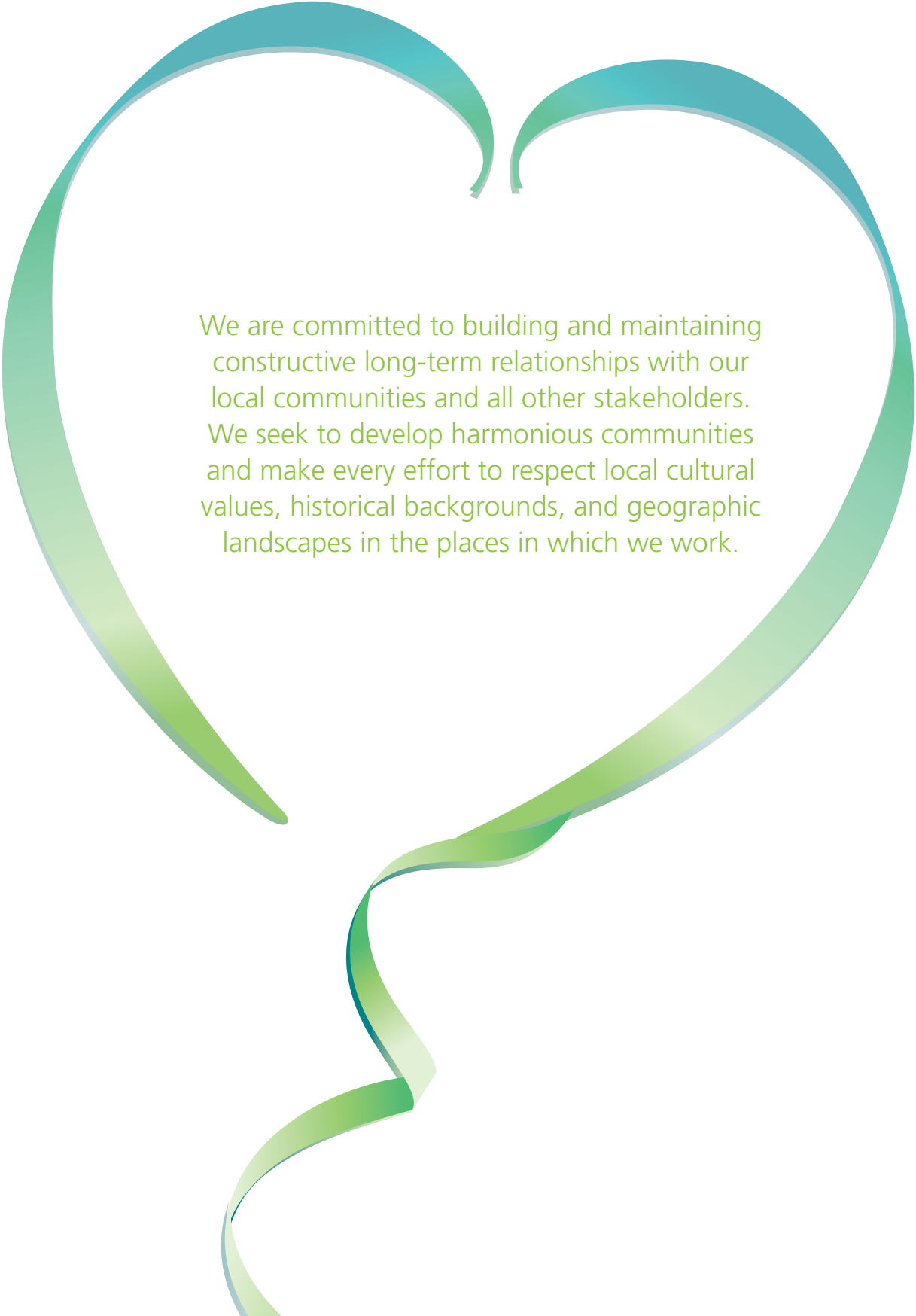
LABOUR STANDARDS

PCPD is committed to respecting human rights. We uphold this commitment in all our business activities and stakeholder relationships. Our human rights policies and procedures reflect our commitment and approach. We do not tolerate any behaviour that is in breach of the law or our corporate policies. We comply with all relevant laws and regulations and have a zero-tolerance policy towards non-compliance, including but not limited to the use of forced labour and child labour in our business operations.

When entering new geographic locations, we put significant effort into ensuring that we meet or exceed all local laws and regulations on labour and human rights, including performing due diligence to identify, prevent, mitigate and account for potential risk of human rights breaches.

Our employees adhere to the provisions of our Unethical Conduct Notification Procedures Manual, which requires the timely notification of any relevant incident or situation to a higher authority. In the event of any detected or observed unfair conduct, such as discriminatory conduct or the use of forced or child labour, we encourage employees to report the incident to their supervisor, line manager, the human resources department, or management.

COMMUNITY INVESTMENT



We are committed to building and maintaining constructive long-term relationships with our local communities and all other stakeholders. We seek to develop harmonious communities and make every effort to respect local cultural values, historical backgrounds, and geographic landscapes in the places in which we work.

We design projects that suit the needs and respond to the concerns of our stakeholders, particularly residents and nearby communities. We understand the value and impact of engaging with the communities in which we invest and operate, and we have a long history of contributing to their development in ways that go beyond the impact of our business activities. To help ensure we always consider local needs in our decision-making and actions, we engage and hold regular meetings with our residents and other stakeholders.

PCPD invests in arts and culture, education and environment programmes, innovation and entrepreneurship, and volunteer opportunities that benefit the people who live, work in and visit the communities in which we operate. Through a diverse range of initiatives, including sponsorships for educational programmes and providing volunteer services, we are helping to nurture positive community environments.

In 2016, we organised 12 events and activities in various partnerships with 10 NGOs and three local communities, including the government. In addition, our staff contributed 278 volunteer hours.

Our Approach

- Voluntarism
- Corporate Philanthropy
- Resources
- Partnerships

2016 Performance

278.3 Volunteering Hours

1,574,507 HKD contributions

We contributed
over
HKD 1,500,000
to charitable activities in 2016



Supporting the Underprivileged with the Street Sleepers' Shelter Society

Since 2012, PCPD has partnered with the Street Sleepers' Shelter Society ('SSSS') to collect and donate essential items for homeless people and raise funds to support vulnerable local community members. We collect clothes, food, and financial donations for SSSS and help organise a charity sale of 'red lucky money pockets'. Our volunteers have raised approximately HKD 5,000 over the past four years.

Engaging Youth

We participated in the Business-School Partnership Programme 2016/17 organised by the Hong Kong General Chamber of Commerce. A PCPD executive spoke to students about business and career opportunities in the property development sector and about 'green building' concepts. Around 15 Form Six students from Heep Yunn School attended the event.



Health and Well-being

We have sponsored the annual CyberRun organised by the Society for Rehabilitation since 2004. In 2016, over 1,000 racers and volunteers took part in the event. The event raises funds to support the Society's rehabilitation and training services in mainland China and Hong Kong, promotes health and wellness to the public, and advocates for equal access to sports for people with disabilities. The run links the Cyberport IT hub with the nearby Sandy Bay area in which there are hospitals, homes for the elderly and rehabilitation centres. Through running and walking events, the community comes together to promote healthy lifestyles and raise funds for those in need.

Community engagement in Japan

PCPD is committed to building harmonious community relationships in Niseko by listening and responding to the opinions and concerns of nearby residents and other external stakeholders in our ski resort development. We have organised a series of public consultations with the local community, including representatives from the local government.

In July 2016, our Japan team met with the Kutchan town mayor and town councillors to present our project development plans and demonstrate that we have met all relevant government laws and requirements.

In August 2016, PCPD representatives attended a town hall meeting with Kutchan residents. We presented our initial project plans to the community and asked for their feedback and support. The 86 attendees included local residents and business owners (e.g. local restaurant owners), and representatives from the local media (e.g. The Hokkaido Shimbun Press) and the local government (Hokkaido Government Shiribeshi General Sub-prefectural Bureau).

DATA TABLES

	Unit	Total	Properties under Development	Properties under Management	Ski Operation	Offices			
			PCP Jakarta	ISPML	NHR/NMS	Hong Kong	Tokyo	Thailand	Jakarta

Energy and Emissions

KPI A1.2 Total greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)

KPI A2.1 Direct and/or indirect energy consumption by type (e.g. total electricity, gas or oil) (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)

Electricity purchased	kWh	25,618,099.25	1,815,976	21,817,968	1,405,852.00	363,573.00	84,239.45	56,816.00	73,674.80
Town gas	m ³	462,374.86	-	460,766.00	-	-	1,608.86	-	-
Energy ⁽¹⁾ consumed within the organization: electricity, town gas	GJ	100,064.11	6,537.51	86,354.68 ^(1a)	5,061.07	1,308.86	332.22 [†]	204.54	265.23
Indirect CO ₂ e ⁽²⁾ emissions (Scope 2): electricity, town gas	tCO ₂ e	20,691.75	1,618.03	17,525.67	1,096.56 [†]	283.59	69.23 [†]	33.03	65.64
Diesel	litres	70,951.90	53,000.00	-	14,376.24	1,466.16	-	2,109.50	-
Petrol	litres	53,712.45	-	-	30,075.53	20,738.88	-	342.52	2,555.52
Kerosene	litres	83,136.00	-	-	83,136.00	-	-	-	-
Natural gas	m ³	2,582.80	-	-	2,582.80	-	-	-	-
Direct energy use ⁽³⁾ : diesel, petrol, kerosene, natural gas	GJ	7,462.89	2,045.80	-	4,504.74 [†]	731.81 [†]	-	93.14	87.40
Direct CO ₂ e ⁽⁴⁾ emissions (Scope 1): diesel, petrol, kerosene, natural gas	tCO ₂ e	522.49	138.54 [†]	-	319.39 [†]	51.97	-	6.56	6.03 [†]
Total energy consumption	GJ	107,527.00	8,583.31	86,354.68	9,565.81	2,040.67	332.22	297.68	352.63
Total greenhouse gas emissions	tCO ₂ e	21,214.25	1,756.58	17,525.67	1,415.95	335.56	69.23	39.58	71.68
Total gross floor area (GFA) of all properties/premises	m ²	567,866.05	148,375	403,681.00	10,498.37	3,624.00	631.40	511.88	544.40
Energy consumed per square meter	GJ/m ²	0.19	0.06	0.21	0.91	0.56	0.53	0.58	0.65
Greenhouse Gas Emission intensity from buildings	tCO ₂ e/m ²	0.04	0.01	0.04	0.13	0.09	0.11	0.08	0.13

† Non-local metrics were applied due to lack of data. Please find specific conversion/ emission factors as detailed below.

Notes:

- (1) Energy consumption of electricity is calculated based on the conversion factor (1 kWh = 0.0036 Gigajoule) sourced from [Electrical and Mechanical Services Department of HKSAR Government](#). Energy consumption of town gas is as started on the town gas bill.
- (2) CO₂e emissions by electricity is calculated based on default factors provided by electricity providers and governments: Ministry of Energy and Mineral Resources of Indonesia (No.3783/21/600.5/2008 – 0.891 CO₂e kg/kWh), HK Electric (0.78 CO₂e kg/kWh), Thailand Greenhouse Gas Management Organization (0.5813 CO₂e kg/kWh).
- (3) Energy consumption of fuels is calculated based on conversion factors provided by fuel suppliers, governments and research institutions: [DCF Carbon](#) in corresponding year (Diesel: 0.036 GJ/L, Petrol: 0.033 GJ/L, Natural Gas: 0.036 GJ/m³), http://www.engineeringtoolbox.com/fuels-higher-calorific-values-d_169.html (Kerosene: 0.035 GJ/L, Town gas: 0.018 GJ/m³), http://w.astro.berkeley.edu/~wright/fuel_energy.html (Diesel: 0.0386 GJ/L, Gasoline: 0.0342 GJ/L); (3a) stated on gas bill.
- (4) CO₂e emissions from fuels is calculated based on the default factors provided by fuel suppliers and governments: the [guidelines](#) published by the Environmental Protection Department of HKSAR Government in February 2010 (Unleaded petrol: 2.36 CO₂ kg/L, Diesel oil: 2.614 CO₂ kg/L, Towngas (0.065 CO₂ kg/MJ), [DCF Carbon](#) in corresponding year (Diesel: 2.61 CO₂e kg/L, Petrol: 2.20 CO₂e kg/L, Kerosene: 2.53 CO₂e kg/L, Natural gas: 2.03 CO₂e kg/m³), Shell (Diesel: 2.63 CO₂e kg/L, Petrol: 2.32 CO₂e kg/L), [Tokyo Gas Group](#) (City gas: 2.19 CO₂ kg/m³), Thailand Greenhouse Gas Management Organization (Diesel: 2.7446 CO₂e kg/L, Petrol: 2.238 CO₂e kg/L).

	Unit	Total	Properties under Development	Properties under Management	Ski Operation	Offices			
			PCP Jakarta	ISPML	NHR/NMS	Hong Kong	Tokyo	Thailand	Jakarta

Waste

KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)

KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)

Non-hazardous waste disposal to landfill									
Construction and demolition waste	tonnes	11.03	11.03	-	-	-	-	-	-
Residential / domestic waste	tonnes	11,275.60	-	11,275.60	-	-	-	-	-
Grease trap waste	litres	2,160.00	-	-	-	2,160	-	-	-
Fluorescent light bulbs/ tubes	pieces	45.00	-	-	-	45.00	-	-	-
Weight of waste disposed to landfill*	tonnes	11,286.63	11.03	11,275.60	-	-	-	-	-
Non-hazardous waste collected for recycling									
Paper	tonnes	92.67	0.93	86.90	-	3.00	1.38	0.21	0.25
Plastic	tonnes	5.33	3.23	0.72	-	-	1.38	-	-
Food	tonnes	0.27	0.27	-	-	-	-	-	-
Metal (aluminium)	tonnes	2.10	-	2.10	-	-	-	-	-
Metal (steel)	tonnes	130.78	130.78	-	-	-	-	-	-
Glass	tonnes	3.10	-	3.10	-	-	-	-	-
Toner cartridge	pieces	130.00	-	-	-	130.00	-	-	-
Other type of recycled waste	tonnes	6.88	6.88	-	-	-	-	-	-
Weight of waste collected for recycling^	tonnes	241.14	142.10	92.82	-	3.00	2.75	0.21	0.25
Non-hazardous waste									
Non-hazardous waste produced (total)	tonnes	11,527.76	153.13	11,368.42	-	3.00	2.75	0.21	0.25
Non-hazardous waste intensity	tonnes /m ²	0.02	0.001	0.03	-	0.001	-	0.0004	0.0005
Hazardous waste									
Weight of hazardous waste disposed	tonnes	0.006	-	0.006	-	-	-	-	-

* Excluding grease trap waste (in litres) and fluorescent light bulbs/ tubes (in pieces)

^ Excluding toner cartridge (in pieces)

	Unit	Total	Properties under Development*	Properties under Management	Ski Operation	Offices			
			PCP Jakarta	ISPML	NHR/NMS	Hong Kong	Tokyo	Thailand	Jakarta

Water

KPI A2.2 Total water consumption and intensity (e.g. per unit of production volume, per facility)

Total water consumption (fresh water only)	m ³	93901	-	81460	12114	-	4	323	
Water Intensity	m³/m²	0.17	-	0.20	1.15	-	0.01	0.63	

* Free water was obtained from the 2 wells on site. No meter was installed to record of water consumption for Jakarta Office and PCP Jakarta.

	Unit	Total	Hong Kong	Japan	Indonesia	Thailand
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Workforce

KPI B1.1 Workforce Profile

By employment type	person	total	%	total	%	total	%	total	%	total	%
Full-time regular staff		450	62.0%	369	87.9%	63	22.9%	5	35.7%	13	76.5%
Temporary staff		90	12.4%	51	12.1%	26	9.5%	9	64.3%	4	23.5%
Seasonal part-time staff		186	25.6%	0	-	186	67.6%	0	-	0	-
By gender											
Male		440	60.6%	270	64.3%	152	55.3%	9	64.3%	9	52.9%
Female		286	39.4%	150	35.7%	123	44.7%	5	35.7%	8	47.1%
By age group											
Under 30 years old		155	21.3%	45	10.7%	108	39.3%	1	7.1%	1	5.9%
30 to 50 years old		337	46.4%	189	45.0%	126	45.8%	12	85.7%	10	58.8%
Over 50 years old		234	32.2%	186	44.3%	41	14.9%	1	7.1%	6	35.3%
By employee category											
Operational staff		544	74.9%	293	69.8%	238	86.5%	7	50.0%	6	35.3%
Administrative staff		170	23.4%	120	28.6%	33	12.0%	7	50.0%	10	58.8%
Executive staff		12	1.7%	7	1.7%	4	1.5%	0	-	1	5.9%
Total workforce/ Percentage		726	100%	420	57.9%	275	37.9%	14	1.9%	17	2.3%

Staff Turnover

KPI B1.2 Employee Turnover

By gender	person	total	turnover	total	turnover	total	turnover	total	turnover	total	turnover
Male		30	10.9%	30	12.9%	0	-	0	-	0	-
Female		28	16%	26	19.0%	1	3.6%	1	25.0%	0	-
By age group											
Under 30 years old		15	31.3%	15	33.3%	0	-	0	-	0	-
30 to 50 years old		26	10.7%	24	12.9%	1	2.2%	1	25.0%	0	-
Over 50 years old		17	10.8%	17	12.3%	0	-	0	-	0	-
Total leavers/ Total turnover rate*		58	12.9%	56	15.2%	1	1.6%	1	20.0%	0	-

* Turnover rate = No. of leavers/ Total no. of permanent staff

	Unit	Total	Hong Kong	Japan	Indonesia	Thailand
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Occupational Health and Safety

KPI B2.1 Number and rate of work-related fatalities

By gender	case	total	%	total	%	total	%	total	%	total	%
Male		0	-	0	-	0	-	0	-	0	-
Female		0	-	0	-	0	-	0	-	0	-
Total work-related fatalities		0	-	0	-	0	-	0	-	0	-

KPI B2.2 Lost days due to work injury

Lost days by gender	days	total	%	total	%	total	%	total	%	total	%
Male		99	-	99	-	0	-	0	-	0	-
Female		8	-	3	-	5	-	0	-	0	-
Total lost days for work-related injury/ Lost day rate*		107	0.04%	102	0.08%	5	0.004%	0	-	0	-
Work-related injury by gender	case	total	rate	total	rate	total	rate	total	rate	total	rate
Male/ Injury rate per 1,000 male employees		8	18.2	8	29.6	0	-	0	-	0	-
Female/ Injury rate per 1,000 female employees		4	14.0	2	13.3	2	16.3	0	-	0	-
No. of injured cases/ Injury rate per 1,000 employees		12	16.5	10	23.8	2	7.3	0	-	0	-

* Lost day rate = Total lost days for work-related injury/ Total days scheduled to be worked for all headcount (days)

	Unit	Total	Hong Kong	Japan	Indonesia	Thailand
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Training Hours

KPI B3.1 Percentage of employees trained by gender and employee category (e.g. management, middle management)

By gender	person	total	%	total	%	total	%	total	%	total	%
Male		248	56.4%	236	87.4%	12	7.9%	0	-	0	-
Female		138	48.3%	127	84.7%	7	5.7%	1	20.0%	3	37.5
By employee category											
Operational staff		302	55.5%	297	101.4%^	5	2.1%	0	-	0	-
Administrative staff		82	48.2%	65	54.2%	13	39.4%	1	14.3%	3	30.0%
Executive staff		2	16.7%	1	14.3%	1	25.0%	0	-	0	-
Total trained employees/ Percentage		386	53.2%	363	86.4%	19	6.9%	1	7.1%	3	17.6%

KPI B3.2 Average training hours completed per employee by gender and employee category

By gender	hour	total	average	total	average	total	average	total	average	total	%
Male		2698.2	6.1	2649.2	9.8	49.0	0.3	0	-	0	-
Female		1481.0	5.2	1413.0	9.4	36.5	0.3	13.5	2.7	18.0	2.3
By employee category											
Operational staff		2721.5	5.0	2701.5	9.2	20.0	0.1	0	-	0	-
Administrative staff		1417.2	8.3	1332.2	11.1	53.5	1.6	13.5	1.9	18.0	1.8
Executive staff		40.5	3.4	28.5	4.1	12.0	3.0	0	-	0	-
Total & average training hours completed by employee*		4179.1	5.8	4062.1	9.7	85.5	0.3	13.5	1.0	18.0	1.1

^ Including the trained staff who left the company before the end of Dec 2016

* Average training hours = total training hours during the year/ total workforce

	Unit	Total	Hong Kong	Japan	Indonesia	Thailand
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Supply Chain

KPI B5.1 Number of suppliers by geographical region

By geographical region	no.	total	%	total	%	total	%	total	%	total	%
Local		338	86.4%	283	86.3%	19	95.0%	20	74.1%	16	100.0%
Non-local		53	13.6%	45	13.7%	1	5.0%	7	25.9%	0	-
Total number of suppliers		391	100%	328	83.9%	20	5.1%	27	6.9%	16	4.1%

Community

KPI B8.2 Contributed resources (money/ hours)

		total	%	total	%	total	%	total	%	total	%
Financial contributions	HK\$	1574507	100%	1560250	99.1%	14257	0.9%	0	-	0	-
Charitable events	no.	12	100%	11	91.7%	1	8.3%	0	-	0	-
Organisations supported	no.										
NGOs/ Charitable organisations		10	100%	10	100%	0	-	0	-	0	-
Government/ local community		3	100%	2	66.7%	1	33.3%	0	-	0	-
	hour										
Volunteering hours		278.3	100%	264.3	95.0%	14.0	5.0%	0	-	0	-

HKEX ESG Reporting Guide Content Index

HKEX ESG Reporting Guide SUBJECT AREAS and ASPECTS HKEX 'Comply or Explain' Provisions		Location of Disclosure in Sustainability Report 2016	Notes
Organisation Profile			
		Our Business at a Glance	
ESG Risk Management			
The Board is responsible for evaluating and determining issuer's ESG related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place.		Sustainable Property Development and Management	
ESG Strategy			
The ESG report should state the issuer's ESG management approach, strategy, priorities and objectives and explain on how it relates to its business.		BUILDING FOR A MORE SUSTAINABLE FUTURE	
Message from the senior management		Chairman Message CEO Message	
A. Environmental			
Aspect A1: Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	ENVIRONMENT	We report on indirect emissions from purchased electricity only (Scope 2) and to a certain extent on direct greenhouse gas (GHG) emissions (Scope 1).
	Indirect greenhouse gas (GHG) emissions (Scope 2)	Energy Performance and Efficiency	We report on indirect emissions from purchased electricity only (Scope 2).
	Direct greenhouse gas (GHG) emissions (Scope 1)	Direct and Indirect Greenhouse Gas Emissions	We report on indirect emissions from purchased electricity only (Scope 2) and to a certain extent on direct greenhouse gas (GHG) emissions (Scope 1).
	Other indirect emissions (Scope 3), including NOx, SOx, HFCs, SF6, CH4, N2O, PFCs	Waste Management	In Japan, we dispose of municipal waste based on the regulations for municipal waste disposal and recycle in accordance with the laws and regulations of Kutchan town. We separate waste for subsequent handling by a contractor. PCPD does not yet have a data collection system in place to provide information on waste disposed/ recycled. In PCP Jakarta, waste is handled by a contractor. In Thailand, waste only originates from our office and the amount generated is very low to hire a contractor.
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	ENVIRONMENT Energy Performance and Efficiency	
		Water Management	In PCP Jakarta, water for construction works was obtained free of charge from two on-site wells. As such, no meter was installed to record water consumption. In Hong Kong, we are unable to obtain data for water consumption in our office as there is no separate water meter. Water charges for the Hong Kong office are included in the office management fee.
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources.	ENVIRONMENT Sustainable Property Development and Management	

HKEX ESG Reporting Guide SUBJECT AREAS and ASPECTS HKEX 'Comply or Explain' Provisions		Location of Disclosure in Sustainability Report 2016	Notes
B. Social			
Employment and Labour Practices			
Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	PEOPLE Equal Opportunities Talent Attraction and Retention Performance Appraisal and Recognition Welfare and Work-Life Balance	These sections cover: - Compensation and dismissal - Recruitment and promotion - Working hours - Rest periods - Equal opportunity - Diversity - Anti-discrimination - Other benefits and welfare
Aspect B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety in the Workplace	At PCP Jakarta, while it is a contractor's responsibility to ensure the health and safety of its employees in accordance with all applicable laws of the local jurisdiction, the contractor is required to implement its safety plan, to be approved by the construction manager, under the contract. On top of general health and safety requirements, our contract with contractors also stipulates indoor air quality requirements during construction to help protect the health of construction workers.
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employee Training and Education	
Aspect B4: Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards	
Operating Practices			
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	CUSTOMER SATISFACTION AND PRODUCT QUALITY	
Aspect B6: Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	CUSTOMER SATISFACTION AND PRODUCT QUALITY	
Aspect B7: Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Standards of Ethics and Integrity	The Company's Corporate Responsibility Policy includes basic standards of conduct that must be upheld by all employees. As bribery and anti-corruption are also covered in this Policy, we do not necessarily require all staff to separately confirm their awareness of specific anti-corruption and bribery policies.
Community			
Aspect B8: Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	COMMUNITY INVESTMENT	