

# **Corporate Social Responsibility (CSR) Report**

## **Annual Report 2015**

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## **Discover, Manage, Prosper**

### **Scope of the Report**

This year's CSR Report is not only a holistic summary of Fosun Group's work in CSR in 2014 but also an important communication channel between upper management and the general public. Fosun will, to honor its principles of transparency and sincere communication, report all the efforts made by the Group in CSR in 2014, hoping to build healthy natural and business ecosystems together with all other global citizens.

### **Scope Definition and Data Selection Principle of the Report**

If the statistical coverage of all the data of the Group is not specifically stated in the report, the data of Fosun International Limited (00656.HK) shall prevail. The term "Fosun and its investees" referred to herein shall mean Fosun Group and various companies in which Fosun Group holds equity interests or over which Fosun Group has controls, including economic entities in such industries as iron and steel, mining, real estate, pharmaceutical, retail and strategic investments as well as insurance and asset management. Data in the report shall be subject to the data of 2014. **(Meaning**



**unclear)**

The report has selected materials on the basis of importance, objectivity and stakeholder concern.

## ● **Message from the Management**

In 2014, Fosun continued to improve the ties of its investment model — “Combining China’s Growth Momentum with Global Resources” — with its value investing principle and moved significantly closer toward its goal of becoming a world-class investment group. The twin drivers of “Insurance-Oriented Comprehensive Financial Capability” and “Global Industrial Integration Capability Taking Roots in China” underpinned all the efforts. In the area of philanthropy, Fosun has always been committed to integrating resources from all members of the Group and the surrounding community to engage internal and external resources, and optimize and propel the ongoing evolution of the Group.

Looking back to 2014, Fosun Foundation received 30 donations amounting to RMB39.5627 million from various sectors and sponsored 51 philanthropic projects totaling approximately

RMB3,414.41 million. These helped generate positive social impacts that supported youth education, encouraged entrepreneurship, cared for health of the elderly and promoted traditional Chinese cultural values.

Looking forward to 2015, Fosun Foundation will continue to identify the “ice-breaking points” (**meaning unclear**) and adhere to the cultural concepts of “Self-improvement, Teamwork, Performance and Contribution to Society.” With a firm belief in “Combining the Economic Growth with Social Benefits,” Fosun will actively develop key internal and external assets of the Group and combine public welfare resources from all sectors of the community to establish an industrial closed-loop (**meaning unclear**). Our goal is to create an intelligent and vital public welfare organization that will greatly increase Fosun’s presence in the area of corporate social responsibility and help facilitate greater participation from Fosun staff. Meanwhile, efforts will be dedicated to promoting public programs focused on “education + culture,” to showcase Fosun’s philanthropic commitment to the international community.

Fosun will continue to support for the UN Global Compact and its ten principles and focus on improving relevant policies

implementation related to human rights, labor, environment and anti-corruption.

## ● Cultural Values of Fosun

### **We advocate:**

Giving free rein to dreams and passions

Creating value and sharing

Engaging in and committing to Fosun's core culture

Investing in value

Caring for employees

Creating role models and learning from them

Building teams and developing talent

Sharing resources and communicating interactively

### **We oppose:**

Seeking no progress and having no fighting spirit

Sacrificing business interests to satisfy individual interests

Having about-face attitude and doing things in his own way

### **(Meaning unclear)**

Speculators

Having contempt for life and disregard for humanities

Complacency in the status quo

Refusing to make progress and being unable to optimize internal resources

Playing games with resources and refusing to collaborate

### **● CSR Management Model**

**For the state:** Fosun adheres to law-abiding operations, strives to seize the many opportunities generated by the rapid development of China, and, through the unique model of “Combining China’s Growth Momentum with Global Resources,” seeks to become a world-class investment group. In the process of steady development, Fosun has created a lot of jobs and received many awards due to its commitment to society. Fosun actively advocates the construction of a healthy business ecosystem and spreads the values advocated by it through active participation and other means.

**For shareholders and the public stakeholders:** Fosun is convinced that the basis of the existence and long-term

development of business organizations is to make contributions to society, create value for shareholders and the public, prevent risks in business operations, and ensure a sustainable and bright future for businesses.

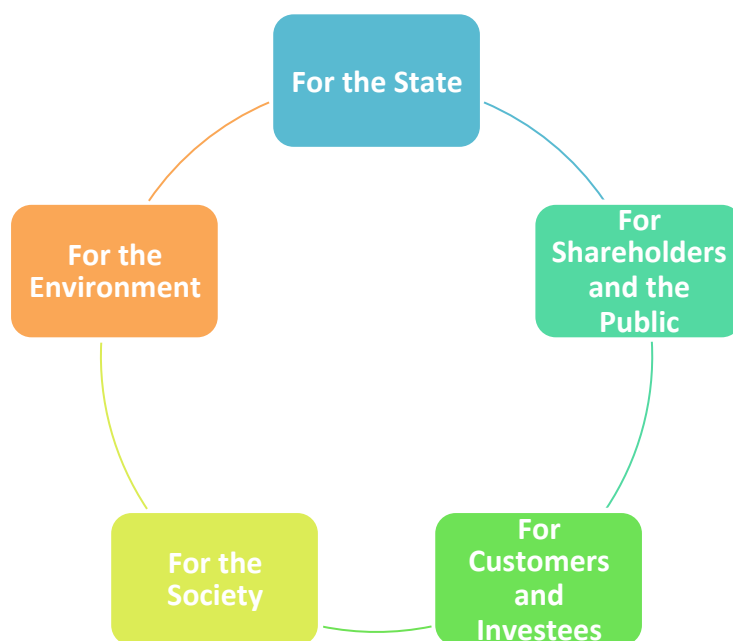
**For customers and investees:** Fosun's strategic positioning is to become "a premium global investment group with a focus on China's growth momentum," and Fosun's customers are its investors and investees. The Group headquarters have continued to create value with strong management, building the "Fosun Family" platform to share resources, harnessing the power of growth, and jointly building a more harmonious and healthy business ecosystem.

**For employees:** Fosun has been committed to becoming the best employer, applying a variety of measures to allow all employees to study and work safely, and enjoy a healthier and happier lifestyle in a better environment. Fosun provides systematic training and career development programs for employees, as well as humanistic care to employees and their families.

**For the environment:** Fosun is one of the first Chinese private enterprises to establish an environment, health, safety and quality (EHSQ) department at the Group headquarters. In order to further implement energy-saving and environmental protection principles,

and reduce carbon footprints to meet standardized requirements, Fosun has taken practical action to contribute to the environment, both in its investment management efforts and in the daily operations of its management.

**For the society:** Fosun funded a large number of charity projects in 2014, not only supporting underprivileged groups, but also covering several major commitments: Support youth education, encourage youth employment and entrepreneurship to promote social mobility, advocate traditional Chinese core culture to the world, promote cultural exchange and facilitate dialogues between the East and the West, disseminate advanced healthy concepts, and relieve the people in stricken areas and help them with their difficulties.



## ● MAJOR AWARDS RECEIVED BY FOSUN IN 2014

- In April, Fosun International was named “Best Managed Company” of the “Asia’s Best Companies 2014” by FinanceAsia, an international influential finance journal.
- In April, the “2014 China Investment Annual Conference · Shanghai” organized by China Venture Group announced the 2013 China PE/VC Institution rankings. Fosun Capital was named “2013 Top 10 Best China Private Equity Investment Institutions” by China Venture Group, and Mr. Liang Xinjun, Vice Chairman and CEO of

Fosun Group, was named “2013 Top 10 Best China Private Equity Investor” by China Venture Group; furthermore, Star Capital was named as “2013 Top 10 Best China Real Estate Funds” by China Venture Group.

- In April, “2014 Top 100 Green Companies in China”, the first cross-industry ranking on sustainable competitiveness of enterprises and ranking system for competitiveness of companies with the most forward-looking vision in China, was formally announced. Fosun Group was included in the ranking for the fifth consecutive year.
- In May, Forbes announced the latest rankings of “The 2014 Global 2000,” with Fosun International elevated to the 751th position from the 1019th position from the previous year.
- In July, the 2014 rankings of “Fortune China 500” was announced, with Fosun International ranked 115th with RMB51.017 billion in revenue and RMB5.519 billion in net profit.
- In July, at the 6th Annual Conference on Corporate Social Responsibilities for Enterprises in China organized by Southern Weekend, Fosun Group was awarded the honor of the “Best Enterprise of the Year” in the 2013 China Domestic Private Enterprise Wealth Creation rankings.
- In August, at the announcement ceremony of “2014 Top 500



Private Enterprises in China” organized by All-China Federation of Industry & Commerce, Fosun was ranked 37th on the list of 2014 Top 500 Private Enterprises in China and ranked 24th on the list of Top 500 Private Enterprises of the Manufacturing Sector in China.

- In September, on the ranking list of 2014 Top 100 Enterprises in Shanghai jointly announced by the Federation of Enterprises in Shanghai, Association of Entrepreneurs in Shanghai and Federation of Economic Groups in Shanghai, Fosun Group was ranked 25th on the list of Top 100 Enterprises in Shanghai and ranked 2nd on the list of Top 100 Private Enterprises.

- In October, The Asset, the renowned international asset management and investment magazine, announced in its October edition that Fosun International is honored to receive a “Triple A Greater China Award” in the “Investment” sector.

- In October, Fortune magazine released its Top 50 “Most Admired Companies in China” in its October edition, with Fosun International once again honored with the title of “Most Admired Company in China.”

- In October, Fosun International received “Asia’s Most Promising Company on Corporate Governance” Award at the Best of Asia 2014 by Corporate Governance Asia, and Mr. Wang Qunbin, President of Fosun International, also named “Best Asian

Corporate Director.”

- In October, at the award ceremony of the “2013-2014 Most Respected Enterprises in China” organized by the Economic Observer, Fosun Group named one of the “2013-2014 Most Respected Enterprises in China” again.

- In October, Fosun International received “Innovative Enterprise” Business Merit Award from Portuguese-Chinese Chamber of Commerce & Industry, in recognition of the Group’s contribution to fostering economic and trade relations between China and Portugal.

- In November, World Finance, a UK professional financial magazine, announced the winner list of Project Finance Deals of the Year 2014. Fosun’s acquisition into Fidelidade was named the “Best Privatization Deal of the Year” by the World Finance.

- In December, at the 6th Global Private Equity Forum in Beijing organized by China Association of Private Equity Investors, Fosun Group was ranked 2nd on the list of 2014 Top 10 PE Investors in China.

- In December, the annual rankings of “2014 China Private Equity Investment Institutions” were released by Zero2IPO, Fosun Group honored as the “2014 Best Fund Raising Private Equity Investment Institution in China” and was ranked 6th among the Top 10 Private

Equity Investment Institutions of China in 2014; Mr. Liang Xinjun, Vice Chairman and CEO of Fosun was also awarded the 6th ranking on the list of “2014 Top 10 China Private Equity Investors.”

- In December, Fosun International received a gold award in “The Corporate Awards 2014” by The Asset, an international renowned asset management and investment magazine.

- Mr. Guo Guangchang, Chairman of Fosun Group, was named in the Bloomberg Markets’ “50 Most Influential List 2014 - Corporate Power Broker.”

- Mr. Guo Guangchang, Chairman of Fosun Group, was named “China 100 Most Creative People in Business 2014” by influential business magazine “Fast Company” (Chinese edition) in its July issue.

- Mr. Liang Xinjun, Vice Chairman and CEO of Fosun International, named “Asia’s Best CEO” at the Asian Excellence Recognition Awards 2014 by Corporate Governance Asia.

- Mr. Wang Qunbin, President of Fosun Group, received “Asia Pacific Outstanding Entrepreneur Award.”

- **Part I: Commitment to the State and Bridging the Dialogue Between the East and the West**



The birth of Fosun benefited from China's policy of reform and opening-up, and Deng Xiaoping's southern tour speech in 1992 encouraged the four graduates of Fudan University, igniting their

entrepreneurial passion. Since the founding of Fosun, we have always adhered to the core values of “Self-improvement, Teamwork, Performance, Contribution to Society,” firmly grasped the main driver of China’s economic development at different stages, and keenly identified high-growth industries, thus achieving rapid development. While pursuing economic development, Fosun has not forgotten to share its own development with employees, communities, local society and partners, actively giving back to the community. Meanwhile, Fosun is also actively committed to the improvement of China’s business and natural ecosystems to support the revival of the Chinese economy and Chinese culture, striving to be a good corporate citizen and actively fulfilling its social responsibility.

While expanding globally, Fosun is not only interested in gaining economic results, but also in helping to bridge the cross-cultural and business conversations between the Chinese and western entrepreneurs. Together with Yabuli Chinese Entrepreneurs Forum, Fosun hosts events in New York, London and Lisbon to facilitate dialogues among worldwide entrepreneurs and investors.

## **ACTIVE PARTICIPATION IN THE DISCUSSION ON PUBLIC POLICIES**

As an advocate of private public partnership, Fosun's Chairman, Mr. Guo Guangchang, and a member of the 12th National Committee of the Chinese People's Political Consultative Conference, proposed strategic advice on a number of topics, including mixed ownership reforms, jointly promoting overseas investments, facilitating development of high-end healthcare and medical services, etc., and received a warm reception from the audience.

Fosun truly believes in encouraging private investments in various sectors and proposals to create an Internet-based financial system will accelerate the reform and provide greater convenience and healthier economic growth environment.

## ● Part II: Commitment to Shareholders & Stakeholders

- In 2014, following the core strategy of twin drivers of “Insurance + Investment,” Fosun made great progress in financing, investment and overall asset structure optimization. Fosun continues to strengthen its capabilities in both areas, including “Insurance-Oriented Comprehensive Financial Capability” and “Global Industrial Integration Capability Taking Roots in China,” and has acquired its own unique advantages. Fosun is convinced that the basis of the existence and long-term development of business organizations is to make contributions to the society, create value for shareholders and the public, prevent risks in business operations and ensure a sustainable and bright future for businesses.

Enhance information transparency to facilitate effective communication with shareholders

The Group timely discloses important information and communicates the latest developments of Fosun through various forms such as shareholders' meetings, press conferences, the release of an annual report, announcements published via Hong Kong Stock Exchange, communications with analysts, meetings with investors, maintenance of the Investor Relations portion of the company website, and the release of Investor Newsletters.

**FIGHTING AGAINST CORRUPTION THROUGH  
ANTI-CORRUPTION AND SUPERVISION; DIRECTION GUIDED  
BY CORE CORPORATE CULTURE EDUCATION**







Fosun emphasizes the prevention of corruption and upholds its core values of honesty, integrity and compliance, consistently spreads its corporate mission, vision and core values, and continues to play a leading role for other private enterprises while rectifying the internal organization of the enterprise.

In 2014, through comprehensive work such as top-level designation, systematic improvements, organizational build-up, investigation probes and culture guidance, Fosun continued to improve its vertical and horizontal three-dimensional, anti-corruption network, achieving enhanced effectiveness in its fight against internal corruption.

Fosun insists on parallel execution of prevention, supervision and anti-corruption investigations. Suspicious cases are exposed by assembling clues pointing to criminal activity together with judicial investigations to obtain evidence and the elimination of any interference. Progress is made by accepting and reporting complaints, conducting internal investigations, implementing accountability systems and rectifications. Corruption is prevented from the origin of a transaction and barred all the way through improving tender bidding and invitation platforms, synchronized supervision over tender bidding and invitation activities, and processing vendor complaints.

Fosun adheres to both systemic improvement and team building. By improving the entire system, Fosun lays the foundation for anti-corruption, Fosun has developed and implemented the “Anti-corruption Risk Assessment and Traffic Light Management Approach of Fosun Group,” “Regulations on Anti-corruption Inspection of Fosun Group,” “Basic Standards for Procurement Management,” “Management Guidelines on Dealing with Procurement-related Complaints.” The foundation for a corruption-free workplace was created by strengthening team building, implementing “One Fosun” Disciplinary Inspections,

holding an Anti-corruption Joint Conference to promote the anti-corruption efforts of Fosun Group and its investees, extending the scale of the vertical delegation of authority through the appointment of personnel as the general manager of the supervision department of investee, and recruiting outstanding professionals to join the Anti-corruption and Supervision Department.

Fosun puts constant emphasis on both cultural guidance and interaction. Through delivering briefs on the extent of its anti-corruption efforts to new recruits and educating them on how to avoid corrupt practices using typical cases, Fosun has strengthened its anti-corruption cultural exchanges by reporting its anti-corruption work to investees. Fosun has also carried out interactive exchanges with external institutions by, among other means, initiating and organizing state-level contact point seminars on anti-corruption for 15 non-state-owned enterprises in nine provinces and municipalities, delivering topical speeches in training courses for national private discipline inspection business organized by CPC Central Commission for Discipline Inspection, participating in contact point work promotion meetings for anti-corruption construction for non-state-owned enterprises in



Shanghai, as well as benchmarking studies among enterprises.

In 2014, the Group played a full positive role as a national contact point for anti-corruption in non-state-owned enterprises and a “Two New Organizations” integral culture demonstration point in Shanghai.

### ● Part III: Commitment to customers and investees

Fosun’s customers are its investors and investees. In 2015, Fosun adhered to customer-driven practical innovation, strengthened ties with investees, created value with management, achieved resource accommodation, built the “One Fosun” platform to share resources, and gathered the power of growth. Fosun’s characteristic long-term value investment philosophy has been further promoted and recognized.

Create value for customers through services

Fosun believes that the Group’s main customers are its investors and investees. The premise for Fosun to achieve sustainable development is that its customers and investees fully identify with

Fosun's values, investment philosophy and investment capacity.  
Fosun's investors include limited partners in capital management business, all shareholders of Fosun International, and insurers in the financial and insurance industry. Only by creating value for customers can Fosun establish a long-term, win-win partnership with them.

Fosun creates value for its investees through strategic management, team building and investment decisions, and acts as a powerful platform for collaboration among the headquarters and industries in building a more harmonious and healthy business ecosystem.

Promote cultural integration through various means

The Group advocates creating an cooperation, hoping to promote discussions and the exchange of ideas among the Group and various companies, as well as to promote cultural integration. On one hand, open lines of communication can enable an unlimited flow of ideas from all of Fosun's employees, allowing for the promotion of best practices throughout the company to a wider extent, thus maximizing value. On the other hand, we also improve

the efficient utilization of the Group's many resources, promote the continued enhancement of the "One Fosun" resource system, and facilitate the sharing and integration of ideas and resources among companies.

Strategic management is one of the main starting points for the Group to serve its investees. The Group requires each invested company to have an international perspective, helping Chinese enterprises develop overseas on the one hand and, on the other, helping foreign companies grow in China. The Group also advocates that all investees should have a global vision and the ability to organize resources globally. Fosun holds a conference every December, with strategic discussions as the theme, sharing resources and talking about changes in the macro and micro-economic climate with investees. Through the conference on strategic development, Fosun fully reflects the diversification of strategic resources across its entire system and fully shares the knowledge and wisdom of the platform.

Serve customers through resource sharing

Fosun has established an effective merging mechanism to help

new portfolio companies promote businesses by making full use of the “One Fosun” platform. The “One Enterprise” network procurement platform established by Fosun in 2013 fully helps each member company achieve effective cost reduction.

Fosun emphasizes services to investors of capital under its management. Fosun creates a comfortable environment for investors that is full of resources and support for them, and also provides personalized and targeted support and services. The welcoming environment created by Fosun includes the concern both for businesses of investors, and for their health and well-being. In services and support to investors, Fosun helps them out by linking various resources.

## **● Part IV: Commitment to Employees**

Fosun has always been committed to becoming the best employer, using a variety of measures to enable all employees to study and work safely, healthily and happily in a better environment. Fosun provides humanistic care and psychological support services, professional and systematic training and career development planning, as well as a development platform to employees, and pays attention to the personal development of employees.



## **EMPLOYEE CARING AND SERVICES**

Fosun not only cares for employees, but also their families. These are consistent with the value of “Self-improvement, Teamwork, Performance and Contribution to Society” which has been upheld by Fosun. The Group persists in improving and innovating employee care by creating a sound enterprise atmosphere, establishing an employee overall caring system and promoting sense of belongings of the employees to the Group, in order to provide various benefits to every employee.

### **Employee Benefits**

Fosun actively cares for various employee groups. We established an employee overall benefit system, which enhances caring for expatriate employees, and creates mentoring programs for junior and senior employees. In order to promote a sense of belonging among our core employees, high-performing employees, young and potential employees and special group employees will be recognized for their unique achievements. Special attention and support will be provided in the areas of medical services, birthdays, festivals and holidays, relocation settlements, and housing and family care. We also provide benefits such as group life insurance, overseas travel insurance, and senior management health

insurance, while enhancing our benefits to expatriate employees and employees relocated to work in Shanghai.

### **Employee Services**

Fosun has established a full-time employee service position to obtain the various certificates needed by its employees. This service eliminates the hassle for its employees of applying for these certificates individually. These can include employment permits/residence permits for expatriate employees, high caliber employees introduction/residence certificates for employees from other cities, college graduates settlement, collective household residence affiliation registration and title assessment.

Fosun is actively updating our benefit systems while fully utilizing social resources to improve employee benefits. We have successfully applied for Putuo District government youth talent housing subsidies, under which the first batch of 15 youths received the benefits. In cooperation with the Fo-Star Program, 23 Fo-Star participants successfully completed resident registrations in Shanghai, which allowed Fosun to introduce many young and talented individuals to the Group.

The Group provides a certain amount of funds to each department to encourage each department to organize team building activities and demonstrate Fosun's team spirit.

The Group cares for the physical and mental health of its female employees and provides special care to them. During International Women's Day on March 8 each year, female employees receive greetings and gifts from the Group. The Group also regularly conducts seminars on female health care and the prevention of occupational diseases, etc. As an equal employer, Fosun promotes and advocates women's leadership among the group and the portfolio companies.

## **EMPLOYEE TRAINING AND DEVELOPMENT**

Fosun always pays attention to the growth and development of its employees. Through ongoing training and instruction, the Group ensures the structure and talents of its workforce can meet Fosun's medium-to-long term strategic development goals. The Fosun Management Institute, the Group's training center, is committed to building Fosun's "Whampoa Academy" and establishing a talent training system that is custom-designed for the Group's business.

## **Corporate Management Ladder Training**

In accordance with the Group's development strategy and human resources planning requirements, and taking into account its own development characteristics, Fosun Management Institute was established with a four-step talent training system, namely "Leadership Development Program," "Management Excellence Program," "Young Leaders Program" and "Fo-Star Program," striving to build talent teams for the Group and promote the implementation of succession plans. Designed as an "entrepreneur incubator," the Chairman, CEO and the President were invited to join the effort as mentors to give professional coaching to the program's fastest learners and help their rapid growth. With "project-based" studies as a starting point, the training will focus on catering to business requirements through methods that include self-study workshops and CEO interviews, ensuring that the Group will have a stable and sustainable supply of talent to provide constant motivation and support for its rapid business expansion and development.

## **Platform Building**

Fosun pays attention to the creation of platforms that help employees fully realize their potential: Investment practice training

camps are actively organized to analyze macroeconomic policies, share and promote investment case reviews, assist the Group in achieving the strategic development goal of innovative investments; professional courses such as finance and human resources are offered to satisfy the training needs of each business line and realize vertical communication and exchanges; and lunch-time sharing sessions are organized regularly to effectively undertake establishment of learning and exchange systems for various specialized areas under the Fosun system. In addition, Fosun Management Institute makes use of the resources of the Tai Chi House to let employees experience the Tai Chi culture. Fosun also teams up with the Tai Chi House to promote courses so that the cultural values of the Fosun system can be implemented and inherited through this platform.

## **Personal Development**

Fosun emphasizes attracting talents by business and by nurturing talents through on-the-job training. With regards to its internal talent nurturing, Fosun provides methods of training that match the needs of employees at different levels: Apart from studies in classes, training models such as job rotations, on-the-job training and secondary programs are also offered to create various

communication and exchange channels through which our employees' skills, quality and professional standards are greatly enhanced, enabling them to realize the development in their career path and the utilization of their individual value.

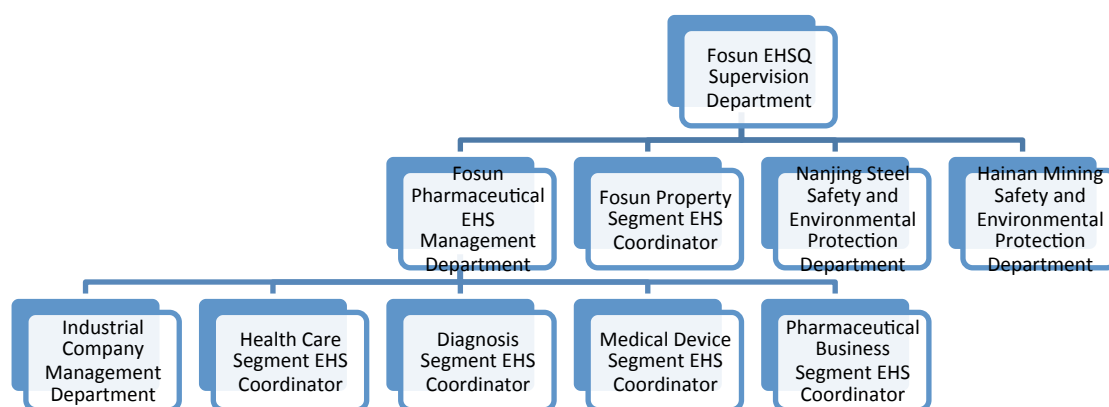
## ● Part V: Commitment to the Environment, Health & Safety

*“Self-improvement, Teamwork, Performance and Contribution to Society” constitute the core corporate cultural values of the Group. We have always adhered to the concept of people-oriented sustainable development, strictly implementing national and local safety and environmental laws and regulations, and consistently enacting energy saving measures to improve the working*

environment of employees. No matter whether it is on the investment and management levels, or daily work routines and on the operation levels, Fosun has taken practical actions.

## IMPROVEMENT OF THE GOVERNANCE STRUCTURE OF EHSQ

The Group established an EHSQ Supervision Department at its headquarters in 2012, fully coordinating the supervision of its production safety, environmental protection and product quality. With the impetus from the Group level, until 2014, the Group has been optimizing the organizational structure of major segments within EHSQ year after year.



## ENHANCING DISCIPLINES OF INVESTMENT RISK CONTROL AND STRENGTHENING ENVIRONMENTAL AUDITS TO LEAD THE GREEN DEVELOPMENT OF THE ENTERPRISE

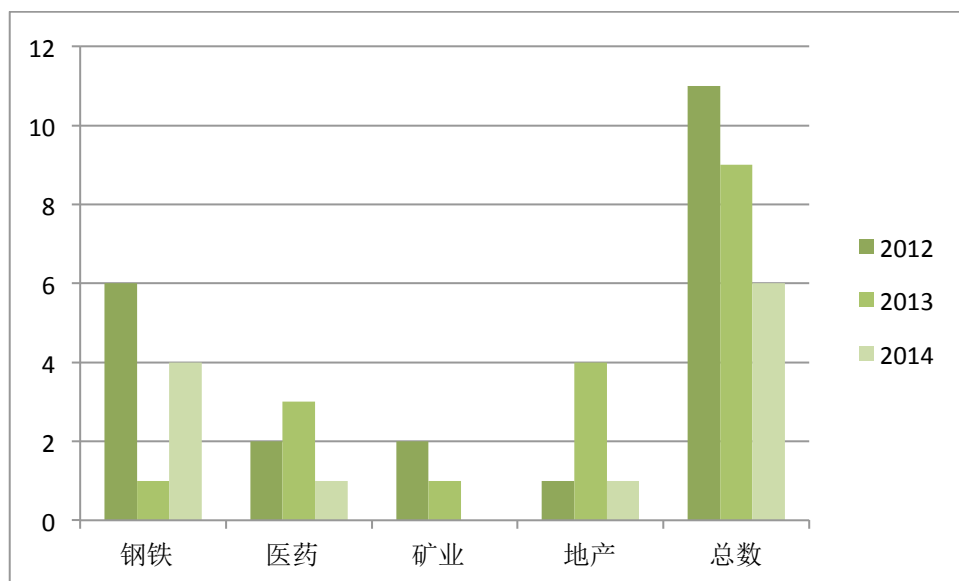
Fosun as an investment group has, in the due diligence phase of risk control, required that all investment teams should carry out environmental audits on

the relevant investees, and even partners, to clarify whether the investees meet the country's industry orientation for energy-saving and environmental protection, with the promotion of an industrial upgrade of the investees as a starting point. The investment philosophy of energy conservation and environmental protection was further strengthened and investment projects were strictly checked. The relevant investment teams of Fosun focused on high value-add, low energy consumption, innovative, technological and low carbon enterprises as far as the selection of investment projects was concerned and was also required to conduct due diligence on environmental protection, safety and quality of invested projects, and in particular, regarded checking environmental protection issues of enterprises as an important aspect of due diligence as a transaction sponsor. Fosun has set a strict bottom-line for not investing in projects that do not comply with the national industrial policy and environmental protection standards. The EHSQ Supervision Department of the Group will coordinate with the EHS departments of relevant investees so as to provide relevant EHS due diligence technical support to each investment team.

## **SUMMARY OF THE GROUP'S CONTROL INDICATORS STATISTICS**

The Group launched "Major Safety Quality Environmental Accident Reporting System" in 2012. After three years of operation, the statistics of reported accidents are as follows:





钢铁: Steel

医药: Pharmaceuticals

矿业: Mining

地产: Property

总数: Total

Major accidents are defined and specified differently from those at the PRC's National level, including personal injuries, occupational ailments, environment pollution, fire accidents and product recall due to quality issues. The Group adopts some standards which are more stringent than the PRC's National protocol. For example, personal injury accidents in which one person suffered from serious injuries (including employees from contractors) or any fire accidents and natural disasters resulted in certain losses that are required to report for insurance claims occurred within enterprises, all of these are listed in the reporting scope of the major accidents of the Group and statistics summaries of which are required to be reported to our headquarters. Investigations into the accidents are to be carried on and rectification measures are to be implemented, while other accidents (such as loss time accident including minor injury) are tallied and investigated by the relevant enterprises.

In 2014, Fosun Group reported 6 accidents, showing a general year-by-year

downtrend, compared with 2012 and 2013. After a good performance in 2013, the steel sector suffered a setback in 2014. Both Fosun and Nangang have determined the relevant problems and taken a series of corrective actions, for example, the Lock-out & Tag-out Procedures will be implemented in 2015 to fully control safety accidents during maintenance and repair. For the real estate segment, as a developer, Fosun Group was strict with the implementation of the regional responsibility system for all projects, to strengthen the supervision and management on safe and civilized construction of the general contracting and subcontracting construction teams. In 2013, three casualty accidents and one fire accident occurred in the real estate segment. In order to reduce the accident rate effectively, besides normal supervision by the supervisor and the involvement of the project director in safety supervision, the relevant enterprises hired a third-party consulting company to conduct review audit on safety control of the projects, so as to find problems in time and urge relevant developers to make corrections.

The statistics of work injuries of full-time employees of Fosun Group are as follows:

Casualty & injury statistics of full-time employees of Fosun Group in 2012-2014												
	Mining segment			Steel segment			Real estate segment			Medicine segment		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014

Number of full-time employees	4737	4464	4375	13050	14474	14026	3078	1807	2067	8445	14675	15757
Number of fatalities	1	1	0	0	0	1	0	0	0	0	1*	0
Number of severe injuries	0	0	0	0	0	0	0	0	0	0	0	0
Number of occupational disease patients	0	0	0	0	0	0	0	0	0	0	0	0

\* Caused by a traffic accident on the way to work.

## ESTABLISHING THE GROUP'S EHS SYSTEM AND STRENGTHENING GROUP AUDIT



In 2013, the Group launched an EHS system manual and reviewed the system against international requirements and Fosun's specific circumstances. In 2014, our headquarters commenced a group audit with 10 controlling companies after carrying out training and trial operations focusing the system, covering every major segment such as pharmaceuticals, steel and mining, while other enterprises implemented their own audit exercises. The audit results were reported to the Board, and the internal reports based on audit findings were sent to each enterprise for implementing relevant

rectification measures to effectively control relevant risks. Each enterprise actively participated in and competed against one another after implementation of this enterprise scoring system, thereby created an excellent EHS control atmosphere within the Group. The Group will continue to implement a group audit in 2015.

This system is based on the foundation of OHSAS18001, ISO14001 and national safety production standards, while adopting risk control theories as its

core rationale and PDCA cycle (Plan, Do, Check, Act) as its implementation protocol, including 5 major parts, namely systemic management elements, environment, safety, occupational hygiene, firefighting and loss prevention.

## **FULLY SUPPORT ENTERPRISES TO COMMENCE SAFETY AND ENVIRONMENTAL PROTECTION ACTIVITIES**

Fosun Group actively supports safety and environmental protection upgrades and the transformation of the investees, and truly protected enterprises' investments in safety and environmental protection.

### 1) Steel segment

In terms of safety, compared with the past few years, the overall situation of Nangang is stabilizing and heading in a positive direction, though the process has some fluctuations. Nangang has been working hard and keeps on improving the working environment for the employees. In 2014, one gas poisoning accident occurred in a steelmaking plant of Nangang, causing one fatality. When implementing corrective measures according to the "Four No-tolerances" principle, the company revised the accident classification management system and strengthened the management of slight injuries and near-miss incidents. Accident analysis meetings were also organized for slight injuries and near-miss incidents to analyze the accident causes, develop preventive measures and take timely action to prevent major accidents from occurring.

Nangang has established an overall safety objective of building an intrinsically safe enterprise, and trying to build a reliable and standard safe work environment for employees. To rectify potential safety hazards, Fosun Group provides all-out support. In 2014, Nangang prepared the Technical Standard on Intrinsic Safety of Equipment and provided RMB20 million to promote intrinsic safety; a 100km protecting net for the company's conveyor belt has been fully installed; protective casings were installed at the

rotating part of the equipment, and hazardous areas were investigated, with protective barriers installed; special rectifications of gas facilities were organized, water seals for gas and blind valves were optimized, and gas alarms were added; holes for equipment hoisting, energy media valves, power supply cabinets and electrical rooms were locked out and controlled by special personnel, and the intrinsic safety of equipment was improved significantly.



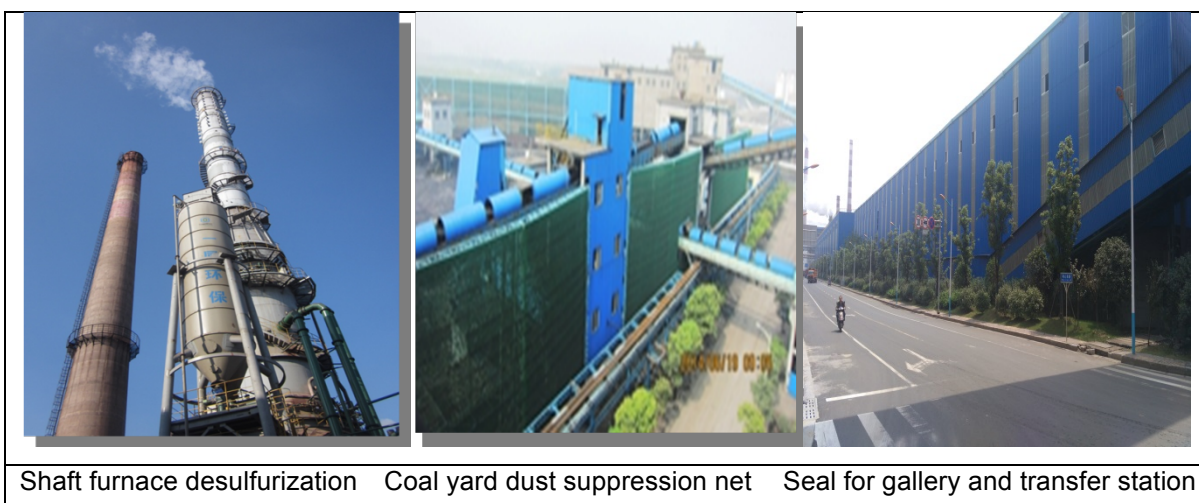
△ Case of potential problem rectification: safety protective net and supporting roller added for belt conveyer



△ Case of potential problem rectification: rotating equipment area isolated and equipped with alarm interlocking device

With respect to environmental protection, Nangang visited European steel

section plants and the China Steel Corporation in Taiwan successively, and prepared a Three-year Plan for Environmental Promotion. Meanwhile, RMB166 million was invested in technical renovation for environmental protection and more than 40 environmental technical renovation projects were implemented to carry out pollution control and plant site environmental improvement, and to accelerate the upgrade of the existing environmental protection facilities. To promote the total emission reduction project, RMB40 million was invested to build two pelletizing furnace flue gas desulfurization facilities, which can reduce emission of sulfur dioxide by more than 2,000 tons per year. These efforts made it the first domestic steel manufacturer with both sintering and pelletizing flue gas desulfurization. The coal yard dust suppression net was built to construct a "green barrier" for open coal yard. A seal modification for the conveyer gallery and transfer station was implemented to create favorable conditions for controlling the dust emission of plant site. World-leading environmental protection technology was used and a 360 sintering machine discharge electric dust collector was changed to "ultra-low emission" with bag dust removal. The landscape promotion and modification of the plant site was basically completed, and many environmental protection indexes such as pollutant in waste gas and waste water have reached domestic top level. The company bears its corporate social responsibility, promotes cleaner production and reduces pollutant emission from the source and the production process to protect the environment.



The current main environmental protection data for the steel segment is shown below. With the additional renovations planned over the next three years, the plant will soon take its place as one of the top facilities domestically as well as internationally

Index		2012	2013	2014	Cleaner production Class-A standard
Waste gas	SO2 (kg/t.steel)	1.16	0.99	0.67	1
	Smoke dust (kg/t.steel)	0.76	0.90	0.73	1
Waste water	COD(kg/t.steel)	0.02	0.024	0.025	0.2
	Ammonia nitrogen	0.001	0.00057	0.0004	/
	Per-ton-steel new water consumption (m3/t.steel)	3.66	3.58	3.58	6
Solid waste	General solid waste (t)	$3.94 \times 10^6$	$3.36 \times 10^6$	$4.64 \times 10^6$	/
	Hazardous waste (t)	$1.82 \times 10^3$	$2.69 \times 10^3$	$1.98 \times 10^3$	/

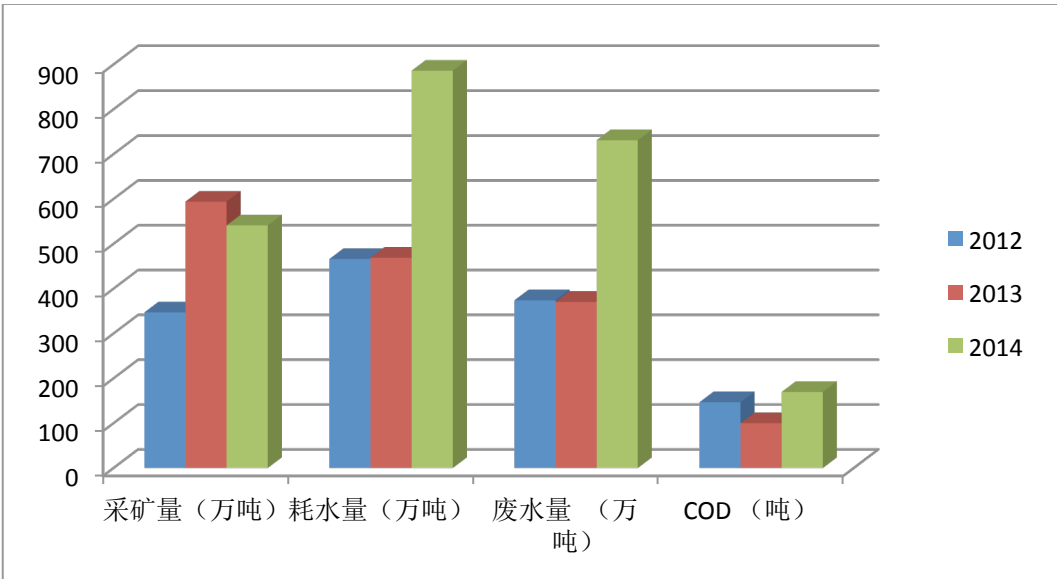
## 2) Mining segment

The safety and environmental protection status of the company remains stable and was better than the previous year, having achieved its goal of "Six ZEROs," namely zero fatalities, zero serious injuries, zero major equipment accidents, zero fire accidents, zero minor injuries and zero major contamination accidents, providing strong support for the normal production and operation of the company. The company organized its subunits to conduct a quarterly safety check and its professional safety supervision team to conduct semi-annual safety checks to find the potential problems and supervise corrective



measures. In 2014, about RMB23.8568 million was invested in various potential problem rectification projects such as side slope, flood control and maintenance (some projects are unfinished, and counted according to budget).

Fosun Group stresses the environmental protection of mining enterprises, and focuses on the discharge of three industrial wastes, water resources conservation and land resources conservation to build green mines. For instance, about 24 million tons of ore dressing waste water is purified and recycled per year. In 2014, we organized employees to carry out mine reclamation and tree planting activities. Company units have planted 450,000 acacia seedlings, 150,000 wild chrysanthemum flower seedlings and 30,000 hedge acacia seedlings at the 280 dumping site, Fengshuxia Mining Area and the ending side slope of Beiyi Mining Area; and 17,000 landscape tree seedlings and 4800 m<sup>2</sup> turf were planted around company sites. The area of newly added green surface in the mining areas comprises about 236,000 m<sup>2</sup>.



采矿量 (万吨) : mining quantity (10k tons)    耗水量 (万吨) : water consumption (10k tons)  
 废水量 (万吨) : waste water discharge (10k tons)    COD (吨) : COD (tons)

\* In 2014, the newly built lean ore dressing plant was put into operation officially and thus the total water consumption, waste water discharge and COD increased significantly. Considering this situation, the company has made relevant water conservation plan.





The statistics of the primary indicators in environmental protection and industrial health for mining segment are shown below:

Indicator	2012	2013	2014
Industrial waste water discharge compliance rate	100%	100%	100%
Industrial waste gas emission compliance rate	100%	100%	100%
Recycled water utilization rate	90%	83%	83%
Work site dust up-to-standard rate	93.05%	94.28%	94.30%

For the dust emission posts at the work site, Hainan Mining has provided relevant PPEs to the workers according to national standards. In the past few years, the number of occupational disease patients of Hainan Mining was 0.

### 3) Pharmaceutical segment

Fosun Pharmaceutical attaches great importance to the EHS management system for enterprise development and social responsibility. When the business scale keeps on expanding and the business performance keeps on growing, the company never forgets its social responsibility as a corporate citizen. Fosun Pharmaceutical focuses on the construction and improvement of the EHS management system, setting up an EHS Management System Work Committee, establishing an integrated management system for the listed company and the member enterprises, carrying out communication and coordination of daily EHS management work, controlling and checking the status of environmental protection, occupational health maintenance and work safety of the member enterprises, supervising the environmental protection work of the member enterprises, caring for the occupational health of employees, complying with the work safety specifications strictly, and ensuring that no major safety and personal injury accidents or major environmental pollution incidents occurred. Within the report period,

the EHS Department of the company did not receive any EHS accident (up to the level that should be reported) reports from other member companies except a non-responsible fire accident at Handan Moluodan.

In daily EHS management, Fosun Pharmaceutical EHS Management Department helps the professional EHS managers of Fosun Pharmaceutical and the controlled member enterprises to promote job skills, supervise the process safety and EHS risk control status of the member enterprises, and control the EHS risk of investment projects. In particular, Fosun Pharmaceutical organized the EHS managerial personnel and process engineering personnel of all member enterprises to receive a three-day training on the process safety knowledge and the basic skills of safety management. To prevent and control EHS risk, in 2014, Fosun Pharmaceutical released the procedures and standard requirements such as the Investment Project EHS Due Diligence Procedures, the Process Safety and EHS Risk Survey Management Procedures, the Early Warning on Electric Fire and Self-checking and the Early Warning on Flammable Powder Control Measures and Self-checking to help and guide the investment teams, and the member enterprises to handle the EHS risk during the operation.

Year	Total water consumption (in: m3/year)	Total power consumption (in: KWH/year)	Coal equivalent of power (in: kg/year)	Total consumption of other energies (converted into coal equivalent) (in: kg/y)
2012	6,175,823	249,387,502	No statistics	79,928,627
2013	7,777,884	365,006,317	44,859,276	120,177,461
2014	8,377,364	421,765,752	51,835,011	122,713,255

In terms of EHS compliance management, before the implementation of the new Environmental Protection Law and Safety Law, Fosun Group requires all member enterprises of Fosun Pharmaceutical to the self-checking procedures and ensure that the member enterprises comply with the new Environmental Protection Law and Safety Law strictly. The EHS Management Department issues updates of EHS laws and regulations and circulars to member enterprises on a monthly basis, to help the member enterprises to identify and meet the requirements for compliance with the laws and regulations on environment, health and safety management.

In 2014, Fosun Pharmaceutical invested about RMB32 million in environmental protection facilities and about RMB20 million in safety and fire protection facilities; the above investments did not include personal expenses. With the huge input of funds and human resources, the member enterprises constructed complete fire protection and environmental protection facilities, which have been in continuous normal running state, playing an active role in prevention or elimination of major safety accidents and elimination of environmental pollution incidents.

Comparison of energy resources consumption of Fosun Pharmaceutical during the past three years

Discharge of three wastes (waste water, waste gas and solid waste) of Fosun Pharmaceutical:

Item		2012	2013	2014
Waste water	Total waste water (t)	4954060	5946688	5065312
	COD (t)	343	498	438
	Ammonia nitrogen (t)	31.1	41.7	60.7
Waste gas	Total waste gas (m3)	1034235304	999419860	1676421252
	Sulfur oxides (t)	238	328	80.4
Solid waste	Total solid waste (t)	2134	47015	46514
	Total hazardous waste (t)	357	996	627

For the detailed data, please refer to the CSR reports of Fosun Pharmaceutical in past years.

#### 4) Real estate segment

In terms of safety management for real estate development, Fosun Property attaches great importance to the safety management of its own employees and contractors. First, it reviewed the safety performance of the bidding enterprises during the selection of contractor, and required the relevant contractors to sign the work safety agreement and be responsible for work safety. During the course of construction, Fosun stressed the regional responsibility system of the construction site; the safety management of construction workers was equivalent to management of its own employees; the supervisors, general contractors and subcontractors were coordinated and supervised to perform their own duties; the safety supervision was strengthened; and assistance was given effectively to contractors to control the accident rate. Meanwhile, within the report period of 2014, no work injury accidents occurred with any employees of Fosun Property and its subordinate enterprises.

In terms of environmental protection, Fosun Group strictly implemented its system of "Three SIMULTANEOUSNESS" for environmental assessment, taking the initiative in civilized construction for job sites and controlling dust emissions. At the design stage, a green design was proposed and energy

conservation and emission reduction systems were required with respect to property management. For instance, the Bund Finance Center (BFC) has earned LEED certification and Green Three-star certification and will be built into a "green landmark" within the century building complex in the Bund. In addition, Fosun Property is building smart building products and has set up the "Smart Hive Joint Lab" together with Haier Smart Home Appliance Technology Co., Ltd., in the hope of finding a solution for energy conservation and consumption reduction in buildings. This cooperation is an important step of the "Smart Hive" program initiated by the research institute of Fosun Property. The "Wisdom Hive" program will introduce mobile Internet and smart city resources for "hive cities" in response to Fosun Group's "Embrace the Internet" strategy to create smarter "hive city" projects with mobile internet and intelligent technology. The "Fosun Property - Haier U-home Smart Hive Joint Lab" is one of the important platforms of this program. By combining intelligent and mobile Internet technology, through joint R&D, smart products such as "healthy hut" and "healthy apartment" smart service systems are provided for the "Healthy Hive" project, creating a smart health service system with unique features of Fosun.

- **The Bund Finance Center (BFC)**





The Bund Finance Center (BFC) is the first "International City Reception Room" in the Bund financial agglomeration, a world arena that carries China's dreams of thriving international finance for the future. BFC is located at the core position of the Bund financial agglomeration, holding the best landscape resources of Shanghai. It runs along the Huangpu River for 418 meters, adjacent to the "exotic building cluster", and facing Pudong Lujiazui CBD across the river, with Yu Garden in the west, the "exotic building cluster" in the north, Lujiazui in the east and close to the Shiliupu International Terminal.

As the first experience-type complex financial center in the Bund financial agglomeration,

BFC has integrated multiple functions including finance, business, tourism, culture and art, covering five major business types: corporate club, corporate headquarters, shopping center, art center and boutique hotel. The total building area of this project is about 42 hectares, including about 19 hectares of office area, and two 180m high Class-A international office buildings. The total building area of the shopping mall is about 9 hectares, that of hotels is about 3 hectares and that of culture & art center is about 4,000 square meters.

## ● Part VI: Commitment to the Community and Society

Fosun Foundation was officially established in September 2012, which was the 20th anniversary of Fosun Group. Fosun Foundation has always been committed to integrating the resources of all member companies of the Group and all members of the community. Upholding our cultural philosophy of “Self-improvement, Teamwork, Performance and Contribution to Society”, we promote resource integration and optimization with internal and external enterprises, which forms resource “Closed-Loops” based on the platform of Fosun Foundation and propels the ongoing “Evolution” of Fosun.



Fosun Foundation sponsors projects that meet the Group's philanthropy objectives – helping children and the young people with their education, promoting youth employment and ventures, caring for health of the aged, protecting traditional Chinese cultures, etc. During 2014, Fosun Foundation received 30 donations from various sectors of the community for a total amount of RMB39.5627 million, and sponsored 51 charitable projects with a total fund of approximately RMB34.1441 million. The foundation also conducted an evaluation of some of its key programs.

## **PRAMERICA FOSUN SPIRIT OF COMMUNITY AWARDS**

On 20 March 2014, the First PRC Award Ceremony of Pramerica Fosun Spirit of Community Awards was held in Shanghai. It was led by China Communist Youth League Shanghai Municipal Committee, and was jointly organized by Fosun Foundation and

Prudential Financial, Inc., and co-organized by Pramerica Fosun Life Insurance. The organizer elected 2 golden prize winners in total, honoring them as “Charity Ambassadors,” and arranged for 15 celebrity volunteers and 30 premier volunteers, and the golden prize to receive their awards in the United States. Various media such as Xinhua.net, ifeng.com, QQ and Sina also reported on the election and awards comprehensively.

Pramerica Fosun Spirit of Community Awards is the largest community volunteer services award given to the children in the United States. The awards were introduced to China by Fosun Foundation and Prudential Financial, Inc., targeting young people aged 12 to 18 throughout China to help others, serve the community and contribute to the society through participating in voluntary activities. Pramerica Fosun Spirit of Community Awards teaches young people to participate in voluntary activities, starting as minors. The program is meaningful to the long-term establishment of voluntary teams in China.

### **Natural Environment Conservation Projects**

Fosun Group not only strives to create a harmonious business ecosystem, but also is concerned with the conservation of a healthy



natural ecology. Fosun Group works together with The Nature Conservancy (TNC) towards the conservation of the natural environment. In 2014, through Shanghai Fosun Foundation, Fosun donated RMB3.5 million to West Sichuan Foundation for Nature Conservancy for projects in environmentally protected areas in Sichuan and other parts of China, including the construction of Laohegou Nature Reserve. Fosun Group hopes to participate in the construction of nature reserves and to jointly promote the undertaking of nature conservancy by providing funding, so that the sustainability and conservation can be promoted to a wider extent.



**RESPECT TEACHERS AND FOCUS ON TEACHING,  
ASSISTING IN CULTIVATING TALENTS**

The Group has been interested in education since its establishment, and has been constantly helping many students improve their skills.

### **Concerning youth education**

On 9 September 2014, the award ceremony of the 13th Fosun “Respect Teacher Award” was held in Jiulong Model Secondary School. During the past 13 years, Fosun Foundation has donated RMB500,000 each year to Jiulong Model Secondary School to honor outstanding teachers in Jiulong. The Fosun Respect Teacher Award was established in 2001. To date, RMB6.5 million has been donated and 821 teachers have been honored in total. In 2012, when Dongyang High School celebrated its centenary, Fosun set up the “Fosun Education Fund for Dongyang High School.” The fund was set up to encourage teachers of Dongyang High School to devote themselves to teaching and strive to cultivate innovative talents, while encouraging students of Dongyang High School to study hard and be determined to improve themselves . On Apr. 4, 2014, Fosun Foundation allocated RMB700,000 to award winners of the first “Fosun Education Fund for Dongyang High School”, among whom was a child who lost both parents and lived upon his 70-year-old grandfather, but being excellent in character and learning, also benefited from the education fund.

### **Sponsoring university students to become talents**

Fosun Group has attached importance to and supported education in China. In recent years, Fosun Pharma set up scholarships and teaching awards with five universities, including Shanghai Fudan University, Shenyang Pharmaceutical University and China Pharmaceutical University to drive the continued improvement of education and to help teachers and students to achieve great achievements in scientific research. On 31 December 2014, the China Pharmaceutical University Fosun Pharma award ceremony was held in the Economy Management Art Building. The scholarship and teaching awards play an important role in encouraging teachers to further their education, cultivate the comprehensive quality and innovative capability of university students, especially postgraduate students in this era, and to promote the cultivation of unique talents at the university.

### **Donate RMB100 million to set up the “Health Dream Fund”**

Through Fosun Foundation, Fosun Group signed an agreement with Fudan University Education Development Foundation, donating RMB100 million to promote the development of education at Fudan University. It set up the “Fudan - Fosun Health Dream

Fund” for the construction of the “No. 1 Medical Research Building” at Fudan University and to support the medical development strategy of the university and outstanding teams and individuals in the fields of medical research, innovation management, achievement transformation and educational development. In the coming years, Fosun Group will continue the donation to support the evolution of education at Fudan University.







### **Join hands with Hainan to realize the dream of students**

Fosun Group not only cares for Shanghai students but also actively supports the educational efforts of other provinces. On Aug. 15, 2007, the donation ceremony of Fosun and China Glory Society in Hainan Province was held in Haikou, and Fosun established the fund with a total of RMB10 million. Since 2007, through China Glory Society, Fosun has provided living allowances annually to 400 poor but excellent high school students of five ordinary high schools in Hainan Province, at a standard of no less than RMB1,800 per person per year, for 20 consecutive years. That was the first large donation for high school students received by Hainan, for which the Hainan Provincial Government expressed its heartfelt thanks. The

establishment of the fund has not only granted the wish of poor students wanting to continue their education, but also extended the expectations of students' families for the future.





## **“FOSUN FAMILY, CARING ELDERS”: FOSUN AND FORTE’S COMMUNITY ACTIVITY HAS BEEN “ON THE ROAD”**

In November 2014, Fosun Foundation and Forte co-organized “Fosun Family, Caring Elders,” a major community service event held in eight cities simultaneously, including Shanghai, Nanjing, Beijing, Changsha, Wuhan, Chengdu, Chongqing and Hangzhou. The month-long program was designed to help seniors live according to their own distinctive lifestyles. Every senior citizen cared for under the “Fosun Family, Caring Elders” program received “tailor-made” assistance that changed according to the habits, customs and culture of each of the eight cities. The effort covered consultation and seminars in Tai Chi, calligraphy and photography, and also offered assistance with healthcare, food and food preparation, and education and life-skills training. Various cross-broader resources including Fosun Pharma, For Me Pharmacy, i-Taichi, Pramerica Fosun Life Insurance and Club Med participated in the activity, helping to “redefine” and improve the lifestyles of the senior citizens. This was the first activity of its kind in the entire industry.

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The community activities were supported by the relevant

governments and agencies of each of the eight participating cities and generated enthusiastic responses. Popular websites such as Xinhuanet, Sina and Net Ease, Inc also conducted tracking reports. It actively promotes the cultural atmosphere of “Honor Elders, Respect Elders and Love Elders.”

### **LITTLE CITY DREAMER—COLORS LIGHTING CHILDREN’S HEART SERIES COMMUNITY ACTIVITY**

Conserve the creative soul and imagine the future of city: Fosun Foundation and Fosun Forte initiated the “Little City Dreamer” program, which encourages children’s artistic imagination and originality through theme painting and exhibitions. During the course, which is designed to foster creativity, children will learn how to see the world with a broad vision, be kind to their homes, remain close to nature and advocate environmental protection.





Fosun remains dedicated to teaching children, helping them to achieve their artistic dreams, promote their participation in community and charity undertakings, and to promote society's attention and investment in children's spiritual health, mental

cultivation and artistic education. The company strives to ensure that this is not only an art course for children, but also a hall of love.



## CARE FOR CHILDREN'S GROWTH

**“COMMUNITY HEALTHY RUN”——HELPING CHILDREN IN  
NEED TO GROW HEALTHILY**



On 27 December 2014, “Community Healthy Run” co-organized by Fosun Foundation and Fosun Pharma was held at the headquarters of Fosun Pharma. The objective of this event was to “raise awareness of fitness, environmental protection and energy saving, and demonstrate team cooperation spirit.” The event saw participation from various stakeholders including Fosun staff, family members and media. Meanwhile, Fosun Pharma set up community donation boxes, allowing all people with a caring heart to contribute their kindness to the community according to their capabilities.

Each team that completed the race would raise RMB3,000 donated by Fosun Pharma and Fosun Foundation, respectively. Together with the donation boxes placed on the site, “Community Healthy Run” actually raised a total of RMB84,000.

Fosun Foundation and Fosun Pharma will use these donations for charitable activities and community affairs, focusing on fostering the joyful and healthy growth of children in need. Fosun wishes to gather various stakeholders to contribute to community affairs, to build up a harmonious industry ecosystem and to form a healthy organic body.

## **Launch of “Ai You Foundation”**

Fosun Group pays attention to children’s health and development, identifies outstanding children’s charity projects or programs constantly, and cooperates with them by offering the internal and external public welfare resources of Fosun Group to provide assistance to children’s charity projects. For example, Fosun Group participated in the launch of “Ai You Foundation” to focus on medical assistance to orphaned or poor children.

In 2014, in order to allow more orphaned and poor or disabled children to receive medical assistance, and to help children grow healthily, Shanghai Fosun Foundation donated RMB3.5 million to Ai You Foundation.

## **FOSUN SHOWS ITS CARE FOR LUDIAN AND HAINAN**

At 16:30 on 3 August 2014, a 6.5-magnitude earthquake suddenly occurred in Ludian County, Zhaotong City, Yunnan Province. Fosun immediately responded, with Fosun Foundation mobilizing Fosun Pharma and its subsidiaries, Yaoyou Pharmaceutical and Guilin Pharmaceutical, to organize the urgent delivery of the first batch of pharmaceuticals valued at RMB2 million. They overcame difficulties such as getting transportation and manpower to the site,

delivering immediate emergency relief through the Yunnan Provincial Department of Civil Affairs, thereby providing actual support to the front line of earthquake and disaster relief.

In July 2014 when Hainan was hit by a windstorm, Fosun Group joined hands with Hainan Mining and Hainan Atlantis Travel Development Co., Ltd. to donate RMB5 million to the Yunnan Provincial Department of Civil Affairs to show its care for the disaster area.



## BEING COMMITTED TO PROMOTING TRADITIONAL CHINESE CULTURE

Over the years, adhering to the principle of economic rejuvenation

based on cultural revitalization, Fosun Group and Fosun Foundation have remained committed to promoting traditional Chinese culture and facilitating the exchange between Chinese and Western cultures, thereby achieving “Self-improvement, Teamwork, Performance and Contribution to Society.” In 2014, Fosun continued to provide strong support for promoting traditional culture such as Guqin and Tai Chi and established the Fosun Qin Academy (复星琴院), which offers door-to-door tuitions to agencies and enterprises and communities in need. Fosun also continues to sponsor the Shanghai Symphony Orchestra, recently providing RMB5 million to assist in the better growth of the orchestra, promoting classical music and Sino-Western cultural exchanges.









## Summary of Donations Received by Fosun Foundation in 2014

Unit: RMB

No.	Donor (Company)	Project	Amount
1	Hainan Mining Co., Ltd.	Disaster relief donation and other donations	4,406,300.00
2	Tebon Securities Co., Ltd. (employees)	General donations	66,365.00
3	Shanghai M&G Stationery Inc.	General donations	1,000,000.00
4	Shanghai Youzu IT Co., Ltd.	General donations	120,000.00
5	Sun Wenyu	Support to academic exchanges of Fudan	20,000.00
6	Shanghai Qingjia Asset Management Co., Ltd.	Support to academic exchanges of Fudan	20,000.00
7	Chengming (Shanghai) Asset Management Co., Ltd.	Support to academic exchanges of Fudan	20,000.00
8	Bain & Company China, Inc.	Support to academic	20,000.00

		exchanges of Fudan	
9	Shanghai Zhisheng Advertising Co., Ltd.	Support to academic exchanges of Fudan	20,000.00
10	Shanghai Forte Land Co., Ltd.	General donations	5,000,000.00
11	Shanghai Youlian Education Information Consulting Services Co., Ltd.	General donations	280,000.00
12	Shanghai Ruiqi Investment Co., Ltd.	General donations	120,000.00
13	Shanghai Hongyi Business Co., Ltd.	General donations	80,000.00
14	Shanghai Sino Media Co., Ltd.	General donations	160,000.00
15	Shanghai Fosun Pharmaceutical Industry Development Co., Ltd.	General donations	5,000,000.00
16	Shanghai Fosun Capital Investment Management Co., Ltd.	General donations	2,020,000.00
17	Yangzhou Huxi Investment Operations Co., Ltd.	Support to academic exchanges of Fudan	20,000.00
18	iKang Healthcare Group, Inc.	Support to academic exchanges of Fudan	100,000.00
19	Shanghai Jiuyuan Publishing Services Co., Ltd.	Nonprofit book fair	300,000.00
20	Cai Wei	General donations	100,000.00
21	Changyuan (Tianjin) Fund Management Co., Ltd.	Support to academic exchanges of Fudan	20,000.00
22	Wang Zheng	Support to academic exchanges of Fudan	20,000.00
23	Shanghai Yunfeng Investment Management Co., Ltd.	Support to academic exchanges of Fudan	120,000.00
24	Shanghai Haijia Business Consulting Co., Ltd.	Support to academic exchanges of Fudan	100,000.00
25	DT Capital Investment & Consulting (Shanghai) Co., Ltd.	General donations	130,000.00
26	Weida High Technology (Group) Co., Ltd.	General donations	100,000.00
27	Wonders Information Co., Ltd.	General donations	100,000.00
28	Haining Yinrun Pictures Co., Ltd.	General donations	100,000.00
29	Shanghai Xingye Investment Development Co., Ltd.	General donations	10,000,000.00
30	Shanghai Fosun Industrial Technology Development Co., Ltd.	General donations	10,000,000.00

## Summary of Projects Donated by Fosun Foundation in 2014

Unit: RMB

No.	Receiving Company	Project Description	Amount
01	Shanghai Glory Society	Support to education and old and lonely people in poor areas	1,350,000.00
02	Shanghai Symphony Development Foundation	Support to Shanghai symphony career	3,000,000.00
03	Shanghai Biopharmaceuticals Industry Association	Fund for scholarship awards	500,000.00
04	Hainan Mining Co., Ltd.	Poverty alleviation	66,300.00
05	Shanghai United Book Industry Exhibition Co., Ltd.	Support to Shanghai Book Fair & "Chineseall" Shanghai Week	300,000.00
06	Beijing Green & Shine Foundation	Scholarship awards to normal college students in scientific education major	50,000.00
07	Shanghai Front Command for Partner	Fund for investment promotion of Xinjiang	2,240,000.00

	Assistance to Xinjiang		
08	Red Cross Society of China, Putuo Branch	Support to post-disaster reconstruction	2,000,000.00
09	Shanghai Committee of the China Democratic League	Support to research and political participation	400,000.00
10	Fudan University Alumni	Support to academic exchanges of Fudan	1,300,000.00
11	China Bentley Culture Development Co., Ltd.	Support to cultural activities	600,000.00
12	China Glory Society	Support education development and poverty alleviation	1,100,000.00
13	The Second Middle School Attached to Fudan University	Establishment of scholarship	100,000.00
14	Shanghai Chen Style Tai Chi Chen Xiaowang Chinese Boxing Research Society	Support to Tai Chi teaching and promotion of Tai Chi culture	2,102,720.00
15	Yaying Village Committee of Shilu Town, Changjiang Li Autonomous County	Support to overhead expenses of Shilu Town People's Government	240,000.00
16	Family members of Wang Xuejing	Donations	66,365.00
17	Putian Charity Federation	Support to studying and living expenses of orphans of Linbing Village, Guohuan Town, Hanjiang District, Putian City	600,000.00
18	Non-tax Income Clearing Account of Dongyang Finance Bureau	Support to economic development	1,350,000.00
19	Shanghai Youth Development Foundation	Support to youth public service undertakings	150,000.00
20	Shanghai Education Development Foundation	Support to construction of Project Hope	1,500,000.00
21	Jackie Chan Charitable Foundation Beijing	Support to development of the charitable foundation	300,000.00
22	Shanghai University	Support to compilation of series of cultural books	150,000.00
23	Shanghai Hongyun Business Consulting Co., Ltd.	Project expenses	32,696.00
24	China Universal Foundation	Support to youth development	30,000.00
25	Ai You Foundation	Support to medical assistance to orphaned and poor or disabled children	1,500,000.00
26	West Sichuan Foundation for Nature Conservancy	Support to construction of environmental protection	3,500,000.00
27	The Taizhou Chamber of Commerce in Shanghai	Treatment of sick children	10,000.00
28	Hainan Xinghe Sports Culture Development Co., Ltd.	Support to cultural development	100,000.00
29	Department of Civil Affairs of Hainan Province	Donation to areas affected by typhoon	5,000,000.00
30	Hainan Disabled Person's Foundation	Support to the cause of disable people	100,000.00
31	Huang He, Chinese Students and Scholars Association at UCL Union	Support to Chinese Students and Scholars Association at UCL Union	30,000.00
32	Shanghai Rare Disease Prevention and Control Foundation	Support to the foundation of the Rare Disease Foundation	500,000.00

33	Chinese Association of Plastics and Aesthetics	Support to academic research	700,000.00
34	Poverty Alleviation Foundation of Lingrui Old Liberated Area of Henan Province	Support to education development of Lingrui Old Liberated Area of Xin County, Henan Province	900,000.00
35	Chinese Journal of New Drugs Co., Ltd.	Award to publication of papers by excellent students	576,000.00
36	Shanghai Chamber of Commerce of Hainan	Support to investment development	50,000.00
37	Xingshi Village Committee of Xinxing Town, Tunchang County	Poverty alleviation	600,000.00
38	Huazhong University of Science and Technology Education Development Foundation	Support to education development	20,000.00
39	China Pharmaceutical University	Support to education development	100,000.00
40	Sichuan University Education Foundation	Support to education development	20,000.00
41	Shenyang Pharmaceutical University	Support to education development	20,000.00
42	Fudan University Education Development Foundation	Support to education development	260,000.00
43	Shanghai Songting Forte Real Estate Development Co., Ltd.	Support to activities such as Loving Care for the Elderly and Small City Dreamers	60,000.00
44	Zhejiang Forte Real Estate Development Co., Ltd.	Support to activities such as Loving Care for the Elderly and Small City Dreamers	60,000.00
45	Changsha Forte Real Estate Development Co., Ltd.	Support to activities such as Loving Care for the Elderly and Small City Dreamers	60,000.00
46	Beijing Forte Real Estate Development Co., Ltd.	Support to activities such as Loving Care for the Elderly and Small City Dreamers	60,000.00
47	Chengdu Forte Real Estate Co., Ltd.	Support to activities such as Loving Care for the Elderly and Small City Dreamers	60,000.00
48	Wuhan Zhongbei Real Estate Development Co., Ltd.	Support to activities such as Loving Care for the Elderly and Small City Dreamers	60,000.00
49	Chongqing Fuxin Real Estate Co., Ltd.	Support to activities such as Loving Care for the Elderly and Small City Dreamers	60,000.00
50	Nanjing Forte Dongjun Real Estate Co., Ltd.	Support to activities such as Loving Care for the Elderly and Small City Dreamers	60,000.00
51	Tour of Hainan International Road Cycling Race Co., Ltd.	Support to Tour of Hainan Cycling Race	150,000.00

## Balance Sheet of Fosun Foundation

Unit: RMB

Asset	Line	Beginning Balance	Ending Balance	Liability and Net Asset	Line	Beginning Balance	Ending Balance
Current assets:				Current liabilities:			
Monetary capital	1	10,037,063.47	14,319,421.79	Short-term loans	61		
Short-term investments	2			Payables	62		400.00
Receivables	3			Wages payable	63		
Advance payments	4			Taxes payable	65		20,000.00

Inventories	8			Advance from customers	66		
Prepaid and deferred expenses	9			Accrued expenses	71		
Long-term equity investments due in one year	15			Estimated liabilities	72		
Other current assets	18			Long-term liabilities due in one year	74		
Subtotal of current assets	20	10,037,063.47	14,319,421.79	Other current liabilities	78		
				Subtotal of current liabilities	80		20,400.00
Long-term investments:							
Long-term equity investments	21			Long-term liabilities:			
Long-term debt investments	24			Long-term loans	81		
Subtotal of long-term investments	30			Long-term payables	84		
				Other long-term liabilities	88		
Fixed assets:				Subtotal of long-term liabilities	90		
Original price of fixed assets	31						
Less: accumulated depreciation	32			Fiduciary agent Liabilities:			
Net value of fixed assets	33			Fiduciary agent Liabilities	91		
Construction in progress	34						



Heritage and cultural assets	35			Total liabilities	100		20,400.00
Disposal of fixed assets	38						
Subtotal of fixed assets	40						
Intangible assets:							
Intangible assets	41			Net assets:			
				Unlimited net assets	101	10,037,063.47	14,299,021.79
Fiduciary agent assets:				Limited net assets	105		
Fiduciary agent assets	51			Total net assets	110	10,037,063.47	14,299,021.79
Total assets	60	10,037,063.47	14,319,421.79	Total liabilities and net assets	120	10,037,063.47	14,319,421.79