

FOSUN 复星

復星國際有限公司
FOSUN INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00656)

Annual Report 2016



深·展



—— 智造幸福生態圈 ——
DEEPENING FLOURISHING
Creating a Happiness Ecosystem for Success

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Message from the Management

This environmental, social and governance report aims to illustrate the Group's policies, performance and measures on environment, employment, health and safety, development and training, labor standards, supply chain management, product liability, anti-corruption and community investment in an objective and balanced manner and covers the main businesses operated by the Group and its important investees. The report has been prepared in accordance with the revised "Guidelines on Environmental, Social and Governance Reports" published by the Hong Kong Stock Exchange in December 2015.

Social Welfare of Fosun

Since the establishment of the Group, it has adhered to the concept of "Self-improvement, Teamwork, Performance and Contribution to Society". The Group has been fulfilling corporate social responsibility, and committed to serving the community, people, and country.

Fosun Foundation was founded in November 2012, a public welfare organization whose main donor is the Group. Fosun Foundation is engaged in aiding victims of natural disasters, helping the under-privileged and the physically challenged people and funding cultural and educational public welfare, youth start-up, employment and other social welfare undertakings. Over the years, Fosun Foundation has donated more than 40 public welfare programs annually with education and culture as the two main directions, and the annual donation reached RMB45 million.

In 2015, Fosun Foundation began to expand overseas public welfare, and has carried out public welfare activities in New York, Lisbon, Berlin and other places to promote the values of Fosun, establish the brand image of Fosun, and open overseas markets.

Protecting Innovative Entrepreneurship Competition in Portugal



Protecting Innovative Entrepreneurship Competition (the "Protecting Competition") is another charity event about fostering young talent. It was launched by Fosun in Portugal after Fosun iLab, the Sino-Portugal MBA Exchange Competition. The Protecting Competition, which is conducted by Fosun through collaboration with Beta-i, a renowned innovative workshop based in Europe, focuses on seeking out talented young people and encourages entrepreneurship among them. It also assists the participants in refining their innovative ideas and provides guidance on project incubation, trains them in the skills of conducting roadshows and attracting investment from venture capital funds.

In 2016, the Protecting Competition successfully carried out the road show in Portugal and China, had a good publicity in Portugal, and promoted exchanges among college students, and interaction among Chinese and Portuguese people. This competition will continue to develop in the future, and become an entrepreneurial activities of international influence once a year.

28 Liberty Community Cultural Activities



28 Liberty of the Group, which is located in New York, always adheres to launching the cultural and public welfare activities, integrates into the community, and serves the public. 28 Liberty assisted the Lower Manhattan Cultural Council in organizing the locally famous River to River Festival, and invited Roomful of Teeth, an A cappella group which won a Grammy award for Best Chamber Music/Ensemble Performance to present a superb show.

In June 2016, Fosun held a piano exhibition with “Singing Hope” on the square before 28 Liberty. It endowed 50 donated pianos with new life and color, and held a tour in five districts of New York to bring the charm of music and art to poor communities. Through the spread of art, all are connected with love and beauty.

Since the acquisition of 28 Liberty, the Group has honored the commitment to serving the community. Through transformation, the square of the building has become the cluster of community amenities. The Group held delicacy festival there, provided free Wi-Fi and other public services, and made relentless efforts for the prosperity of Lower Manhattan.



“InnoStar” International Innovative Entrepreneurship Competition

In November 2016, Fosun “InnoStar” International Innovative Entrepreneurship Competition Finals sponsored by the Group was successfully closed in Shanghai. The competition attracted thousands of internet start-ups from the United States, Europe, Australia and China. Octopus, the internet data collection platform from Shenzhen distinguished from over 1,000 entries around the country and won the championship.

Fudan-Fosun Health Dream Fund

In June 2016, Fudan-Fosun Health Dream Fund Awards Ceremony was held in Fudan University. It was the first time that Fudan-Fosun Health Dream Fund was presented. After the recommendation of various departments and affiliated hospitals and the collective review by the committee, 30 people won Excellent Teacher of Shanghai Medical College Award in 2015, and 8 people won Hospital Management Award.

At the 110th Anniversary of Fudan University, the Group donated RMB100 million through Fosun Foundation to establish “Fudan-Fosun Health Dream Fund”. The fund was mainly used for the construction of Fudan University No.1 Medical Research Building, to support the medical development strategy of Fudan, recognize teams and individuals who make outstanding contributions in medical research, innovation management, achievement transformation and education development, promote the dissemination of the concept of health, help to improve the level of medical services, benefit people and uphold “Chinese Dream” with “Health Dream”.

The Group promoted Sino-German exchanges and made donation to Goethe University

In October 2016, the Group and the German private bank H&A held “Fosun Night” in Frankfurt. In the event, Fosun Foundation donated exchange scholarship to Johann Wolfgang Goethe-Universität Frankfurt am Main (namely Goethe University) and provided German students with opportunities to exchange and study in Chinese first-class universities in the next three years. The move was the commitment of the Fosun Foundation in supporting education for a long-term and attaching importance to the cultural and educational exchanges between China and Germany. The event was another attempt of “breaking down walls and building bridges” in Fosun’s partnership with German enterprises, which further promoted the economic and cultural exchanges between China and Germany.

Fosun Charity Night Concert

In September 2016, the concert “Love of the New World – Fosun Charity Night” hosted by the Fosun Foundation was held at Shanghai Symphony Hall. The revenue of the concert will be used to support the development of public health programs. The concert was the first time that Fosun Foundation held a public performances. In the future, such public shows will be regularly held every year to create a well-known public event in Shanghai.



Fosun endeavors to fulfill corporate social responsibility by participating in voluntary works in Hong Kong

As a renowned non-state-owned Chinese company listed in Hong Kong, Fosun has always been focusing on the sustainable development for its shareholders, investors, media, community and other stakeholders. This year, Fosun received the “Caring Company” logo awarded by The Hong Kong Council of Social Service in recognition of Fosun’s long-term commitment to promoting corporate social responsibility and its continuous efforts in three aspects, namely “Caring for the Community”, “Caring for the Employees” and “Caring for the Environment”.



In 2016, Fosun participated in the “Heart to Heart Project” organized by The Hong Kong Federation of Youth Groups (HKFYG) and became one of the “Heart to Heart Companies”. Through sponsoring Hong Kong teenagers and schools to organize volunteer activities in the neighborhood, Fosun was able to foster the values of making contribution to the society and serving the community.

In October 2016, Fosun organized “Organic Farm Day” with the organic farm of HKFYG. Fosun’s staff brought primary school students from Hong Kong’s low-income families, and provided these students with opportunities to learn about and gain a taste of organic life. This was aimed at instilling the awareness of cherishing natural environment in Hong Kong’s new generation.

In January 2017, Fosun sponsored community project “Neighborhood First” for HKFYG, and organized neighborhood Lunar New Year reunion dinner to enable the elderly who live alone, low-income families, Comprehensive Social Security Assistance families and people with disabilities to experience the festive care from others, so as to express Fosun’s care for the underprivileged communities.



Fosun stepped into Hong Kong University of Science and Technology – Sharing Fosun’s investment philosophy with Hong Kong’s new generation

In September 2016, Fosun Group led a delegation to Hong Kong University of Science and Technology (HKUST), conducting an in-depth communication with students, faculty members and guests from HKUST. The delegation shared Fosun’s investment philosophy with students and encouraged them to create the future with entrepreneurial spirit and seek a win-win development with the society, bringing Fosun’s corporate social responsibility to the campus in Hong Kong.

Public Welfare Travelers



In July 2016, Fosun Foundation launched the first Public Welfare Travelers event with Forte and KUYI. It accommodated Fosun’s tourism and real estate resources to attract the attention of Chinese families to the public welfare of travel destination. In the tsunami-stricken area in Thailand, the young volunteers visited special schools, helped disabled children and planted mangrove on their own to prevent disasters, which embedded the seeds of love in the hearts of young participants and cultivated public welfare successors with public welfare trips.

The Third Pramerica-Fosun Spirit of Community Awards

Fosun Foundation brought Pramerica-Fosun Spirit of Community Awards to China in 2014 and has held the awards for three consecutive years. It has also carried out activities in Beijing and Shanghai to expand the influence, arouse the middle school students’ enthusiasm for public welfare in China, and promote the Chinese teenagers’ awareness with a global perspective.



Community Service Work

The Group knows that community is the foundation on which enterprises are based. Establishing a good image of “qualified citizen” in communities, and seeking collaborative development with communities is a guideline for us to handle community relations. Fosun has always insisted on taking a scientific and pragmatic attitude and effective measures to solve major problems related to community construction so that, on one hand, the business operations of enterprises can really benefit the general public in relevant areas, on the other hand, a harmonious and healthy external environment can be created to enable enterprises to gain a firm foothold and develop steadily from intense market competition. The Group insists on establishing a “sense of resident”, cares for and supports community activities, does good and practical things for the community and establishes a good image of “qualified citizen” in communities.

Social Sponsorship

Social sponsorship is a kind of actions taken by enterprises to contribute to the society and is an activity of manifesting the excellent social image of enterprises through the comprehensive utilization of various resources of enterprises. Under the highly developed modern market economic conditions, Fosun is deeply aware that economic organizations living in today’s society, in addition to considering their own interests, must also assume certain social responsibilities and obligations to show that they are members of the society and shall contribute their efforts to the society. Social sponsorship is an effective way for enterprises to gain trust and support from all sectors of the society and the general public in communities and implement community benefits constantly through corporate behaviors.

Fosun and its portfolio companies adhere to the following principles when engaging in social sponsorship related activities: enhance the sponsorship awareness of all staff particularly enterprise leaders, regard sponsorship activities as a form of contribution to communities; specify the purpose of sponsorship, conduct investigations and researches, carefully select the target for sponsorship; develop a detailed sponsorship plan, strengthen communication with news media when implementing the plan, increase the effectiveness of the activities themselves as much as possible; pay attention to inspection and assessment after finishing the activities, and summarize experience and lessons to provide reference for future sponsorship activities; for other sponsorship requests made by some groups in communities or the public which are beyond the scope of the capacity of enterprises, provide serious explanations or turn to the relevant government departments to help solve the problem.

Community Security

The legal environment of a community not only affects the normal life of community residents but also affects the normal production and operation activities of enterprises. Therefore, both the community public and enterprises should put emphasis on the construction of their surrounding security environment and should make their due contribution to improve the security situation of the surrounding environment.

Fosun has always adhered to compliance with the law and regards compliance as the core requirements of enterprises. Once any violation of the rules and regulations is found within enterprises, it will maintain a zero tolerance strategy and deal with the violation resolutely and severely. Community security is of vital importance in the normal production, operation and life of enterprises. While adopting a stringent approach for themselves, Fosun’s portfolio companies attached great importance to the stability and security of the surrounding communities. We believe that enterprises are more powerful and organizational members within communities with relatively strong human, financial and material resources and should assume the corresponding responsibility. We actively participate in communities’ anti-criminal activities among citizens and assist communities in containing and eliminating hidden dangers in communities.

Collaborative Development

Fosun firmly believes that achieving collaborative development with communities is a high-level goal for enterprises to engage in community activities and it is presented through the formation of increasingly close common interest groups by enterprises and communities. During the specific implementation of the regional collaborative strategy, we adhere to the following ideas:

With the deepening of operation behavior of enterprises, Fosun members should gradually get rid of the intrinsic awareness of emphasizing the completion of economic targets and despising the link with the community economy and should recognize that the comprehensive and stable development of communities is an important support for maintaining the economic power of enterprises and should fully establish the economic ties between enterprises and communities. For the community public, we actively promote the reciprocal relationship between enterprises and the public so as to lead the public to believe that through reasonable reciprocal and mutual exchange channels, the public can conveniently obtain quality products and services provided by Fosun and feel the benefits of community enterprises. At the same time, we establish the ideas of respecting communities and sharing both honor and disgrace with communities, implant the awareness of service and develop the habit of dealing with and solving stakeholder issues in proper consultation with all sectors of communities.

In specific community practices, we try to let enterprises and communities open markets to each other. Many of the life and production materials of enterprises can be provided locally and communities can become material supply bases for various service resources of enterprises. For certain materials required by enterprises, can be obtained from the communities where the enterprises are located, such resources should be effectively used. Resources lacked by communities can be fed back by enterprises. Through the effective promotion of enterprise resources, we can fully activate community resources and increase the production and living standards of the community public.

Enterprises require the expansion of scale, land, staff, policies and other conditions during the development of communities. Under full cooperation between the two sides, complementary advantages as well as a double purpose can be achieved. Basic industries of communities can be fully mobilized. Enterprises can also cut costs and continuously enhance their vitality. The comprehensive capacity of both sides is mutually enhanced through positive interactions. As such, they can gradually become common interest groups.

Supply Chain Management

The overall strategy for procurement management of the Group is: accommodation, evolution, cost reduction, efficiency enhancement. Accommodation and evolution are strategic measures whereas cost reduction and efficiency enhancement are strategic goals. The basic principles for procurement behaviors of the Group are: openness, fairness and equity. The basic principles of the Group for the selection of suppliers are: meet the technical and business requirements, win the bid at the lowest price.

In order to achieve the further standardization, systematization, informationization and sharing of procurement business management of the Group and enterprises controlled by it, the Group has developed and promulgated the "Procurement White Paper" ("**Procurement White Paper**"). The Procurement White Paper has compiled procurement management systems that have been promulgated by the Group: "Basic Guidelines for Procurement Management", "Basic Guidelines for Supplier Management", "Management Measures for Strategic Procurement", "Procurement Management Assessment and Red, Yellow and Green Light Management Measures" and "Procurement-related Complaints Handling Management Regulations". In addition, the Procurement White Paper has also made clear provisions or guidelines in the aspects of procurement system construction, procurement business implementation management, supplier management, procurement resource sharing, procurement management information system and procurement professional code of ethics.

On the basis of carrying out systematization construction, the Group is also actively involved in the construction of the procurement information technology system. Fosun's procurement and tender information platform (ep.fosun.com) provides services to portfolio companies within the Group. Over the past few years, we leveraged our strategic and centralized procurement advantages by focusing on the objective of "cost reduction and efficiency enhancement", engaged in business collaboration and resource sharing, and further developed towards the direction of meticulous management, providing supply chain services and enhancing internal customer experience. On the basis of the construction of Fosun's procurement and tender information platform, the relevant unit firmly grasped the industrial internet development opportunity in the B2B procurement and supply chain sector through communication and exploration, and constructed the supply chain coordination and integration service platform with the unique advantage of "investment + operation". In 2016, we initiated platform construction and business promotion in respect of "One Link Network (一鏈網)" (www.onelinkplus.com). By focusing platform construction on the idea of "common platform + vertical industry", we put the emphasis on constructing the five segments of credit, procurement, supply chain, financial services and integrated services, and promoted the construction of solutions for a number of industries. The "One Link Network" platform has been launched and put into trial operation during the year. Up to now, the "One Link Network" platform has covered nearly 175 portfolio companies within the Group, bringing together resources of more than 21,500 suppliers.

Anti-Corruption and Supervision

The Company adopts a zero tolerance policy for bribery, embezzlement and other corruption acts of all staff. An Anti-Corruption and Supervision department was established to conduct special investigations into and punish staff for corrupt practice. Professional investigation teams with extensive work experience in public security economic investigations and procuratorate anti-corruption investigations were established at the Group's Anti-Corruption and Supervision department, and anti-corruption and supervision telephone numbers and mail boxes were published at the Company's website for receiving internal and external report information and conducting relevant investigations and supervising staff integrity and the diligent performance of duties by staff. We have various regulations and systems for staff integrity and internal investigation procedures which include: "Incorruptible Working Regulations for Employees", "Management Measures for Cash Gifts and Gifts Received during Business Activities", "Regulations regarding Personal Matters Reporting for Key Position Cadres of Fosun Group", "Several Provisions on Anti-corruption and Supervision Line Case Investigation and Punishment", "Guideline for Tender Activities Regulation and Supervision", "Regulations for Anti-corruption Inspection", "Management Measures for Anti-corruption and Supervision Lines", "Anti-corruption Assessment and Red, Yellow and Green Light Management Measures", etc.

The Company strictly complies with the laws and regulations of the PRC and other countries in which it makes investment, including laws and regulations such as prevention of bribery, blackmail, fraud and money laundering, and has various internal control systems to ensure such compliance is in operations.

Preventive measures: First, publish online the code of conduct on anti-corruption, investigation and punishment and other systems, anti-corruption propaganda manuscripts, report methods and the results of punishing relevant staff, expand the influence of anti-corruption investigation in the whole Group; second, maintain investigation and punish fraudulent practice, promote the atmosphere of anti-corruption, create a culture of anti-corruption in the Group and all core enterprises that all corruption cases will be investigated; furthermore, actively participate in the activities of China Enterprise Anti-fraud Alliance, promote dishonest staff blacklist construction, increase the social costs of acts without good faith.

Report procedure: Anti-corruption supervision telephone numbers and mail boxes are published at the Company's web site and in the process of each tender and subsidiary inspection to receive internal and external report information, and designated staff are assigned to collect, assess and investigate each piece of report information.

Implementation and monitoring methods: (1) Anti-corruption institution construction: establish an Anti-Corruption and Supervision department, form a professional investigation team, and conduct performance appraisals on departments of subsidiaries exercising the functions of anti-corruption and supervision and their responsible persons; (2) fraud case investigation and punishment: choose a subsidiary every year for focused inspection and examination while continuing to investigate and punish key fraud cases of the Group and other investees, transfer alleged criminal cases to a judicial organ; and (3) operation risk management and control: identify, rectify and prevent relevant operation risks in the process of investigating and punishing fraud cases, restore economic losses while punishing the responsible persons and block the relevant anti-corruption and management loopholes.

Environmental Health, Safety and Quality

Policies

"Self-improvement, Teamwork, Performance and Contribution to Society" constitutes the cultural values of the Group and the Group has been endeavoring to work with all sectors of the society to build a healthy natural and business ecosystem.

We have always put environmental protection, occupational health, safety production and quality control (EHSQ) as an important part of the fulfillment of social responsibility, which is embedded in the Company's sustainable development strategy. In 2016, according to the new situation, the Group renewed the "Safety, Quality and Environment Policy of Fosun Group" again and it was fully implemented in companies within the Group.



Our commitment reflects the Group's persistence in the following:

1. To comply with environmental protection laws and regulations and the government's emission standards and requirements, constantly improve management and use advanced technology to reduce waste gas, waste water, solid waste and greenhouse gas emissions during the life cycle of enterprises, and strive to minimize the impact on the environment;
2. To make good use of and treasure resources, improve production technology so as to effectively use natural resources, carry out energy conservation and emission reduction, and constantly adopt more environmentally friendly raw materials;
3. To reduce the impact of production operations on natural resources, protect the environment of mining areas, and actively carry out mine geological disaster and environmental management;
4. To provide a safe working environment for employees and protect employees and contractor personnel from occupational injuries; and
5. To provide customers with safe products and services, and strive to achieve excellence.

For details, please refer to "Safety, Quality and Environment Policy of Fosun Group".

FOSUN 复星

复星集团安全质量环境政策

Fosun Group Environmental, Health, Safety & Quality Policy

复星集团认为人是企业最宝贵的财富，因此，集团公司明确了安全质量环境的方针与政策，并向社会承诺：

- 在运营过程中严格遵守中国法律法规及复星的标准，同时严格遵守经营所在国、地区的各项法律法规；
- 在运营过程中，为我们的员工、承包商、访问者及我们生活和工作的社区创建一个安全、健康、环保和可靠的生活和工作场所；
- 倡导集团诚信经营，参股企业和合作伙伴，建立和遵循以 OSHA 18001、ISO 14001、安全生产标准化为基础的安全、质量、环境管理体系，定期检查和评审，确保其有效运行；
- 通过项目投资的 EHS&Q 尽调，项目投后的 EHS&Q 监控，项目退出时 EHS&Q 相关管理措施，确保 EHS&Q 管理和要求始终贯穿于投资活动和后期运营的始终；
- 每位复星集团员工，无论在任何何地都有责任和义务做好安全质量环保工作，并做到不伤害自己、不伤害他人和不被他人伤害；同时每位员工无论在任何何地都有责任和义务，督促或要求别人做好安全质量环保工作。这也是我们复星集团提供员工的前提条件；
- 坚持可持续发展的方针，我们倡导企业，通过减少废物、废气及废水的排放，有效地利用能源并同时寻求机会回收利用废弃物，减轻我们的生产和经营活动对于环境及人员的影响；
- 本着对社会应尽的义务，我们提供优质产品，保证客户使用安全。

复星集团坚信：

- 所有事故和伤害都可以避免；
- 管理者必须管理安全、质量、环境；
- 所有运营和作业危害都能够被控制、降低与消除；
- 所有员工都必须无条件接受安全、质量、环境培训；
- 所有员工都必须及时纠正人的不安全行为和物的不安全状态；
- 安全环境与生产、质量同样重要！
- 质量是产品力的核心，我们力求精益求精！

复星集团将确保安全、质量、环境政策在集团公司内，包括投资的各个行业和企业内，以及办公场所等得到有效执行。非常感谢所有员工对复星集团安全质量环境政策的支持。

Fosun Group recognizes people as its most important asset, and identifies the policy of Environmental, Health, Safety and Quality "EHS&Q Policy". We are committed to:

- Operate in compliance with China applicable legislations and Fosun internal standards, and strictly abide by the applicable local laws and legislations of the business activities of the host country/region.
- A safe, healthy, comfortable living and work environment will be provided for our employees, contractors, visitors and community near our operations.
- Creating/financing our group holding, stakeholding companies and cooperation partners to set up and update its environmental, health, safety and quality management system in according with OSHA 18001/ISO 14001 and Work Safety Standardization System, conducting regularly check and auditing to ensure it operates smoothly and effectively.
- Issue all investment activities to involve EHS&Q management thoroughly via some effective methods such as conducting EHS&Q due diligence before investment, strengthening EHS&Q supervision on the invested companies etc.

We believe:

- All injuries and occupational illnesses are preventable.
- Line managers are responsible for safety, health, environment and quality issues.
- All operation risk and hazards can be controlled, reduced or eliminated.
- It is mandatory for all employees to be trained on safety, health, environment and quality.
- Unsafe behavior and conditions must be corrected in time.
- Safety is to be considered on an equal level with production and quality.
- Quality is the core of products, we strive for excellence!

The policy of Environmental, Health, Safety and Quality will be carried out effectively in all Fosun Group's site, including mining, pharmaceuticals & healthcare, real-estate, steel, and all office offices. We would like to thank you all for your support to Fosun Group EHS&Q Policy.

复星集团董事会
Fosun Group Board of Directors

王卫平 2016年7月
2016年7月
July 2016



Environmental Protection

As an investment group, Fosun ensures that EHSQ risk control and management are implemented throughout the whole process of investment and operating activities through measures such as pre-investment due diligence on the environmental protection, occupational health, safety production, quality control (EHSQ) of the target companies, post-investment EHSQ management and control and advisory services, EHSQ check for withdrawal. While advocating low-carbon work and life at the headquarters, the Group actively supports its portfolio companies to improve, upgrade and effectively make efforts and investments in environmental protection to ensure that discharges and emissions are in compliance with the standards and regulations. The Group actively encourages and supports enterprises to respond to the government's call for implementing energy-saving and emission reduction projects to improve the utilization of natural resources and reduce emissions.

Steel

In 2016, Nanjing Nangang Iron & Steel United Co., Ltd. (“**Nanjing Nangang**”) strictly abided by environmental laws and regulations, consciously fulfilled social responsibility and invested RMB110 million in stepping up efforts in pollution control. In particular, machine-side furnace head smoke ground dust removal station in which more than RMB16 million were invested was put into operation in October 2016 and became the first steel enterprise using domestic coke pushing dust removal station technology at 6-meter coke ovens in the PRC. Particulates at the outlet after primary dust removal of the converter were less than 30mg/Nm³. This is now promoted to iron and steel enterprises across the country as a domestic advanced dust removal technique. Nanjing Nangang strengthened the management of environmental protection facilities to ensure the emission of all kinds of pollutants according to standard, satisfactorily completed the emission reduction target issued by the municipal government, successfully passed the inspection by the Central Supervision and Inspection Group for Environmental Protection and withstood the test of G20 summit environmental management and control. The plant environment and environmental management work of Nanjing Nangang were recognized and well-received by the environmental protection authorities of the government and Nanjing Nangang was accredited as a clean production environmentally friendly enterprise by China Iron and Steel Association.

Nanjing Nangang improved the fuel ratio of the sintering process and controlled the nitrogen oxide emission concentration below 80% of the emission standard in order to reduce total nitrogen oxide emissions. Meanwhile, it strengthened the operation and maintenance management of sintering and pellet desulfurization facilities to improve the efficiency of desulfurization and approximately 17,400 tonnes of sulphur dioxide were removed for the full year.

Disposal of solid waste:

Nanjing Nangang controlled the amount of hazardous waste generated at the source through clean production and reduced the impact of solid waste on the environment through comprehensive utilization and other measures. In 2016, Nanjing Nangang in aggregate disposed of 123.12 tonnes of waste oil, 89.182 tonnes of waste oil drums and 57.46 tonnes of waste lead-acid batteries in accordance with the laws and regulations. The company comprehensively reused 1,338.4 tonnes of waste tar residue, 2,237 tonnes of biochemical sludge, 1,109,700 tonnes of converter steel slag, 2,937,500 tonnes of blast furnace slag and 810,800 tonnes of other smelting slag.

Energy Saving and Emission Reduction:

Nanjing Nangang insisted on implementing clean production projects. Through its unremitting efforts, all indicators were generally higher than the primary standard for clean production in the PRC. Nanjing Nangang has passed the ISO14001 environmental management system and GB/T23331 energy management system certification, and becomes a “national metallurgical industry energy-saving and emission reduction model base” and is the national steel industry’s first “national circular economy standardized pilot unit” in the steel industry in China. Signing a carbon emission reduction purchase agreement with the World Bank, it is the first steel industry project for “carbon financing” of the World Bank.

Case: Environmental improvement measures



1#Sintering machine tail dust removal efficiency enhancement



Construction of a machine-side furnace head smoke ground dust removal station

Mining

Hainan Mining attaches great importance to environmental protection. In 2016, effective monitoring data for various kinds of pollutants amounted to nearly 20,000. Both the annual self-monitoring result and the supervisory monitoring result met the standard. Good results were achieved in environmental protection emission, energy saving and emission reduction. The industrial wastewater discharge compliance rate was 100% and the exhaust emission compliance rate was 100%. In particular, the water cycle utilization rate has been greatly improved, reaching 91%.

In addition, as a mining enterprise which is engaged in the mining of natural resources, Hainan Mining attaches great importance to geological hazard and environmental management and has invested large sums of funds through the years in mine geological disaster and environmental management, which has been recognized by the government. Hainan Mining carried out mine rehabilitation, tree planting and greening. 300,000 *Acacia Confusa* trees were planted in the 280m dumping site, South stope and Fengshuxia stope, covering approximately 89,000 square meters (approximately 133.5 mu).

Pharmaceutical

Fosun Pharma attaches importance to environmental protection. Wastewater generated during production and operation, air pollutants, plant boundary noise and industrial waste (general waste & hazardous waste) were discharged in compliance with the relevant requirements of the national and local regulations. Pollution control devices and facilities were constructed concurrently during the initial stage of the construction project. At the same time, the Group requested to provide adequate organizational assurance and technical support in various aspects of environmental management such as human resource, operating rules, monitoring and environmental emergency plans, which ensured the sustainable development of the enterprise.

Subject to meeting regulatory requirements, Fosun Pharma also actively explored various measures and approaches to reduce pollutant emission and strove to reduce the impact of its operating activities on the environment. In 2016, the member enterprises of Fosun Pharma successively adopted measures such as changing coal boiler to more clean fuels like clean diesel, dual fuel or even using central gas supply of industrial parks, upgrade of wastewater treatment devices or increase subsequent advanced treatment units, reuse of recycled water so that Fosun Pharma impact on the environment was reduced continuously. Individual member enterprises commenced the trail implementation of the carbon emission measurement pilot program and sought ways for improvement, and strove for low carbon and green and jointly created ecological communities.

In 2016, Fosun Pharma's COD emissions totaled 490 tonnes, an increase of 0.5% over 2015. Ammonia nitrogen emissions totaled 60.55 tonnes, an increase of 8.1% over 2015. All member enterprises met standards for the discharge of water pollutants and continued to achieve up-to-standard discharge and did not subject to any penalty for excessive wastewater discharge and nor received any complaints from surrounding communities about wastewater discharge by the member enterprises. With respect to exhaust emission, in 2016, Fosun Pharma continued to replace the coal-fired boilers in use by following the relevant requirements for air pollution emission, including various enterprises such as Hebei Wanbang Folan Pharmaceutical Co., Ltd. ("**Wanbang Folan**"), Hunan Dongting Pharmaceutical Co., Ltd. ("**Dongting Pharmaceutical**"), Suzhou Laishi Blood Transfusion Equipment Co., Ltd. ("**Laishi Transfusion**"). Shine Star (Hubei) Biological Engineering Co., Ltd. ("**Shine Star**") renovated the internal environmental protection facilities to reduce the particulates in air pollutants produced by coal-fired boilers. Such improvement in aggregate reduced airborne particulates by approximately 91 tonnes. In 2016, Chongqing Carelife Pharmaceutical Co., Ltd. was imposed a violation administrative penalty for failure to normally open the air treatment facilities (absorption liquid circulation pump) during construction. The management of the enterprise immediately took initiatives such as opening the pollution control device, start an investigation into the incident and accountability after learning this, and at the same time, strengthened environmental management. This incident did not cause any serious environmental impact. Besides, there were no other violation incidents in respect of air pollution. With respect to hazardous wastes, all member enterprises of Fosun Pharma entrusted qualified contractors to carry out compliant treatment in accordance with the statutory requirements in the aspects of application, approval, transfer and disposal. In 2016, the three member enterprises, Dongting Pharmaceutical, Wanbang Folan and Laishi Transfusion, reduced raw coal consumption by 3,158 tonnes due to the coal to electricity (or natural gas) project. Accordingly, 909 tonnes of cinders (solid waste) were reduced.

In 2016, Fosun Pharma summed up water resource and energy consumption and the results compared to 2015 were as follows:

- 1) Water consumption and unit water consumption intensity: Total water consumption was 8,769,376 tonnes, an increase of 52,439 tonnes or 0.6% over 2015. Compared to the same basis, total water consumption for 2016 declined by approximately 139,000 tonnes or 1.61% over 2015. Water consumption intensity was 5.99 tonnes/RMB10,000 output value and declined by 1.9 tonnes/RMB10,000 output value year on year on the same basis, a decrease of 24.1%. In 2016, Shine Star increased the frequency of recycled water usage for the cooling water tower. This adjustment is expected to save 396,000 tonnes of water;
- 2) Power consumption: Total power consumption was 478,175,186 KW.h, an increase of 53,707,564 KW.h or 12.7% over 2015. In 2016, Dongting Pharmaceutical, Wanbang Folon and Laishi Transfusion successively completed the coal to electricity (or natural gas) project. Meanwhile, the production capacity of various enterprises such as Shine Star was expanded. The combination of the above changes ultimately led to a substantial increase in Fosun Pharma total power consumption in 2016; and
- 3) Overall energy consumption and overall energy consumption intensity: Overall energy consumption was 185,690,272 kgce, an increase of 12,276,649 kgce or 7.1% over 2015. Overall energy consumption intensity was 126.93 kgce/RMB10,000 output value in 2016, a decrease of 30.08 kgce/RMB10,000 output value or 19.2% over 2015. In 2016, Shanghai Chemo Wanbang Biopharma Co., Ltd. launched a clean product project, with overall energy consumption intensity declining from 184.42 in 2015 to 148.91 kgce/RMB10,000 output value in 2016. Moreover, enterprises experiencing a relatively large decline were Jiangsu Wanbang Biopharmaceuticals Group Co., Ltd. (formerly known as Jiangsu Wanbang Biopharmaceuticals Co., Ltd.), Dongting Pharmaceutical and Suzhou Erye Pharmaceutical Co., Ltd. (“**Suzhou Erye**”).

Safety Management

To ensure enterprises are operated in accordance with the laws and regulations, reduce and eliminate environment/health/safety (EHS) risks and implement the Group’s social commitment in respect of EHS, the Group issued a framework standard for the environment/health/safety (EHS) management system manual and the audit system in 2013. The system is established based on OHSAS18001, ISO14001 and national production safety standardization and comprises five sections, namely system management elements, environment, safety, occupational health, fire protection and loss prevention. According to the scores, the EHS management standard and on-site equipment, technology and the actual management status of staff operation of enterprises are divided into five grades from low to high (0-1.5, 1.6-2.5, 2.6-3.5, 3.6-4.5, 4.6-5) for quantitative evaluation. Enterprises with relatively low scores (less than 1.5 points) are included in red light enterprises for focused supervision; at the same time, the audit results are linked to the KPI (key performance index) of the leadership of units subject to audit, which has vigorously ensured that the EHS management standard system is effectively carried out in the enterprises.

EHS System Audit



Suzhou Erye EHS System Audit



Hainan Mining EHS System Audit

The Group is committed to providing a safe and comfortable working environment for its employees. In order to keep in line with the International Safety Performance Indicator System, the Group issued the “Occupational Health, Safety and Environmental Protection Performance Indicators Management Procedure of the Safety and Environmental Protection Special Standard of Fosun Group” in September 2016, requiring the enterprises to report all lost time injury and the frequency of such cases and other EHS leading indicators, which has further enhanced and refined EHS management.

EHS activities of Hainan Mining



Fire fighting emergency drill



Vehicle escape emergency drill

Potential hazard rectification at Nanjing Nangang



Mechanic guarding rectification



Carrying out anti-corrosion works

Product Liability

The Group firmly believes that product quality is the core of product strength. We strive for excellence and make use of advanced quality control methods and means such as the implementation of Lean Six Sigma Management to strive to provide customers with safe and high-quality products.

The portfolio companies of the Group have established the product recall system in accordance with the laws and regulations and the relevant management system of the state to ensure that they can take effective measures to quickly recall products in accordance with the product recall system in the event of a quality accident. Fosun Pharma complied with national/international product quality and product safety laws and regulations and affixed product labels in accordance with the national/international standards. All pharmaceutical member enterprises firmly implemented GMP standard quality system construction. Under the Group's management platform, the pharmaceutical enterprises were facilitated to establish quality systems meeting the new GMP requirements through such forms as quality management system audit, site inspection, etc. Fosun Pharma also implemented quality risk management in an all-round manner based on the new domestic GMP and international CGMP requirements. Medical diagnostic member enterprises followed the "Medical Devices Supervision and Management Regulation" and ancillary regulations, particularly significant changes in new product registration. All member enterprises made contingency plans and formulated management systems such as the preparation, verification, approval and change of all levels of production control documents to meet the requirements stipulated in the registration management measure. We attach great importance to the safety of pharmaceutical products and strictly implement the "Reporting and Monitoring Management System for Adverse Drug Reactions" to strictly monitor adverse drug reactions and report the data.

Fosun emphasizes the construction quality of real estate, adheres to establishing brands with quality and implements them in the various stages of project construction. There were also a number of outstanding projects emerging in 2016 and two selected projects are briefly described as follows:

Forte Financial Island in Chengdu



Forte Financial Island was recognized as “Standardized Construction Site of Chengdu”, “Standardized Construction Site of Sichuan” and “Green Site of Chengdu”. It hosted the “Construction Quality and Safety Standards On-site Observation Meeting of Sichuan Province for 2016 (2016 年度四川省建築工程品質安全標準化現場觀摩會)” and accepted the on-site inspection conducted by the Ministry of Housing and Urban-Rural Development in December 2016 and was highly appraised.

Xinghong Hefei Financial Innovation City (星泓合肥金融創新城)



Xinghong Hefei Financial Innovation City won the titles of “Safe and Civilized Construction Site of Anhui Province” and “High Quality Structural Project of Hefei”.

Human Resources

As of 31 December 2016, the Group had approximately 53,000 employees.

In 2016, Foun’s key initiatives of humance resources were focusing on urging the Group’s platform, Unicorn and C2M strategy. In order to improve the effect of talent management and build an elite organization, we further clarified Fosun’s talent concepts, attracted and forged both elite individuals and elite teams; optimized and promoted the multi-dimensional Partnership Model around the Group; innovated the talent management mechanism, edged the organizational and talent structure.

We further optimized the mechanism of Recruitment Committee. Benefiting from the internal referral system, the success rate of talent acquisition was increased. To support the Group’s global business development, we strengthened the implementation of glocalized talent strategy. By organizing the global campus recruitment again, a batch of “post-90s” excellent investment personnel were recruited successfully from domestic and overseas top universities and colleges, serving as fresh blood supply for implementing our global deployment strategy. The function of “handy business school” was utilized constantly to create and explore various learning opportunities, linking up potential talent training camps at various stages. Through establishing a mobile e-learning platform, conducting proprietary research and development and introducing integrated and shared learning resources, fragmented time was fully utilized to attain continuous learning effect.

Through adjusting the organization structure, a flat organization was enabled to enhance organization capabilities and efficiency. More transparency was provided on promotion criteria and career path for talents. Meanwhile, further improvements were made to the “partnership models” at various levels and to all ancillary measures for implementing the global partner Share Option Scheme, key talent Share Award Scheme and other incentive programs. Continuous efforts were exerted to optimize and enhance the effectiveness of various incentive mechanisms. To align the interests of investment personnel with those of the shareholders, the Group optimized the Co-investment Management Policy, implemented the incentive concept for co-investment mechanism of “sharing gains and risks”, and further improved the processes of co-investment and incentive control.

Fulfillment of the Commitment to Employees

As an investment-oriented group, Fosun regards its employees as its most valuable capital. Fosun has been aiming to become the best employer and the best platform for employees to realize their value. We fully protect the interests of employees, improve the employee incentive schemes, and provide employees with humanistic care and services. We are always concerned with the personal development of our staff, emphasize the importance of cultivating outstanding talents with an international perspective, provide professional and systematic training and career development planning and platform so as to allow both the Company and our employees to develop together.

Employee Caring and Services

Fosun persists in improving and innovating, and strengthening the establishment of a comprehensive and diversified benefit system in addition to creating a sound enterprise atmosphere and promoting a sense of belonging among the employees. Fosun cares for not only its 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.

Employee Caring

Fosun established different schemes for various employee groups. We enhanced caring for expatriate employees and their families and created caring models for junior and senior employees. The Company will send birthday wishes and gifts to expatriate employees every year and hold consolation activities for them during New Year, and for their families, the Company will give away festival gifts during festivals and holidays to console them. For long-term service employees, the Company will commend and reward them during the New Year celebration at the end of the year. We also adopted incentive and benefit schemes tailored for our core employees, outstanding employees and young employees with high potential. According to the different needs of various employees, the Company made appropriate adjustments and improvements to employee benefits in different aspects such as physical examination, birthday care, team building, travel insurance and health insurance in 2016. We take full advantage of the Group's own insurance, finance, consumption, health and other resources so that employees can share all types of internal products, services and related resources at lower costs and more conveniently.

Fosun also cares about the physical and mental health of female employees and provides special care to them. The Group expresses its appreciation for the female employees' work on Women's Day every year on 8 March. We also regularly organize lectures on women's health and prevention of occupational diseases.

We have been striving to provide diverse forms of care for employees and their families (including all-round care for the growth of the “Children of Fosun Employees” and enrich the family life of our employees). We organize various activities every year and invite employees and their families to participate, hoping to help our employees and their families enjoy happy lives.

Employee Services

We use the Internet and various new channels to enrich employee services and have introduced our personnel service mobile platform “HR Micro Portal” (HR微門戶) after introducing our personnel service hotline mobile application “A La Ding”(阿拉釘) in 2015. We have further optimized and innovated methods of benefit distribution and internal communication, such as announcing or introducing employee benefits through our own mobile application, displaying various remuneration benefits and human resources policies through scroll display and online banners on the home page of our Group's intranet. We distribute employee benefits through our self-developed mobile application platform. We also use the platform to organize virtual fairs, allow users to online recharge and pay for meals.

Fosun has established a full-time employee service staff who assist the employees in applying for various certificates, such as employment permits/residence permits for expatriate employees, permits for introduction of high caliber employees from other provinces or cities/residence certificates for employees from other cities, college graduates settlement and collective residence affiliation (集體戶口掛靠) so as to reduce time and efforts spent by employees on applying for these certificates, which effectively supported the introduction of excellent talents.

We actively promote the use of English in our internal systems, processes, rules and regulations so as to drive the Group's internationalization and meet the demands of our diverse employees. We also studied and formulated exclusive welfare policies and systems according to the laws, regulations and market practices in different countries and regions. Meanwhile, we also introduced induction courses and the “Partner” (小伙伴) program tailored for our overseas staff to help expatriate workers to quickly understand and integrate into our corporate culture.

Employee Training and Development

The Group believes that talents form the core competitiveness for an enterprise, and as such, it has always been valuing the development of both the Group and its staff as one of the most important responsibilities of the Group. It provides the employees with more opportunities for occupational development and better working conditions through sustained efforts. With continuous growth and structural improvement, we have promoted the integration and cooperation among team members in the creation of value and formed groups of elite culture. These measures allow both the Company and its staff to build a brilliant future together.

Cultural Promotion

Employees in training will be allowed to have a unified understanding of the Group's corporate culture and values. Meanwhile, we also work with external consulting companies and universities or colleges in the integration of our internal and external training materials and resources, in an attempt to promote our corporate brand. In addition, the Company has developed a unified mechanism regarding the promotion, guidance, communication and coordination of talents. It effectively bridges the gap between the diverse talents of different cultural backgrounds, realizing harmonious relationships among the members of Fosun's big family.

Strategy Interpretation

The Group focuses on its development strategy to solve practical issues, assists the staff in understanding the key strategies of the Group by sharing cases of innovation and best practices with them so they could better implement our strategy extensively and in a well-coordinated manner.

Overseas Talents Training

The Group accelerates its globalization by promoting the exchanges of talents between domestic and overseas enterprises and realizing cross-cultural management. It facilitates cultural integration and strategic collaboration, and aims at setting common objectives; it also provides more worldwide cross-regional training in skills and acquisition of knowledge.

Career Development

In accordance with the development strategy and the human resources planning requirements of the Group and taking into account the characteristics of its own development, we have established talent development and professional talent training projects for different echelons. We plan development paths and design methods of learning in a scientific and rational manner that match different development goals. We further design training courses in accordance with the quality of capabilities and specialized requirements to help employees grow rapidly.

Training Cases

Investment Case Review

The think tank of Fosun system has a wealth of typical cases from work for study and exceptional cases of outstanding performance of high-calibre employees who share their work experience with others. It focuses on three targets: firstly, to improve the staff's investment and management capability by conducting internal training and sharing experience with the investment teams; secondly, to gradually develop tools or methods that Fosun should have possessed in investment by generalizing from the rich experience related to many cases of investments; thirdly, to progressively refine the learning-and-growth model of our core investment members through a range of case studies.

Professional Talent Training

Establishing various lines of professional and specialized training, focusing on investment, insurance, finance, risk control, human resources and other areas; and encouraging "learn from practice" with the aim of honing the employees' business acumen and enhancing their adaptability.

Skills Enhancement Training

Establishing Fosun's lecture hall to help employees enhance basic knowledge and skills, improving efficiency and effectiveness at work, enabling them to efficiently carry out work as professional managers of business whose work are up to standard.

Mobile Learning Platform

We built an anytime, anywhere and unobstructed learning platform by utilizing fragmented time. In 2016, we introduced and internally transformed a total of 56 micro courses covering skill-training classes in a variety of areas such as investment, finance and soft skills, which provided a convenient online learning platform for employees of the Group, employees of enterprises under incubation and employees of some core enterprises.

Luncheon Session

The Group held 41 lunch-time sharing sessions in 2016 according to its strategic focus to share its corporate strategies, hot topics on investment, internet and best practices. More than 2,500 employees attended the sessions.

Fosun Ambassador Program

We conducted two Fosun Ambassador Programs in 2016 to facilitate the integration of Fosun's investment teams and the domestic and overseas portfolio companies and deepen overseas portfolio companies understanding of Fosun's culture, investment strategy and investment management. More than 30 middle and senior management members from overseas portfolio companies and different regions working in different areas participated in the intensive exchange program for 10 days.

Talent Echelon Training Program

The training program lasting for nearly one year was organized for employees with high potential at all levels internally in accordance with the Group's development strategy, which is an important way for Fosun to train investment experts and potential business leaders. With the form of interactive project learning as the main theme, the highly potential talent training program brought students under different plans together from project teams and improved the comprehensive ability of employees through real project cases to precipitate and accumulate business experience. Meanwhile, combined with classroom learning, interactive learning, online learning and other forms of multi-dimensional learning, we helped students consolidate their business base and enhance business skills.

Post-90s Fresh Talk

As a young company, Fosun has also set up a showcase stage for post-90s employees. Emerging things in the current industry such as various interesting and cutting-edge topics like e-sports, live mode, Pandora, unmanned driving and pan-entertainment IP value were explained by post-90s young employees using the mobile internet platform.

Employment and Labour Standards

Our employees are our most valuable capital and also the core of competitive advantages of the Group. The Group has been adhering to the principle of "attracting people with development, bringing people together with career, training people with work and appraising people with performance" and advocates fair competition and opposes discrimination. All employees and job applicants are not confined by factors such as sex, age, race, skin color and religious belief. The establishment of all human resources policies strictly complies with all rules and relevant regulations in connection with remuneration and dismissal, recruitment and promotion, employee schedule, equal opportunities, diversity and other benefits in countries/regions where our operations are located.

During the Reporting Period, all employees of the Group met the minimum working age requirements set out in the relevant laws of the countries where our operations were located and the employment of child labor or forced labor was prohibited.

Employee Incentive

The Group has consistently advocated a performance-oriented remuneration incentive mechanism with a view to providing employees with an overall reward system with internal fairness and external competitiveness so as to better achieve the objectives of attracting, motivating and retaining employees.

The Group has established and constantly improved the "multi-level, entire-coverage" remuneration incentive system to advocate the concept of "sharing gains and risks", share the fruits of business growth with employees, build a diligent and dedicated professional manager team, and achieve personal growth and development while receiving incentive incomes.

Awards received by the Group and Directors in 2016

March	Mr. Wang Qunbin, Executive Director and Chief Executive Officer of the Company, ranked in the “Hot 100 List in 2016” by the American <i>Insurance Business</i> magazine.
April	At the Third Cross-Border Investment and M&A Summit as well as the Second Annual Golden Whistle Awards Ceremony, the fund under the management of the Company received the honor of the “Golden Whistle Top 10 Chinese Buyers” as a result of its successful acquisition of Canadian company Cirque du Soleil through the fund under the management of the Company.
May	American magazine <i>Forbes</i> released the list of the world’s largest public companies in 2016 known as “The Forbes Global 2000”. The Company has been ranked 434th globally, up 102 places from 2015, and ranked 47th amongst all Chinese enterprises. This marks the first time that the Company reached the Top-500 spot in Forbes Global 2000, earning the best-ever ranking on the list.
July	The Company ranked 73rd and 63rd on “China’s Fortune 500” in 2016 in terms of operating revenue and profit respectively, as released by <i>Fortune China</i> .
August	The Company’s Letter to Shareholders from Annual Report 2015, has been awarded the International ARC Awards in the category of Investment Holdings, organised by MerComm, Inc. The Company received the China Spectrum Award at the 10th China Brand Festival.
September	The Company was awarded the “GoforIsrael Investor Achievement Prize” at the 16th GoforIsrael China-Israel Investment Conference. The Company received two awards at the 8th Annual M&A Atlas Awards for global M&A: “Asia Pacific Private Equity Firm of the Year” and the “Global Entertainment & Media Deal of the Year”.
October	The Company ranked 28th on the list of Most Acclaimed Chinese Companies for 2016, released by <i>Fortune China</i> . The Company received Gold Award in “The Corporate Awards 2016” from <i>The Asset</i> , the renowned international asset management and investment magazine.
November	The Company’s Chairman Guo Guangchang was presented with the “Lifetime Achievement Award” in the 8th Annual World Chinese Economic Summit (WCES) in recognition of his consistent contributions to the global economy and society as well as the remarkable entrepreneurial spirit he has shown in the global economic arena.
December	Mr. Wang Can, Executive Director and Chief Financial Officer of the Company, was awarded “CGMA 2016 Financial Leader” at the CGMA (Chartered Global Management Accountant) 2016 China Awards Ceremony and CFO Summit Forum. The Company received the “2016 Best Investment Value Award for Listed Companies” in the category of listed companies with market value of more than HK\$30 billion, as presented by the appraisal committee of the Best Investment Value Award for Listed Companies (BIVA). The Company ranked “Top 50 of 2016 China Global Companies” and “Top 10 of 2016 China Companies’ Cross-border M&A Investment Cases” at the Third Conference of China’s Outbound Forum.

GLOSSARY

FORMULA

Capital debt ratio	=	total debts/(shareholder's equity + total debts)
Capital employed	=	equity attributable to owners of the parent + total debt
EBITDA	=	profit for the year + tax + net interest expenditures + depreciation and amortisation
Interest coverage	=	EBITDA/net interest expenditures
Net debt	=	total debt – cash and bank and term deposits
Net gearing ratio	=	net debt/shareholder's equity
Net interest expenditures	=	Interest expenses, net + interest on discounted bills + interest on finance leases
ROE	=	profit attributable to owners to of the parent for the year/[(opening balance of equity attributable to owners of the parent + ending balance of equity attributable to owners of the parent)/2]
Total capitalization	=	equity attributable to owners of the parent + non-controlling interests + total debt
Total debt	=	current and non-current interest-bearing borrowings + convertible bonds + loans from related parties

ABBREVIATIONS

Articles of Association	the current articles of association of the Company with the latest amendments made on 17 June 2008
BCP	Banco Comercial Português, S.A.
the Board	the board of Directors
Cainiao	Cainiao Network Technology Co., Ltd.
CG Code	Corporate Governance Code and Corporate Governance Report contained in Appendix 14 of the Listing Rules
Chiado	Chiado (Luxembourg) S.à r.l.
Chuangfu Finance Leasing	Great China Finance Leasing Co., Ltd.
Club Med	Club Med SAS (formerly known as Club Méditerranée SA)
CMF	China Momentum Fund, L.P.
the Company	Fosun International Limited
the Director(s)	the director(s) of the Company
Euro	Euro, the official currency of the Eurozone
Fidelidade	Fidelidade-Companhia de Seguros, S.A.
Fidelidade Assistência	Fidelidade Assistência - Companhia de Seguros, S.A. (formerly known as Cares - Companhia de Seguros, S.A.)
Focus Media	Focus Media Information Technology Co., Ltd. (formerly known as Hedy Holding Co., Ltd.), a company whose A shares are listed on the Shenzhen Stock Exchange with stock code 002027
Folli Follie	Folli Follie Group, a company listed on the Athens Stock Exchange with stock code FFGRP
Forte	Shanghai Forte Land Co., Ltd.
Fosun Capital	Shanghai Fosun Capital Equity Investment Fund Partnership (L.P.)
Fosun Chuanghong	Shanghai Fosun Chuanghong Equity Investment Fund Partnership (L.P.)
Fosun Eurasia Capital	Fosun Eurasia Capital Limited Liability Company
Fosun Finance Company	Shanghai Fosun High Technology Group Finance Co., Ltd.
Fosun Hani Securities	Fosun Hani Securities Limited (formerly known as Hani Securities (H.K.) Limited)
Fosun High Technology	Shanghai Fosun High Technology (Group) Co., Ltd

Fosun Holdings	Fosun Holdings Limited
Fosun Insurance Portugal	Fidelidade, Multicare and Fidelidade Assistência
Fosun International Holdings	Fosun International Holdings Ltd.
Fosun Pharma	Shanghai Fosun Pharmaceutical (Group) Co., Ltd., a company whose A shares are listed on the SSE with stock code 600196, and whose H shares are listed on the Hong Kong Stock Exchange with stock code 02196
Fosun United Health Insurance	Fosun United Health Insurance Company Limited
Fosunling	Shanghai Fosunling Asset Management Ltd.
GBP	Pound Sterling, the official currency of United Kingdom
GFA	gross floor area
the Group or Fosun	the Company and its subsidiaries
H&A	Hauck & Aufhäuser Privatbankiers KGaA
Hainan Mining	Hainan Mining Co., Ltd., a company whose A shares are listed on the SSE with stock code 601969
HKD	Hong Kong dollars, the official currency of Hong Kong
Hong Kong	the Hong Kong Special Administrative Region of PRC
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
IDERA	IDERA Capital Management Ltd.
Ironshore	Ironshore Inc.
JPY	Japanese yen, the official currency of Japan
KUYI	Kuyi International Travel Agency (Shanghai) Co., Ltd.
Liberty Mutual	Liberty Mutual Group Inc., a Massachusetts corporation
Listing Rules	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
Luz Saúde	Luz Saúde, S.A. (formerly known as ESPÍRITO SANTO SAÚDE - SGPS, SA), a company listed on the Euronext Lisbon with stock code LUZ
MIG	Meadowbrook Insurance Group, Inc.
Model Code	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules
Multicare	Multicare-Seguros de Saúde, S.A.
Mybank	Zhejiang E-Commerce Bank Co., Ltd.
NEEQ	National Equities Exchange and Quotations
Peak Reinsurance	Peak Reinsurance Company Limited
Pramerica-Fosun China Opportunity Fund	Pramerica - Fosun China Opportunity Fund, L.P.
Pramerica Fosun Life Insurance	Pramerica Fosun Life Insurance Co., Ltd.
PRC or China	the People's Republic of China
Reporting Period	the year ended 31 December 2016
Resolution Property	Resolution Property Investment Management LLP
Resource Property	Shanghai Resource Property Consultancy Co., Ltd., a company listed on NEEQ with stock code 833517
Rio Bravo	Rio Bravo Investimentos S.A.
RMB	Renminbi, the official currency of the PRC

ROC	Roc Oil Company Limited
Sanyuan Foods	Beijing Sanyuan Foods Co., Ltd., a company whose A shares are listed on the SSE with stock code 600429
SFO	the Securities and Futures Ordinance (Charter 571) of the laws of Hong Kong
Shanghai Zendai	Shanghai Zendai Property Limited, a company whose H shares are listed on the Hong Kong Stock Exchange with stock code 00755
Share(s)	the share(s) of the Company
Share Award Scheme	the share award scheme adopted by the Company on 25 March 2015, as amended from time to time
Share Option Scheme	the share option scheme of the Company adopted on 19 June 2007
Silver Cross	Silver Cross Nurseries Limited
Sinopharm	Sinopharm Group Co., Ltd., a company whose H shares are listed on the Hong Kong Stock Exchange with stock code 01099
SSE	the Shanghai Stock Exchange
Star Capital	Shanghai Star Equity Investment L.P.
Star Healthcare	Shanghai Star Healthcare Co., Ltd.
Starcastle Senior Living	Shanghai Starcastle Senior Living Co., Ltd.
Studio 8	Studio 8, LLC
Thomas Cook	Thomas Cook Group plc
USD	United States dollars, the official currency of the United States
Yong'an P&C Insurance	Yong'an Property Insurance Company Limited
Yuntong Micro Credit	Guangzhou Yun Tong Micro Credit Co., Ltd.
Yuyuan	Shanghai Yuyuan Tourist Mart Co., Ltd., a company whose A shares are listed on the SSE with stock code 600655
Zhaojin Mining	Zhaojin Mining Industry Co., Ltd., a company whose H shares are listed on the Hong Kong Stock Exchange with stock code 01818
Zhejiang Growth Fund	Hangzhou Zhejiang Momentum Equity Investment Fund Partnership LLP

FOSUN 复星