

# Environmental, Social and Governance Report

## Overview

At CITIC Limited, we have incorporated the idea of sustainability into our corporate development strategies and day-to-day management and strive to honor our corporate citizenship by

- following green development initiatives to seek new growth points in energy-saving and environmental industries;

CITIC Environment has carried out several key projects and has fostered three major strategic business segments: water treatment, solid waste disposal and energy conservation services. The company creates values for shareholders while stays committed to environment protection. In April, 2015, it acquired Singapore-listed United Envirotech Ltd., a global leader in water treatment, making CITIC Environment flagship for CITIC Limited in water supply and water treatment.

- offering employment for local communities, totaling 133,526, up by 8,253 from 2014, among which women staff have increased by 4,647; improving human-resource management mechanism to enhance the sense of belonging and cohesion among our employees;

CITIC Heavy Industries Links remuneration with employees' skills to galvanise front-line staff to learn and improve their skills and to innovate through implementing initiatives, including "Master Craftsmanship", workshop and makers group.

CITIC Construction, CITIC Mining International and other subsidiaries with overseas projects attended to their employees' psychological well-being and conducted psychological counseling and survey programmes, including Sunshine Campaign Training Camps and Glamorous November campaign.

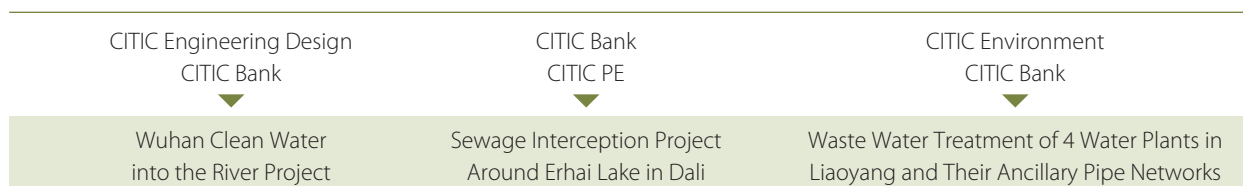
- adhering consistently to the CITIC ethos of conducting ourselves in compliance with laws, rules and regulations and fostering a sound and corruption-free business environment in strict accordance with proper business ethics and our code of conduct and publishing *CITIC Limited Measures for Dealing with Whistleblowing* and the *CITIC Limited Staff Code of Conduct*;
- caring for the well-being of the communities in which we operate, donating approximately RMB75 million and HK\$6 million for disaster-relief, education, the underprivileged, public health and cultural and sports activities.

## Environmental Protection

CITIC Limited is committed to environmental protection and the efficient use of resources. We have adopted effective measures in the course of our business to minimise the impact of our operations on the environment. We have also made a commitment to improve our environmental practices and performance in order to meet changing needs in social development.

### Our Green Initiatives

In response to China's initiative to promote cooperation in the public service sector and the government, we have organised social capital (PPP) joint entities among our subsidiaries, such as CITIC Bank, CITIC Trust, CITIC Securities, CITIC Engineering Design and CITIC Environment. Through the provision of integrated service solutions, including consulting, designing and management, direct investment and financing, we are constructing and operating social and public products and services related to environmental protection that contribute to a "Beautiful China" and protection of the environment, regarding river control and sewage treatment.



## Green Finance

Our subsidiaries in the financial sector continued to offer their green credit programme to resource-saving companies and environmentally-friendly industries in response to China's green finance policy.

### CITIC Bank

In the CITIC Bank Strategic Planning 2015-2017 initiative, CITIC Bank has specified that it will persist in supporting selected key sectors, including new economy industries and strategic new industries such as energy conservation and environmental protection, alternative energy, next-generation information technology, green materials, alternative-energy vehicles, biology and high-end equipment manufacturing.

#### Launch of a carbon-related financial business

In 2015, CITIC Bank studied national policies on climate change and supported research carried out by tertiary institutions and other research institutes in areas such as carbon exchange, the "sponge city" concept and sustainable development. The result was the *Analysis on the Development of Carbon Exchange in China* report, which discussed national policies concerning climate change and the market demand for related financial product solutions.

#### Exploring the green credit sector

*Formulating a new credit policy.* In 2015, CITIC Bank has set out green credit principles and requirements for the equipment manufacturing, petrochemical, cement production. CITIC Bank implemented new credit approval process. During the pre-loan due diligence stage, CITIC Bank will focus on compliance, land use, environmental impacts related to project loan applications. During the examination and approval stage, an environmental veto system will check the environmental compliance of the potential corporate borrower as a pre-condition for granting credit. In support of this process are two new policies — the Four Reasons for Rejecting Loan Applications <sup>Note 1</sup> and Six Requisite Conditions for Project Financing <sup>Note 2</sup>. As at the end of 2015, green loans by CITIC Bank were mainly granted to projects in green transportation, recyclable energy and clean energy, energy conservation and environment protection service, waste treatment and pollution prevention.

### CITIC Trust

CITIC Trust provided financial support of over RMB100 million as well as other integrated financial services to environmental technology companies, such as Beijing Bairui Shengtian, Beijing Chinsuny Environment Protection Tech Company and Qinghai Huaheng New Energy. CITIC Trust has also taken steps to minimise its own carbon footprint and carbon emissions by promoting a green office, energy conservation and emissions reductions among its staff.

Notes:

- (1) Rejected projects include those failing to obtain the approval of competent environmental authorities; new construction projects under the restricted category of national industrial policies and projects under the elimination category; high-pollution projects subject to "regional approval restrictions" and "river region approval restrictions" under the classification of the Ministry of Environmental Protection; and companies and projects subject to non-compliance with environmental regulations.
- (2) Credit will not be granted to companies that fail to comply with industry policies and market entry thresholds; project approval, vetting or filing procedures; land use pre-approval; environmental impact assessments; energy conservation assessment vetting and credit; and safety and urban planning requirements.

## Resources and Energy

### CITIC Resources

As an integrated supplier of strategic natural resources and major commodities, CITIC Resources applies the latest technologies in an effort to protect the natural environment of its operating areas and the local communities.

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### Karazhanbas Oilfield turns scrap metal into cash

The Karazhanbas Oilfield in Kazakhstan has been in operation since 1974. Over the years, it has amassed a large quantity of abandoned facilities, vehicles and pipe materials in the plant zone with the retirement of obsolete production equipment and the introduction of technology and process upgrades. This dumping has resulted in considerable contamination and damage of the surrounding ecology. In October 2014, Karazhanbas Oilfield established a work group to clean up scrap metals, which have been classified into more than ten categories. Independent contractors hired by the Oilfield have since sold off the scrap metals, including 15,600 tonnes of scrap metals from November 2014 to December 2015. In the meantime, Karazhanbas Oilfield has built a new scrap metals stockpile in compliance with the environmental authorities of Kazakhstan. From May 2015 when this new stockpile began operating to December 2015, over 2,000 tonnes of scrap metal has been stored.



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**Photo 1:** The plant zone before the clean-up

**Photo 2:** The plant zone after the clean-up

**Photo 3:** The new scrap metals stockpile

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### CITIC Mining International

In 2015, CITIC Mining International reported positive results from its environmental management system and full compliance with government regulations. CITIC Mining International is now upgrading its environmental management system (EMS) on an ongoing basis to ensure Sino-iron project to fully comply with the latest ISO14001 environmental management system standards published in 2015.

As the first company in the resource sector joining the Pilbara Mesquite Management Committee (PMMC) in 2009, CITIC Mining International has been actively involved in the formulation, examination and implementation of a strategic prosopis treatment. Thereafter, seven companies engaged in the resource business and cattle rearers in CITIC Mining International's Mardie Station have also joined the collective effort to fight prosopis. PMMC was awarded the Golden Gecko Award 2015 for its work in wiping out prosopis, in which CITIC Mining International played a key role.

## Sunburst Energy

In 2015, subsidiaries of Sunburst Energy, including Jiangsu Lidian Group and Shandong Xin Julong Company, adopted the following measures in environmental protection, energy conservation and emissions reduction:

Description	Initiatives	Achievements
<b>Emission control</b>	Conversion work for de-nitration, de-dusting, de-sulphuring and ultra-low emission at generator units #8, #1, #2 and #5 of Lidian Group.	Upon completion of the conversion, the concentration of atmospheric pollutants nitric and nitrogen oxides, sulphur dioxide and dust discharged from the generator units will fall below the respective designated limits of 50, 35 and 10mg/m <sup>3</sup> .
<b>Solid waste disposal</b>	Lidian Group conducted sales of all processed slag reclaimed from thermal coal combustion and gypsum from de-sulphuring and completed denigration catalyst regeneration for 6 generator units in association with Xi'an Thermal Power Research Institute.	Effective utilisation of solid waste.
<b>Utilisation of water resources</b>	Xin Julong Company erected three-dimensional structures above and below the wells to address serious coal silting in the magnetic separation water purification processing system below the well and the water treatment system above the well, thoroughly eliminating the problem through the application of advanced production processes.	Effective improvement of mine water treatment system.



Photo 1: Lidian Group processes slag and gypsum for sale

Photo 2: De-sulphuring and catalyst regeneration workshop of Lidian Group

## Manufacturing

### CITIC Heavy Industries

CITIC Heavy Industries fully complies with national laws and regulations pertaining to environmental protection and environmental standards. The handling of waste water, polluted air, noise and solid wastes and the related facilities have been operating normally.

Description	Initiatives	Achievements
<b>Waste water treatment</b>	A new water reclamation system has been built on the basis of the existing industrial waste water treatment station and is currently in the testing process.	Volume of waste water discharge will be effectively reduced upon completion of testing.
<b>Solid waste disposal</b>	Daily garbage and construction trash are sent separately for burial at relevant landfills. Waste sand generated from the casting process is mostly reclaimed after processing at the waste sand processing unit. The minority of non-recoverable waste sand is buried at the waste sand landfill. A warehouse has been built exclusively for the temporary storage of hazardous waste and qualified parties are engaged on a regular basis to dispose of the waste.	Effective handling of solid waste classification.
<b>Noise treatment</b>	A range of sound insulation devices, sound arresters and mufflers has been installed corresponding to different sources of noise. Trees are planted in large numbers in the factory zone to reduce noise pollution.	Noise emission in compliance with national standards on noise control.

### CITIC Dicastal

CITIC Dicastal commenced the following projects in environmental protection and energy conservation/discharge reduction in 2015:

Description	Initiative	Achievement
<b>Utilisation of water resources</b>	Construction of the reclaimed water treatment system for the processing of waste water discharged from the waste water treatment station, water discharged from the cooling system, and concentrated water generated from the preparation of de-ionised water.	Processed waste water has been partially recovered for use, at a recovery rate of 150-200t/d.
<b>Dust treatment</b>	Two-tier de-dusting is adopted at the cast spinning workshop through the use of a ceramic multi-tube cyclone dust collector plus an anti-static pulse-jet dust removal bag.	The result of dust discharge tests has improved from 301.2mg/m <sup>3</sup> before treatment to 18.72mg/m <sup>3</sup> after treatment.
<b>Energy utilisation</b>	Optimisation and upgrade of the energy system to utilise the residual heat steam engine unit to make up the shortfall in steam supply for the coal-fired boiler.	Saving of steam by 7.09 tonnes per hour.

### CITIC Pacific Special Steel

CITIC Pacific Special Steel puts a strong emphasis on the processing of gas, waste water and particles, and the recovery of solid waste. Energy consumption in the production process is lowered through the recycling of gas, steam and thermal air. Major environmental initiatives in 2015 included the following:

Description	Initiative	Achievement
<b>Emissions control</b>	Investment of RMB15.5 million for the upgrade of the sintering system of Xinyegang Steel for energy conservation and environmental protection and for the reduction of energy consumption and sulphur dioxide emissions during the sintering process.	Following commissioning of the project in late 2015, energy consumption of the sintering system has been in compliance with national standards, and sulphur dioxide emissions during the sintering process will be reduced by 860 tonnes each year.
<b>Utilisation of water resources</b>	Investment of RMB11 million for general treatment of the water system of Xinyegang Steel to comply with water conservation standards and improve the discharge outlet, in order to facilitate recovery of waste water from production and meet discharge standards.	The project was set for testing and commissioning at the end of 2015. Upon completion, fresh water consumption is expected to be reduced by over 1.6 million tonnes each year.
<b>Energy utilisation</b>	Investment of RMB37 million to build a new 15MW power generator unit at Tongling Pacific for the utilisation of surplus medium-temperature/medium-pressure steam for power generation.	The project went on grid at the end of June 2015 with estimated annual output of 120 million kwh and power supply of 110 million kwh.

## CITIC Environment: an energy conservation and environment specialist with a mission

As a specialised platform of CITIC Limited for energy conservation and environmental protection, CITIC Environment is dedicated to the advancement of energy-conservation and environmental-protection technologies and related industrial upgrades. CITIC Environment has a strong focus on waste water treatment, solid waste processing, energy conservation and discharge reduction, and recovery of resources. It has implemented several key projects with investment modes including BOT (Build-Operation-Transfer), EPC (Engineering, Procurement and Contracting) and PPP (Public-Private-Partnership). Today, the company has three major strategic business segments: water treatment, solid waste disposal and energy conservation services. The company creates values for shareholders.

In April 2015, CITIC Environment completed the transaction of equity acquisition in Singapore-listed United Envirotech Ltd., and renamed it as CITIC Envirotech Ltd., making CITIC Environment a flagship platform for CITIC Limited in water supply and sewage treatment.

<b>Water treatment</b>	<p><b>3.6 million tonnes capacity of daily waste-water treatment</b></p> <p>After the acquisition of an equity interest in United Envirotech Ltd. of Singapore, CITIC Environment successfully applies world-advanced membrane bio-reactor (MBR), continuous membrane filtration (CMF) and reverse osmosis (RO) technologies in various water treatment projects. The results of the treatment of industrial waste water, large-volume municipal waste water and drinking water were significantly better than those obtained from traditional treatments. In 2015, CITIC Environment owned 50 water treatment plants across China with an average daily processing capacity of 3.6 million tonnes. CITIC Changyang Water Treatment Co., Ltd. and Ningbo Daxie Development Zone Ecology Sewage Treatment Co., Ltd. processed approximately 13 million tonnes of waste water during the year.</p>
<b>Solid waste disposal</b>	<p><b>300 million kwh of electricity generated from solid waste</b></p> <p>In May 2014 and August 2015, CITIC Environment made joint investments in the Xinghua City Pilot Park for Environment-friendly Technologies in the Recycling Economy and the Project for Power Generation Through Incineration of Daily Waste in Yinzhou District, Ningbo City with BMEI Co., Ltd and CITIC PE, respectively. Currently under construction, these projects are expected to process 1.07 million tonnes of daily waste in Xinghua City and generate approximately 300 million kwh of electricity through waste incineration in Yinzhou District each year.</p>



### Energy conservation services

#### Saving 15.33 million kwh for projects' owners

CITIC Environment has invested in a number of energy conservation projects, such as the LED energy conservation conversion project for municipal roads in Daxie Development Zone, energy conservation conversion of the compressed air station of Jiangyin CP Xingcheng Industry Gas Co., Ltd., and LED road lighting in Meishan and lighting along Chongqing Expressway. Power savings for owners in 2015 amounted to approximately 15.33 million kwh.



Photo 1: Guangzhou Jingxi Underground Sewage Treatment Plant

Photo 2: Liao Yang Zhongxin District Sewage Treatment Plant

Photo 3: Treated Water in Guangzhou Jingxi Underground Sewage Treatment Plant

Photo 4: MBR Filtration in Liao Yang Zhongxin District Sewage Treatment Plant

Photo 5: Membrane Water Production at Liao Yang Zhongxin District Sewage Treatment Plant

## Growing together with our employees

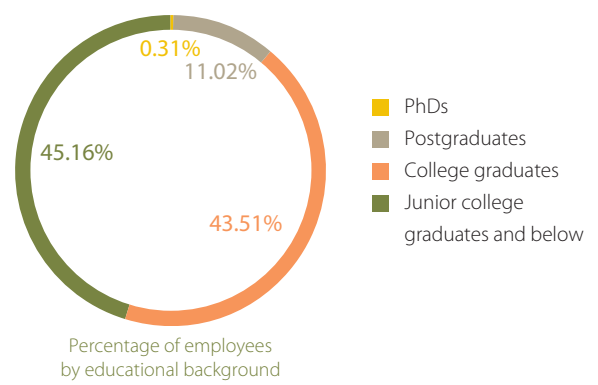
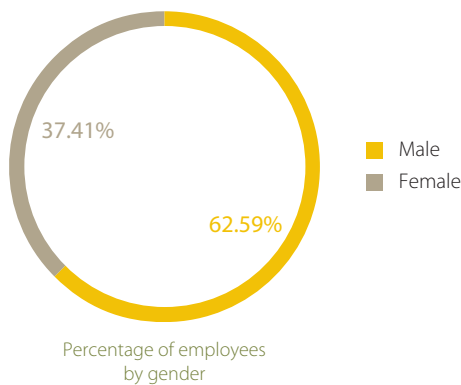
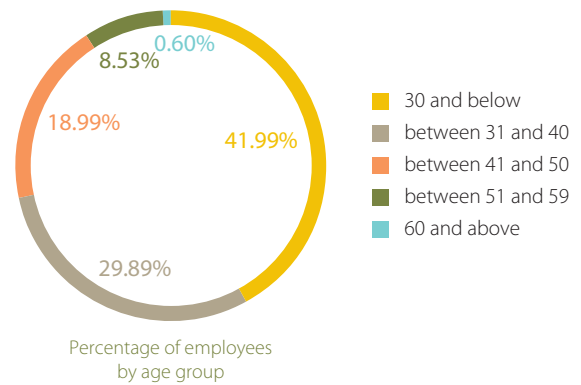
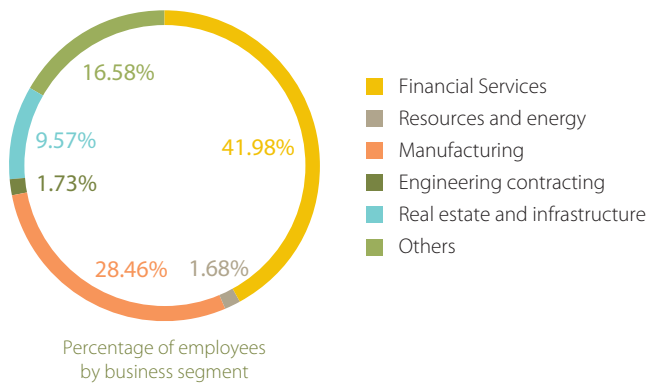
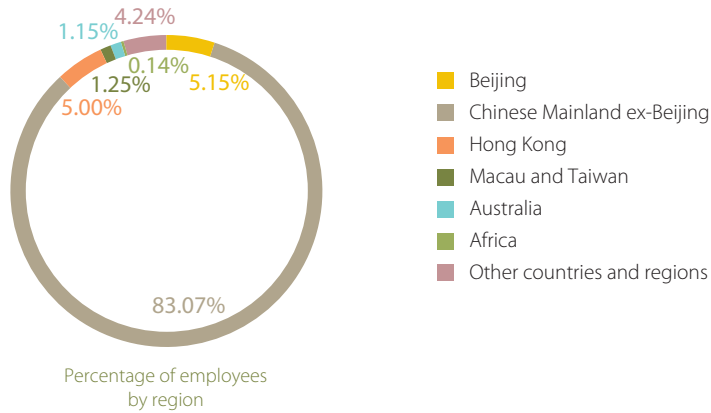
As a global conglomerate, CITIC Limited regards the building of a platform for employees to showcase their capabilities as its mission. We do not just emphasise what employees can do for us, we are concerned with what can be done for employees.

We ensure our labour contracts are in strict compliance with the laws and regulations of the jurisdictions in which we operate and protect the rights of all employees, with a special emphasis on women. We also offer opportunities for career advancement and career planning, while making continuous improvements to our staff remuneration and benefits scheme. In addition, we provide a market-based incentive and appraisal system that links staff remuneration with their performance and continuously optimise our performance appraisal system so that employees can share in the rewards of the Company's business achievements.



## Staff Overview

At the end of 2015, CITIC Limited had a total of 133,526 employees, up 8,253 from 2014, among which, women employees increased by 4,647.



## Equality – the foundation of growth

As part of our people-oriented principles, we offer equal opportunities in employment, career advancement, remuneration and benefits, as well as training and development, regardless of ethnicity, nationality, religion, physical disability or gender, and are committed to the prevention of child or forced labour.

## Incentives to consolidate growth

Our remuneration policy places equal emphasis on the market-competitiveness of our remuneration and fairness among employees. In 2015, we improved the performance appraisal system of our subsidiaries and our remuneration mechanism as measured against market benchmarks. Meanwhile, the proportion of deferred performance-lined remuneration was increased for the senior management of subsidiaries with higher risk profiles.

We are in compliance with the requirements of local governments in relation to staff insurance, benefit plans, work hours and annual leave provisions, and provide social insurance with full-coverage. Most subsidiaries also offer additional benefits and insurance coverage for staff, such as corporate annuities (supplementary pension insurance) and supplementary medical insurance. To build core competitiveness and motivate staff, our subsidiaries have launched a variety of recognition programmes. CITIC Heavy Industries links remuneration with employees' skills to galvanise front-line staff to learn and improve their skills and to innovate by implementing initiatives, including "Master Craftsmanship", workshop and by setting up workers makers group, global makers group and freelancing makers group. CITIC Securities set up Innovative Award, Teamwork Award and Loyalty Award to maintain the stability of their talent pool.

## Training for future growth

Staff training is a top priority for CITIC. All business segments and subsidiaries provide training so that employees can develop their professional capabilities. Through our annual education and training plan, we organise training programmes for intermediary and senior management personnel as well as professional technical personnel, with a special focus on operational and management staff. We also encourage subsidiaries to share training resources and to conduct education and training programmes of their own.

In addition to regular training programmes, CITIC Construction conducts overseas personal safety protection training. When CITIC Dicastal began organising staff training for the US employees, it became the first Chinese manufacturing enterprise to conduct large-scale training of foreign employees.

## Training Programmes in 2015

No.	Item	Subject	Participants	Enrolment	Duration
1	Seminar on Innovative Business Ventures (two sessions)	Strategic rethinking; corporate transformation and reform	Senior management	80 persons	10 days
2	CITIC Trust: Special Training Programme: Swiss Financial Institution Asset Management and Wealth Management	Asset management and wealth management	Personnel at deputy general manager level or above of frontline/intermediary/back office departments of the Company	22 persons	15 days
3	CITIC Securities: Tsinghua PBCSF Back-up Officer Training Session	Financial reform and macro-economic landscape	Back-up officers	40 persons	3 days
4	Daiwa Securities Research Subject	Business learning	Key business personnel	11 persons	10 days



Photo 1: Live lecture in the training session for Young Leadership Programme of CITIC Limited.

Photo 2: Personal development training in the Group's induction programme for new employees.

Photo 3: Personal development programme for old and new employees at CITIC Construction.

Photo 4: CITIC Bank hosts the first International Talent Training Programme in association with the University of International Business and Economics and signs a strategic cooperation agreement.

Photo 5: High-frequency trading and risk management training at CITIC Securities.

## Safeguarding our employees

As part of our commitment to providing a safe and healthy work environment, we are constantly improving our two-tier safety management regime and ensuring that our employees receive the care they require for physical health and psychological well-being. In 2015, our headquarters and financial services subsidiaries organised a Healthy Walk and health lectures to help employees cope with work pressures. Subsidiaries engaged in industrial manufacturing and investment made ongoing improvements to relevant systems and regimes, carried out production safety inspections and organised safety training. For employees working overseas, we held programmes that attend to their psychological well-being. For example, CITIC Construction has organised Sunshine Campaign Training Camps at its project sites in Angola and Venezuela for the past two years, while CITIC Mining International engaged *beyondblue*, a psychological health specialist, to assist foreign-based employees in dealing with psychological issues in work and life.

## Operational Practices

As an international business conglomerate, CITIC Limited operates in a wide range of business sectors. Over the years, we have provided innovative products and services to fulfil our customers' needs as part of our customer-oriented principle. During this period, we also enhanced our cooperation with outstanding suppliers and made continuous improvements in our supply-chain management. We firmly oppose any acts of corruption or bribery and make every effort to promote co-development among communities, enterprises and customers.

## Building a Regional Platform for Cooperation

In 2015, CITIC Limited further extended its cooperation with third parties by building a regional cooperation platform led by CITIC Bank in 36 regions of China. We also encouraged our subsidiaries to strengthen their ties with local governments and industry leaders through reciprocal visits at senior levels and to match areas for cooperation for the mutual benefit of all parties.

<p><b>Cooperation with governments</b></p>	<p>CITIC Bank, CITIC Trust, CITIC Securities, CITIC Heavy Industries, CITIC Dicastal and CITIC Environment engaged in multi-level and multi-sector cooperation with local governments. These included the provincial governments of Hebei, Guangdong and Hubei as well as the municipal governments of Shenzhen, Zhuhai, Chengdu and Suzhou. Areas for cooperation covered integrated financial services, city operations, infrastructure, high-end equipment manufacturing, energy conservation and environmental protection, medical care and culture and tourism.</p>
<p><b>Cooperation with other enterprises</b></p>	<p>CITIC Bank, CITIC Securities, CITIC Construction, CITIC Heavy Industries, CITIC Dicastal, CITIC Press, CITIC Pacific Special Steel and CITIC Agriculture Investment discussed cooperation in financial services with leading enterprises, such as CRRC, CIMC and Youngor, and strategic investors including Chia Tai Group and Itochu Group. Topics covered included joint venture opportunities in China and elsewhere, in areas such as agriculture, energy conservation and environmental protection, medical care and elderly care.</p>

## Innovation in Products and Services

To fulfil customers' needs, we deliver quality products and services through our subsidiaries engaged in the financial, energy and resources, manufacturing, engineering contracting, real estate as well as many other service sectors. These subsidiaries also offer value-added services under the CITIC brand to customers in an ongoing bid to increase customer satisfaction.

<b>Finance</b>	<p><b>CITIC Trust: Innovative Trust Products</b></p> <p>CITIC Trust serves the real economy by integrating three major market resources, namely, currency, capital and industries. The company has also participated in the reform of State-owned enterprises with a special focus on agriculture, infrastructure construction, environmental protection, energy conservation, and medical care and pensions. In 2015, the company launched China's first PPP trust product, first SPV asset securitisation product, first Internet cinema crowdfunding trust and first insurance premium life trust. Family trust services such as family offices were another ongoing focus of the company. In 2015, CITIC Trust won the Most Innovative Trust Company Award presented by <i>Securities Times</i> and was named The Most Influential Trust Company of the Year by the <i>Financial Times</i>.</p>
<b>Engineering contracts</b>	<p><b>CITIC Construction Signature Projects</b></p> <p>In recent years, CITIC Construction has successfully delivered a series of major projects, such as the KK Project in Angola, Venezuela social housing project and cement plant in Belarus. These have become signature projects of the respective countries where they are located and have helped to enhance the CITIC brand. In 2015, CITIC Construction obtained special-grade qualifications for general contractors of housing construction in China and Grade A qualifications for architectural design, putting it among the first-tier enterprises in China's civil engineering sector with EPC qualifications and full licenses. Internationally, it became the first Chinese enterprise to obtain Class One qualifications in Kazakhstan for construction and installation – the highest qualification for the construction sector in Kazakhstan.</p>
<b>Manufacturing</b>	<p><b>CITIC Heavy Industries' Comprehensive Customer Service Platform</b></p> <p>In 2015, CITIC Heavy Industries completed its comprehensive customer service platform, which makes use of the Internet and multi-media. The platform showcases the services of CITIC Heavy Industries before, during and after sales in three categories: digital heavy industry, smart production and information services.</p> <p>To fulfil the national strategies of Quality Development Outline (2011–2020) and Made in China 2025, as well as customer requirements, the company sent a number of quality promotion teams on customer site visits. The purpose of the visits was to promote the company's products and services, upgrade the quality of its engineering work and promote the company's brand. These initiatives have enabled the company to gain a better understanding of customers' requirements and technological innovations.</p>
<b>Cultural</b>	<p><b>CITIC Press launches Library On Cloud</b></p> <p>The Library On Cloud is a free book lending service provided by CITIC Press and CITIC Bank through the airport bookstore chain of CITIC Press and the branch outlets of CITIC Bank, and supported by CITIC Bank credit card. In 2015, CITIC Press continued to deepen its close cooperation with the CITIC Bank Credit Card Centre and signed cooperation agreement with CITIC Bank. Over 300 network outlets have been established in more than 20 cities in China, serving hundreds of thousands of customers.</p>

## Anti-corruption

To ensure integrity and fair competition in our operations, we published *CITIC Limited Measures for Dealing with Whistleblowing* and the *CITIC Limited Staff Code of Conduct* in August 2015. *CITIC Limited Measures for Dealing with Whistleblowing* outlines procedures for handling and investigating whistleblowing reports. Channels for whistleblowing have been set up in Hong Kong and the Mainland to encourage employees to contribute to the Company's internal control management by reporting potential fraud and other ethical issues. The *CITIC Limited Staff Code of Conduct* is a mandatory guide of behaviour for all employees, with specific punishments for violations. We conduct semi-annual reviews of staff compliance with the Code. Violations at all levels, including suppliers of outsourced services and partners, will be investigated, reported and corrected in order to prevent unethical acts that could affect the reputation of the Company.

## Community Investment

As a responsible corporate citizen, CITIC Limited understands that community involvement is essential for harmonious relations. We encourage our employees to serve and give back to the community through participation in various community activities. We also contribute to a number of community projects by leveraging our advantages as a conglomerate as well as through the active participation of our employees.

## Community Donations

In 2015, CITIC Limited and its subsidiaries raised funds for community welfare causes, such as natural disaster relief, education, caring for the underprivileged, and cultural and sporting events. These activities contributed to the development of local communities, winning wide recognition among residents.

Type of Donation	Major Donations		Amount (in ten thousands)
	Donating Unit	Project	
<b>Disaster Relief</b>	CITIC Pacific	Support for emergency relief organised by Oxfam Hong Kong for disaster-stricken areas after the 7.9 magnitude earthquake in Nepal.	HK\$30
<b>Community Involvement</b>	CITIC Pacific	Support for the Corporate and Employee Contribution Programme of the Hong Kong Community Chest with an award of recognition.	HK\$100
	CITIC Pacific Special Steel	Support for Hubei Province (Huangshi) Gardening Fair	RMB100
<b>Education and Technology</b>	CITIC Trust	Ongoing operation of the CITIC Aerospace Development Fund granting awards to 10 accomplished/young experts in industrial aerospace technology.	RMB206
	CITIC United Asia	Donations to Banpo Primary School in Yunnan Province	RMB50
<b>Aid for the underprivileged</b>	Jiangsu Lidian Group	Establishment of the Wuxi Charity Association Ligang Power Charity Foundation, with accrued annual interest going to the Association for charitable causes.	RMB70



## Co-development with the Community

In the course of our business, we assist in the economic development of the places where we operate and attach great importance to fulfilling our social responsibilities. We show respect for and actively embrace the local cultures of these communities.

### Hong Kong, Macao and the Chinese Mainland

#### CITIC Pacific Participation in campaigns organised by The Community Chest

A total of 241 staff members of the headquarters of CITIC Pacific participated in Skip Lunch Day, Dress Casual Day and Love Teeth Day organised by The Community Chest, raising HK\$24,651 in donations.

To support Oxfam Hong Kong for its community services for the left-behind children and poverty in Chinese Mainland, CITIC Pacific donated HK\$40,000 to sponsor the "Oxfam Rice Sale" organized by the Oxfam Hong Kong. CITIC Pacific employees and dependants of our "Caring People Team", the volunteer team of CITIC Pacific participated in the Oxfam Rice Sale for fund raising.

#### Participation in the Coastal Cleanup Campaign of the Green Council

A team of 26 volunteers from CITIC Pacific participated in the coastal clean-up at Sandy Bay, Hong Kong Island, on 10 October to raise funds for environmental education in Hong Kong, collecting 53.3 kg of garbage in the 2-hour programme.



CITIC Pacific headquarters volunteers at the Coastal Cleanup Campaign

#### CTM Teenage Growth Programme 2015

The Teenage Growth Programme 2015, jointly organised by CTM (a subsidiary of CITIC Telecom International) and Bosco Youth Service Network for a second year, enjoyed strong support from the Macanese community. The programme encourages teenagers to upgrade themselves during the summer holidays and helps them identify their potential and develop a positive outlook.

## Hong Kong, Macao and the Chinese Mainland

### CITIC Heavy Industries Care for Resident Children in Mountain Areas

Launched in 2013, the volunteer work initiative raises funds to build dormitories, libraries and e-classrooms for resident children in mountain areas. A Warm Learning Schooling Aid Programme providing assistance to underprivileged students has also been developed. In March 2015, the construction of the e-classroom for Ruyang County Wangpingxiang Centre Primary School was completed. Three facilities were built at the school using donations by the CITIC Heavy Industries Volunteers' Association. The Association also plans to do the same for Ruyang County Liushucun Primary School.



CITIC Heavy Industries: donations for the construction of Charity e-Classrooms and voluntary services at the school campus

### CITIC Dicastal Charity foundation

Following the establishment of the Charity Foundation by the No. 2 Aluminium Wheel Production Line in 2014, the No. 1 Aluminium Wheel Production Line established the Charitable Dream Fulfilment Schooling Aid Foundation in March 2015. By the end of November, a total of 256 persons had participated in the project and raised RMB18,908.



Members of the foundation visited impoverished areas and helped to create school aid plans during the holidays

### CITIC Publishing and 2015 Reading Year: Nurturing Interest in Reading

To mark the 20th World Reading Day, CITIC Publishing organised activities at Parkview Green in Beijing under the theme 2015 Reading Year: Nurturing Interest in Reading, during which the company donated 65,000 books. Guests, famous book critics and avid readers attended an event promoting reading across all walks of life.

## Overseas

### Australia: CITIC Mining International Fundraising for *beyondblue*, a community psychological health group

The company raised over AUD110,000 for *beyondblue* by purchasing customised personal protective equipment (PPE) and polo shirts for employees and organising lottery draws and silent auctions.



Staff wearing the Glamorous November Campaign outfit

### Indonesia: CITIC Resources supports Seram Block Wayhul Clinic

The Seram Block continued to operate the 24/7 Wayhul Clinic to provide reliable medical treatment and services as well as comprehensive health support to the workers of the Oilfield and other members of the local community. More than 800 cases were treated by the Seram Block medical team in 2015.



The medical team at Seram Block providing health check services for the local residents

### Community Welfare Soccer Games

In 2015, the Seram Block sponsored two U15 soccer teams set up by the Bula Chapter (East Seram Regency) of the Indonesian Football Association. The squads were formed by 36 primary and junior high school students, aged 12 to 15.

The AQUADNC Cup Soccer Tournament organised by the Seram Block in February was enthusiastically followed by local residents and helped to develop closer ties between the block and the local community.



Players of two junior soccer football teams doing regular training in a team jersey with the CITIC Seram logo

## Overseas

### Singapore: CITIC Envirotech participates in the Lien Aid Safe Water Project for Impoverished Villages

Lien Aid is a branch organisation of the Environmental Business Project jointly founded by Lien Foundation and Nanyang Technological University of Singapore dedicated to the provision of affordable and safe drinking water and hygiene facilities to underprivileged communities in Asia. CITIC Envirotech has participated in Lien Aid Projects for many consecutive years. In 2015, CITIC Envirotech participated in 5 of the water supply projects conducted by Lien Aid in 60 impoverished villages in China.



CITIC Envirotech's personnel receiving training for the "Lien Aid Safe Water Project for Impoverished Villages"

### Angola: CITIC Construction CITIC (Angola) BN Vocational School

In early 2015, all students in the first graduation class of the BN Vocation School passed relevant examinations and secured employment. Another 67 students were enrolled in the second class, including girls from impoverished families who took part in hotel services training. As of September 2015, graduates of the school reported 100% employment, with more than 100 graduates securing jobs in mechanical operation, engineering construction and administration.



Graduates expressing gratitude to their teachers at the graduation ceremony of the first mechanical operation class of the BN Vocation School

### The Confucius Institute, The Agostinho Neto University

In February 2015, the foundation-laying and unveiling ceremony for The Confucius Institute of The Agostinho Neto University, the first Confucian academy in the world built under the sponsorship of a Chinese enterprise, was held in Luanda, the capital of Angola. The Academy will serve as a platform for Chinese language and cultural exchange for the faculty and students of The Agostinho Neto University.



The foundation-laying and unveiling ceremony of the Confucius Institute of the Agostinho Neto University