

**China Merchants Group**  
**2013**  
**Social Responsibility Report**

Cover Story

In 2013, while optimizing business layout and strengthening competitiveness, the Group effectively propelled and implemented a number of projects, which further consolidated its business foundation and industry position. Riding on the central government's "internationalization" strategy, the Group made new progresses.



**China Merchants Group**  
Social Responsibility Report 2013

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**Driving Development  
With Business Success**







# CHAIRMAN



Mr. Li Jianhong  
Chairman

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# PRESIDENT



Mr. Li Xiaopeng  
President

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## CHAIRMAN'S MESSAGE

The fulfillment of social responsibility is the core foundation to maintain and secure long-lasting business of an enterprise. Over the past 140 years, China Merchants, shouldering our responsibilities and missions, has withstood the test of time from generation to generation in sharing a common destiny with the motherland and evolved in tune with the times.

Corporate social responsibility, stemming from an enterprise's inherent and fundamental beliefs and pursuits, is the moral philosophy and rationale that must be observed in contemporary corporate developments, and the infinite source of power for the development of an enterprise. Unswervingly fulfilling social responsibility is a manifestation of an enterprise's pursuit of a noble spirit which is the most important characteristic of a respected enterprise. Social responsibility, running through the development of an enterprise, is an inexhaustible power for innovation in terms of system, management and operation. There is neither any limit to nor any end to stop the fulfillment of social responsibility.

In 2013, China Merchants Group was active in improving our management and solidifying our base. This has helped us enhance our ability to fulfill social responsibility, further drive our integration of corporate social responsibility management, promote and implement the concept of corporate social responsibility among our employees at all levels and improve the performance of our corporate social responsibility practices, hence laying a solid foundation for giving China Merchants Group a strong impetus to leapfrog the development process.

As a state-owned enterprise, China Merchants Group is faced with higher social responsibility requirements. The fulfillment of social responsibility is an active pursuit of us. We will further consolidate our base and tap into our potential in order to better build and polish the brand of China Merchants in fulfilling various corporate social responsibilities and to make greater contribution to the community.



July 2014



# ABOUT US

## 1. History

China Merchants, founded in 1872, was the first government monitored and privately invested enterprise established in the westernization movement of the late Qing Dynasty. It was both the first company and the first national industrial and commercial enterprise established in China. Leverage on its significant position in China's modern and contemporary economic and social development history, China Merchants played a unique role in the historical junctures of development of the Chinese society. The head office of China Merchants Group is situated in Hong Kong.



Office building of China Merchants in 1873

## 2. Assets

As of the end of 2013, the Group's total assets amounted to RMB452.601 billion, representing a year-on-year increase of RMB61.791 billion; net assets were RMB209.453 billion, representing an increase of RMB27.408 billion when compared with last year; assets under management amounted to RMB4,420 billion, an increase of approximately RMB660 billion over the previous year.





### 3. Scope of business

China Merchants Group is focused on businesses in three core sectors, namely transportation and related infrastructure construction, operation and service (ports, highways, energy transportation and logistics as well as vessel repair and marine engineering), financial investment and management (banking, securities, fund and fund management as well as insurance and insurance brokerage) as well as real estate development and management (land management, real estate development and property leasing).

**452.601** billion

*As of the end of 2013, the Group's total assets amounted to RMB452.601 billion.*

### 4. Total number of employees



Employees went hiking on the Company Day

As of the end of 2013, the Group and our subsidiaries had approximately 48,600 employees. The Group's talent resources (comprising management, professional and technical personnel based on the statistics released by State-owned Assets Supervision and Administration Commission) amounted to 30,200 personnel.

**4,420** billion

*Assets under management amounted to RMB4,420 billion.*

**48,600** employees

*As of the end of 2013, the Group and our subsidiaries had approximately 48,600 employees.*

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## 5. Major subsidiaries

### (1) Primary companies

	Company Name (in brief)	Principal Businesses	Company Address
Hong Kong	China Merchants Holdings (International) Co., Ltd. (China Merchants International)	Ports and related businesses	38th Floor, China Merchants Tower, Shun Tak Centre, No. 168-200 Connaught Road Central, Hong Kong
	China Merchants Finance Holdings Co., Ltd. (China Merchants Finance)	Financial investment, management and operation, covering banking, securities, insurance and insurance brokerage, fund and fund management, etc.	27th Floor, China Merchants Tower, Shun Tak Centre, No. 168-200 Connaught Road Central, Hong Kong
	China Merchants Energy Shipping Co., Ltd. (China Merchants Energy Shipping)	Tanker transportation, bulk cargo shipping and LNG transportation	10th Floor, No. 6 Jilong Road, Waigaoqiao Free Trade Zone, Pudong New Area, Shanghai
	China Merchants Industry Holdings Co., Ltd. (China Merchants Industry)	Ship repair, offshore rig repair, marine engineering and special ship construction	No. 1-7, Sai Tso Wan Road, Tsing Yi Island, New Territories, Hong Kong
	Hoi Tung Marine Machinery Supplies Limited (Hoi Tung)	Maritime trade, tobacco trade, Asian food trade and tendering business	27th Floor, China Merchants Tower, Shun Tak Centre, No. 168-200 Connaught Road Central, Hong Kong
	China Merchants Food Supply Chain Management Co., Ltd. (China Merchants Food)	Provision of food supply chain services, such as import and export of food, warehousing and logistics, supply chain finance and advisory services, etc.; investment in industrial projects; import and export of goods and technologies	Room 3401, China Merchants Tower, Shun Tak Centre, No. 168-200 Connaught Road Central, Hong Kong
Mainland	China Merchants Shekou Industrial Zone Co., Ltd. (China Merchants Shekou)	Land management and property business, modern logistics business, park service business and high-tech businesses	28-29th Floor, Times Plaza, No. 1 Taizi Road, Shekou, Nanshan District, Shenzhen
	China Merchants Hua Jian Highway Investment Co., Ltd. (China Merchants Hua Jian Highway)	Investment in and management of highways, bridges and tunnels	5th Floor, China Merchants Tower, No. 118 Jianguo Road, Chaoyang District, Beijing
	China Merchants Logistics Holding Co., Ltd. (China Merchants Logistics)	Third-party logistics	China Merchants Logistics Demonstration Base, Pingfang Park, Qianhai, Nanshan District, Shenzhen
	China Merchants Zhangzhou Economic and Technological Development Zone Co., Ltd. (CMZD)	Land management and property business, port logistics and maritime industries	Zhangzhou China Merchants Economic and Technological Development Zone, Fujian Province
	China Merchants Chongqing Communications Research & Design Institute Co., Ltd. (CCRDI)	Research, survey and design in highways and urban/ municipal roads, bridges and tunnels, product manufacturing and project construction as well as bus and motorcycle test and measurement	No. 33 Xuefu Avenue, Nanan District, Chongqing
	China Merchants Property Development Co., Ltd. (CMPD)	Property development and distribution, leasing business and property management	Nanhai E Cool Park, No. 6 Xinghua Road, Shekou, Nanshan District, Shenzhen
	China Merchants Capital Investment Co., Ltd. (China Merchants Capital)	Equity investment, industrial project investment, investment consulting and corporate management consulting	B-2001, Donghai International Centre, West Nongyuan Road, Shenzhen Road West, Shenzhen, Futian District, Shenzhen

**(2) Key companies with China Merchants Group as the substantial shareholders**

No.	Company Name (in brief)	Parent Company	Stake (%)	Remark
1	China Merchants Bank Co., Ltd. (China Merchants Bank)	China Merchants Group	18.80	Largest shareholder
2	China Merchants Land Limited (China Merchants Land)	CMPD	74.35	
3	Shanghai International Port (Group) Co., Ltd. (SIPG)	China Merchants International	24.49	Second largest shareholder
4	China International Marine Containers (Group) Ltd. (CIMC)	China Merchants International	25.54	Largest shareholder
5	Shenzhen Chiwan Wharf Holdings Limited (Shenzhen Chiwan)	China Merchants International	33.58	Largest shareholder
6	China Merchants Securities Co., Ltd. (China Merchants Securities)	China Merchants Finance	45.88	
7	China Merchants China Direct Investments Limited	China Merchants Finance	27.59	Largest shareholder
8	China Merchants Holdings Pacific Limited (CMHP)	China Merchants Hua Jian Highway	82.44	
9	Huabei Expressway Co., Ltd. (Huabei Expressway)	China Merchants Hua Jian Highway	26.82	Largest shareholder
10	China Merchants Loscam International Holdings Co., Ltd. (China Merchants Loscam)	China Merchants Hong Kong	100	

(Note: Data as of 31 December 2013)





# 02

## RESPONSIBILITY MANAGEMENT

### 1. Decision management

The Group's major management issues are studied and determined at office meetings. The Group has set up special working committees on strategic management, investment audit, compensation management, safety management, compliance management and corporate culture building and other areas to provide the office meetings with decision-making advice, and to promote, inspect and supervise certain priorities according to the decisions made at the office meetings.





## 2. Concept of responsibility

We adhere to a balanced business development philosophy in terms of scale, quality and efficiency to achieve the preservation and appreciation of state-owned assets as well as sustainable growth of the enterprise. We also coordinate the interests of stakeholders and their relationships and actively maintain a social and natural environment of relevance to the enterprise's operations with the aim of maximizing the overall economic, social and environmental efficiency for building a harmonious enterprise.

### A Corporate Citizen's Social Responsibilities



Responsibility Model

### 3. Responsibility culture

The responsibility culture of China Merchants stems from practices accumulated over a hundred years, bearing both the fundamental elements of history and the distinctive features of the times. It is a linkage, a driving force and a kind of lifeblood running through the century-long history of China Merchants.

**Core values:** sharing a common destiny with the motherland and developing along with the times

**Corporate mission:** promoting the progress of the times with business success

**Corporate rationale:** promoting business, innovation, balance and harmony

**Corporate vision:** building a harmonious enterprise with global competitiveness

**Corporate spirit:** patriotism, self-improvement, pioneering and integrity

**Responsibility culture:** corporate citizen and social responsibility

### 4. Responsibility guidelines

- (1) Adhere to and implement the universal principles and practical requirements of social responsibility.
- (2) Have one's own characteristics from the standpoint of this business reality.
- (3) Integrate with the development of the company to become a key integral part of business development.
- (4) Focus on practices and long-term commitments to create a conscious force across the group.
- (5) Pay special attention to the needs of society with a view to building a harmonious community.
- (6) Combine the history and traditions of one's own company with the contemporary trends.

## 5. Responsibility commitments

Integrate into society, care for people's livelihood, assume social responsibilities and promote harmonious growth

## 6. Responsibility expectations

Win the trust of society and maintain evergreen principal businesses

## 7. Responsibility planning

In economic terms:

Do business according to law and act in good faith to become an enterprise that is trusted by the community.

In social terms:

Build a people-oriented corporate culture to create a harmonious enterprise; show concern for people's livelihood, help the poor and take an active role in charity to contribute to society.

In environmental terms:

Strengthen the enterprise's environmental protection responsibilities to build an environmental-friendly enterprise.

Integrate into society,  
care for people's  
livelihood, assume social  
responsibilities and  
promote harmonious  
growth



Chairman Li Jianhong was invited to attend the 1st "Global Economic Forum" organized by the National Development and Reform Commission





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## ECONOMIC RESULTS

### 1. Operating results

In 2013, the Group recorded an increase of 12.21% in operating revenue, a growth of 4.2% in cost of sales and an increase of 9.72% in administrative expenses, achieving a relatively high growth in assets, operating revenue and other scale indicators while maintaining a steady increase in terms of profitability indicators.







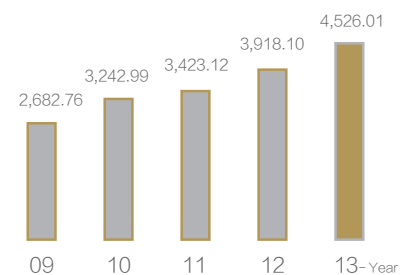
### Key Indicators for 2009-2013

Unit: RMB100 million

	2009	2010	2011	2012	2013
Total assets	2,682.76	3,242.99	3,423.12	3,918.10	4,526.01
Net assets	1,145.14	1,418.86	1,587.15	1,820.45	2,094.53
Operating revenue	376.61	444.15	513.79	646.91	722.10
Recurring profit	162.74	199.06	222.71	245.82	265.44
Total profit	178.52	217.78	236.85	264.75	273.58
Net profit attributable to parent company	97.99	121.77	138.13	147.26	169.42
Total investments	58.66	151.60	73.60	105.77	241.59
Return on total assets	8.26%	8.04%	7.89%	8.09%	7.24%
Return on common stockholders' equity for parent company	15.28%	15.36%	14.85%	13.62%	13.60%
Interest-bearing debt ratio	30.49%	32.33%	34.59%	31.73%	35.70%

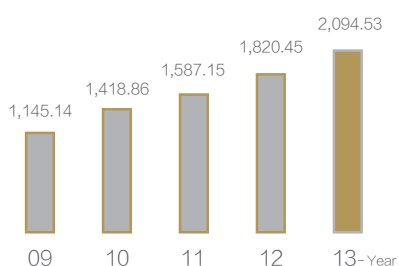
### Total assets

RMB100 million



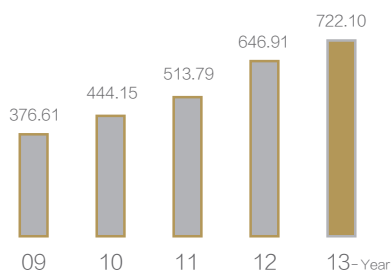
### Net assets

RMB100 million



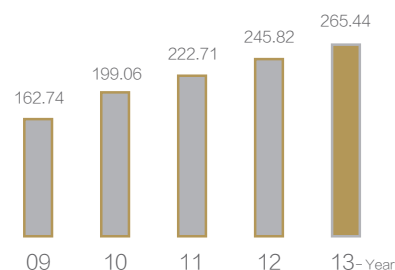
### Operating revenue

RMB100 million



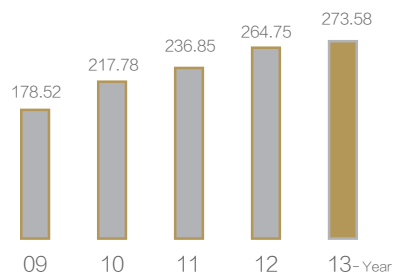
### Recurring profit

RMB100 million



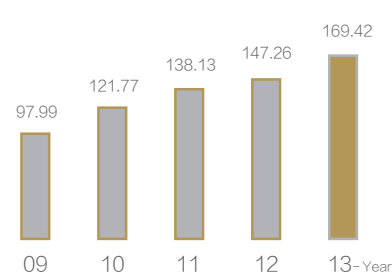
### Total profit

RMB100 million



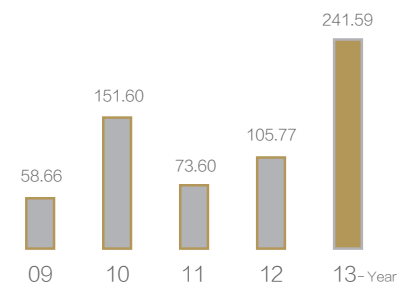
### Net profit attributable to parent company

RMB100 million



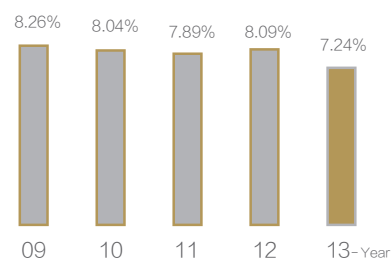
### Total investments

RMB100 million



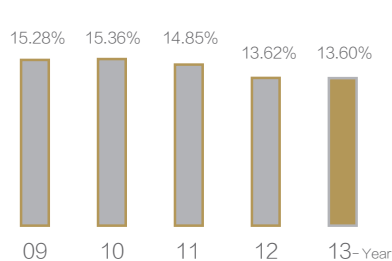
### Return on total assets

%



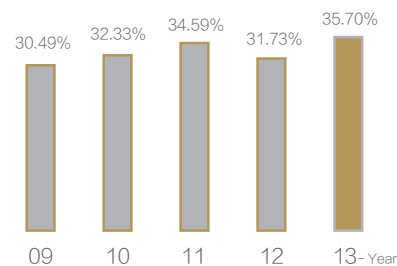
### Return on common stockholders' equity for parent company

%



### Interest-bearing debt ratio

%



## 2. Tax revenue contribution

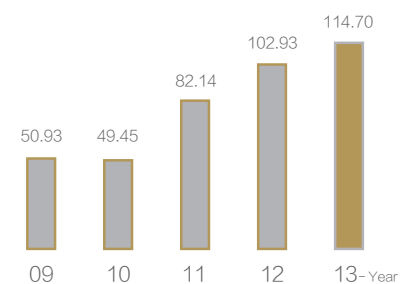
Since 2011, the Group's tax revenue has maintained a double-digit growth which has contributed to the increase of national and local revenue.

China Merchants Group's tax revenue contribution for 2009-2013 Unit: RMB100 million

	2009	2010	2011	2012	2013
Tax revenue contribution	50.93	49.45	82.14	102.93	114.70
Year-on-year growth rates of contribution to tax revenue	59.16%	-2.91%	66.11%	25.31%	11.43%

Tax revenue contribution

RMB100 million







04

## ENVIRONMENT

In 2013, the Group endeavored to implement the concept of green office across its headquarters and companies. China Merchants Energy Shipping introduced the international standards in an effort to develop green shipping. China Merchants International carried out technological innovations to optimize techniques and processes and promoted valuable and proven energy saving and emission reduction projects at piers, such as the change "from fuel- to electric-driven" RTGs, marine power systems and LED high pole light reconstruction at dockyards, with the aim of building green ports. CMPD actively promoted natural and harmonious green living characterized by low energy consumption, mixed functions and convenience. A number of the Group's energy consumption indicators declined, which has reduced the adverse impact on the environment.





The Group consumed energy totaling 701,000 tonnes of standard coal, representing a decrease of 12% when compared with the same period of last year.

The Group's comprehensive energy consumption for every RMB10,000 operating revenue (current value) was 0.0981 tonne of standard coal/RMB10,000, representing a year-on-year decline of 23.5%.

**-12%**

*Energy consumed down by 12% year-on-year*

**-23.5%**

*Comprehensive energy consumption for every RMB10,000 operating revenue down by 23.5% year-on-year*



Shekou Container Terminals successfully tested the ship-to-shore power systems



A "fuel-to-electricity" project in gantry crane

**-22.7%**

Comprehensive energy consumption for every RMB10,000 output down by 22.7% year-on-year



**-11%**

Carbon dioxide emissions decreased by 11% year-on-year

The Group's comprehensive energy consumption for every RMB10,000 output (current value) was 0.0805 tonne of standard coal/RMB10,000, down by 22.7% year-on-year. Based on the operating revenue and output for this year, energy totaling 220,000 tonnes of standard coal was saved.

The Group's chemical oxygen demand (COD) emissions were 3.09 tonnes, representing a decline of 0.35% over last year.

Sulfur dioxide emissions were 21,028 tonnes, down by 12.9% year-on-year.

Carbon dioxide emissions were 1.75 million tonnes, a decrease of 11% when compared with last year.







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## SERVICE PERFORMANCE

Systems relating to the construction and improvement of customer service mechanisms, such as quality management system, environmental management system, occupational safety and health management system as well as supply chain safety management system, are built and put into operation across major members of the Group, and some of them have obtained corresponding management system certifications. At the same time, our companies have improved management mechanisms with focus on market and customer needs and endeavored to enhance the performance of business services.

### 1. Port operations

In 2013, SCT, a company of China Merchants International, won the "Best Container Terminal – Asia" award at the 27th Asian Freight Supply Chain Awards (AFSCA) organized by Cargo News Asia. SCT was also ranked among the "Top Ten Container Terminals for Integrated Service" and the "Top Ten Innovative Enterprises" at the Tenth China Freight Industry Awards (Golden Wheel Award) and the "Top 100 of the Year in China's Shipping Industry" respectively, which has further affirmed the outstanding performance and benchmark effect of SCT's port operations in terms of integrated service, wharf management and business model innovation.





Shekou Container Terminals won the title of "Asia's Best Container Terminal"





Our friendly service along the Guilin-Liuzhou Expressway

## 2. Highway operations

Through effective operation of our customer service management system, China Merchants Hua Jian Highway achieved quality targets of “≥95% customer satisfaction, 100% complaint handling rate, <0.1% charging error rate and zero major safety accident” across subsidiaries.

## 3. Shipping operations

Customer satisfaction for Haihong Company and Minghua Company, subsidiaries of China Merchants Energy Shipping, were as high as 94.86% and 100% respectively. In addition, Haihong Company passed the SHELL Management Review and obtained the highest qualification for tanker management in Greater China.



A tanker of China Merchants Energy Shipping

## 4. Logistics operations

China Merchants Logistics conducted a sample survey on seven customers in 2013 and the result for customer satisfaction was 100%, which has met the company's ISO quality management requirements. After a comprehensive appraisal by Shell, China Merchants Logistics received the “First Prize of the Road Transport Safety Awards in 2013” from Shell Lubricants Supply Company and the “Best Performance Award for Distinguished Carriers” from Shell (China) S&D.



“Best Performance Award for Distinguished Carriers” from Shell



“Ten-Year Distinguished Service Award” from BP

## 5. Ship repair operations

Yiu Lian Dockyards (Shekou), a company of China Merchants Industry, achieved 96.5% comprehensive customer satisfaction and 0% rate of negative comment, showing that the company's repair and service quality are being recognized by ship owners. China Merchants Heavy Industry, another company of China Merchants Industry, achieved 88.33% product design and quality satisfaction, 90.83% product physical quality satisfaction, 95% service satisfaction, 93.33% communication satisfaction and 85% delivering satisfaction.



A waterway dredger built by China Merchants Industry



CJ-46 series of self-elevating offshore drilling rig built by China Merchants Industry



Office of China Merchants Securities



Ranked top in the 11th "Best Sales Service Team" of New Fortune

## 6. Securities and insurance operations

In 2013, China Merchants Securities recorded an increase in customer service satisfaction to 98.03% from 82.01% of last year. Customer satisfaction was 93.81%. The agency headquarters of China Merchants Securities won first place in the 11th "Best Sales Service Team" of New Fortune for the third time following two successive championships in 2011 and 2012.



## 7. Real estate operations

CMPD actively developed customer service experience in 2013, launching a pilot online digital service platform “Dao Jia Wang” in Shenzhen in an attempt to achieve online and offline integration with the aim of providing property owners with user-friendly and interactive information channels, such as computer networks, mobile terminals, telephones (call centers) and customer service centers, and accordingly a more convenient, simple and effective real estate communication platform.



Logo of CMPD's service brand "Maple Leaf Action"



CMPD's Haiyue residential blocks





06

## EMPLOYEE RELATIONS AND PRODUCTION SAFETY

### 1. Harmonious labour relations

The Group has built a wage distribution system which is compatible with modern corporate systems and in line with the Group's production and management features as needed in market competition. Adhering to the principles of "allocation according to work" and "giving priority to efficiency with due consideration to fairness", the Group has established a scientific and rational internal allocation mechanism and incentives for business management personnel, hence ensuring the sustained and healthy development of the Group.





In 2013, a total of 46,500 personnel were trained throughout the Group. The Group encourages employees to develop individual practical career plans according to organizational development needs and their own ability and quality.

**46,500** Personnel

*In 2013, a total of 46,500 personnel were trained throughout the Group.*



Strategic management and practical training for senior management of the Group



The Group requires all subsidiaries to strictly comply with relevant national and regional labour laws and regulations and pay attention to safeguarding the legitimate rights and interests of employees, striving to build harmonious labour relations. Currently, the Group implements the labour contract system for all staff to achieve full social insurance coverage.



Training technical staff at China Merchants Industry



New staff training of CMPD



Young leader training of China Merchants International



Young leader training in Shekou

## 2. Production safety

The Group places great importance on the management of production safety and is active in maintaining and creating a safe production environment. Ensuring proper production safety is both the objective needs of corporate management as well as the bounden social responsibility of an enterprise towards the community and employees.

In 2013, a total of 7,226 safety trainings were held within the Group and 247,800 personnel participated. The Group's companies conducted altogether 7,026 safety inspections and corrected 3,151 personnel in violation. A total of 22,809 risks were checked and 22,416 items were rectified. The rectification rate was as high as 98.27%.

# 98.27%

*A total of 22,809 risks were checked and 22,416 items were rectified. The rectification rate was as high as 98.27%.*



A drill at Shekou Xunlong Shipping



Joint emergency drill by China Merchants International and Shenzhen's Nanshan Security Committee



# 07

## SOCIAL PERFORMANCE

### 1. Acting against commercial bribery and fostering integrity of the community and compliance with the law

The Group strictly observes the requirements of the laws and regulations of places where our investors and companies are located. Our business managers at all levels abide by the code of business conduct in good faith to act against commercial bribery and foster integrity of the community.



Certificate of China Merchants Logistics on "abiding by contracts and emphasis on credibility"



Certificate of CMPD on "abiding by contracts and emphasis on credibility"



In 2013, the Group amended the rules governing our compliance management committee, the supervisory guidelines on related transactions of employees and the provisions for the administration of intellectual property rights, compiled and issued the "Compliance Manual for Employees of China Merchants Group", as well as released the "Trend and Overview of Latest Laws and Regulations" on a monthly basis and typical case studies. The Group specifically requires that all subsidiaries must achieve a 100% rate of legal review for their rules and systems, economic contracts and major decisions.



**The Group specifically requires that all subsidiaries must achieve a 100% rate of legal review for their rules and systems, economic contracts and major decisions.**



## 2. Participation in social activities

In 2013, more than 20 employees from the Group as well as our subsidiaries and key investees assumed their duties as CPC deputies, NPC deputies, CPPCC members and other social positions. They actively participated in relevant social activities to make recommendations on various national and local projects. Some major social organizations participated by the Group and our subsidiaries are listed as below:

Name of organization	Sector	Position
The Hong Kong Chinese Enterprise Association	General	Honorary President, Vice President
The General Association for the Promotion of Cross-Strait Peaceful Development of Hong Kong	General	Honorary President
China Association of Communication Enterprise Management	Transportation	Vice President
Hong Kong Shipping Circles Association Ltd.	Shipping	Chairman
Cross-Strait Shipping Exchange Association	Shipping	Vice Chairman
China Shipowners Association	Shipping	Vice President
China Institute of Navigation	Shipping	Vice Chairman
Professional Committee of The Hong Kong Chinese Enterprises Association	Industry and commerce	Vice Chairman
The Chinese General Chamber of Commerce	Industry and commerce	Vice President
China Branch of Maritime Logistics Council of Global Institute of Logistics	Logistics	Chairman
China Federation of Logistics and Purchasing	Logistics	Vice President
China Association of Warehouses and Storage	Logistics	Vice President
China Highway Planning Society	Highways	Chairman
Tunnel Engineering Society of China Highway and Transportation Society	Highways	Chairman
Operation and Management Association of Chinese Expressway	Highways	Chairman, Vice Chairman
China Real Estate Chamber of Commerce	Real estate	Vice President

### 3. Key social organizations and associations participated by us

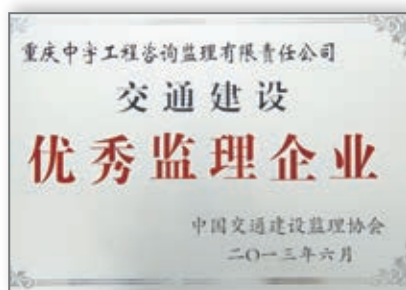
The Group and our subsidiaries play an active role in various social organizations, of which 27 have nationwide influence. Through these platforms, we strengthen our links with the industry and stakeholders for communication on related interests to demonstrate our influence.

### 4. Awards

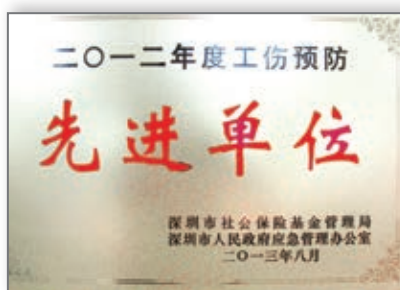
In 2013, the Group and our subsidiaries spared no efforts in reaching new heights, gaining recognition from the authorities and social institutions as well as customers, media and other related parties and thus receiving more than 50 honors and awards.



Three subsidiaries of China Merchants were awarded the honorary title of "Advanced Group of Central Enterprises"



Zhongyu Engineering Consultation and Supervision of China Merchants Chongqing Communications won the title of "Enterprise Excellent in Supervision in the Industry in 2012"



China Merchants Logistics and its Shenzhen and ocean shipping tally companies were named "Enterprise Advanced in Injury Prevention in Shenzhen in 2012"





## CHARITY

In 2013, China Merchants Charitable Foundation contributed a total of RMB44,832,900 to charity and carried out 28 projects. From 2009 to 2013, the Group and our subsidiaries collectively donated RMB149,958,940 and HK\$12,700,000 to China Merchants Charitable Foundation. In the same period, the charity expenditure of China Merchants Charitable Foundation amounted to RMB99,228,300 and altogether 46 charity projects were launched.

China Merchants supports Hong Kong students in the China's National Situation Knowledge Contest



欢迎“为中国而教”志愿者支教咸宁



44,832,900

*In 2013, China Merchants Charitable Foundation contributed a total of RMB44,832,900 to charity and carried out 28 projects.*

99,228,300

*The charity expenditure of China Merchants Charitable Foundation amounted to RMB99,228,300.*





A town supported by China Merchants in Yinlong village in Guizhou's Weining



At the site of Phase VI cadre training class



Site of gift presentation to community in Shidonghe



Women's literacy class in Yinlong village



Rural workers training

In 2013, the Group continued to implement our poverty alleviation project in Weining County, Guizhou Province and officially launched projects at designated locations to help the poor in Qichun County, Hubei Province. China Merchants Charitable Foundation directly invested a total of RMB44.52 million. The Group organized Phase III cadre training in Weining County and Qichun County at which 150 cadres of county and township levels were trained, hence playing an active role in the economic and social development of the two counties.

In 2013, through China Merchants Charitable Foundation, the Group donated US\$200,000 to Djibouti Child Protection Center and the orphanage of DARYEL for the reconstruction and expansion of existing premises of the child protection center and the orphanage as well as for the purchase of relevant equipment. As a result, both institutions increased capacity for 75 more children and the living and educational conditions were improved. Ms. Kadra Mahamoud Hald, Chairman of DARYEL's orphanage and the First Lady of Djibouti, passed her message of gratitude to us through the orphanage's dean.



Letter of gratitude from the First Lady of Djibouti





09

## WORLD CITIZENSHIP

The Group and our subsidiaries entered into a number of cooperation agreements with foreign governments and enterprises in 2013. As of the end of 2013, the Group had foreign assets of RMB28,600.62 million and operating revenue of RMB5,818.26 million.

In 2013, as witnessed by the Chinese President Xi Jinping and the Tanzanian President Kikwete, the Group and the Tanzanian government concluded a framework agreement on the strategic partnership in relation to the comprehensive development of Bagamoyo special economic zone.

China Merchants International acquired a wholly-owned subsidiary of France's CMA CGM.

We also acquired 49% equity interests of 15 terminals operating under Terminal Link in four continents and eight countries.

# SRI LANKA

PORTS, TRADE & LOGISTICS  
CONFERENCE, EXHIBITION AND AWARDS

1-3 May 2013  
Hilton Hotel, Colombo

Organised by

Seatrade

Hosted by



A shareholders' agreement was signed between China Merchants and Djibouti under which China Merchants International will hold 23.5% of the shares of Port de Djibouti S.A.

China Merchants Securities has become the first mainland Chinese clearing member of Chicago Mercantile Exchange.

Sri Lanka CICT, a company invested and managed by China Merchants International, built its port half year ahead of schedule, which has received praise from Sri Lanka.

**28,600.62**

*As of the end of 2013, the Group had foreign assets of RMB28,600.62 million and operating revenue of RMB5,818.26 million.*

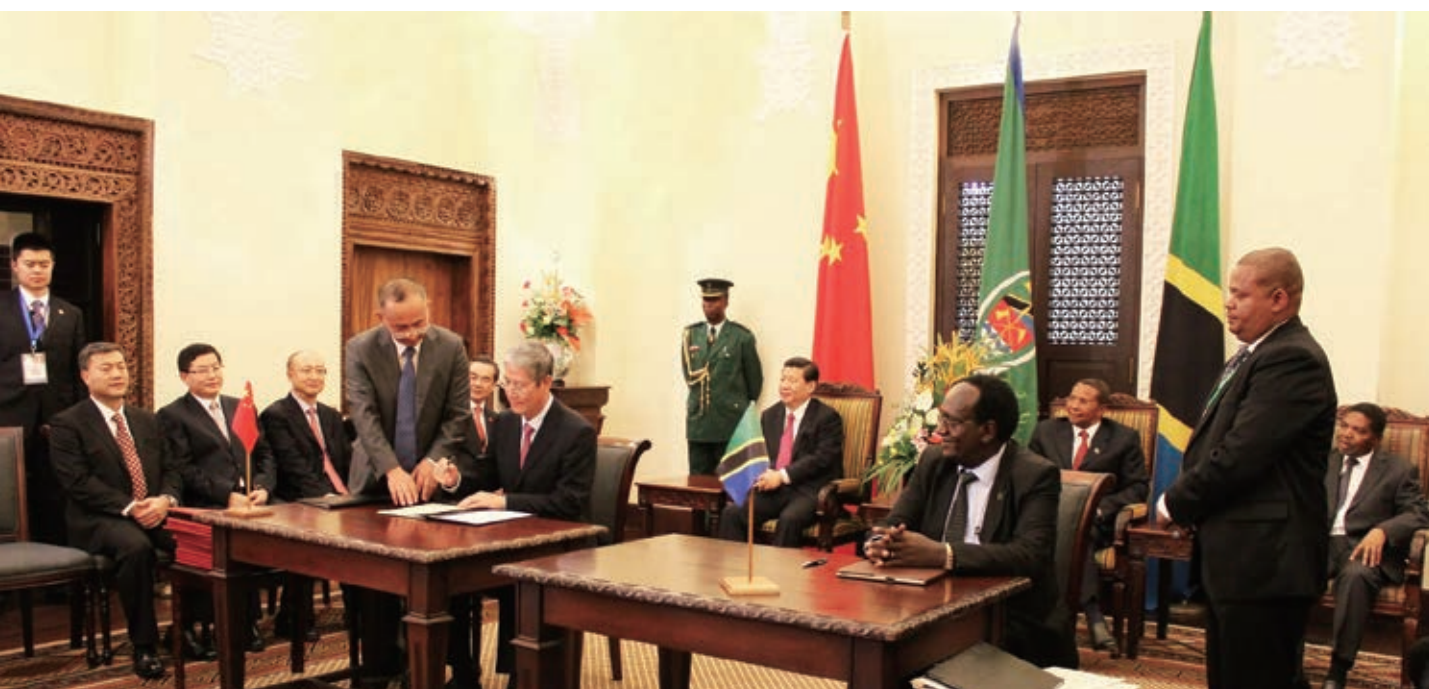
**49%**

*We also acquired 49% equity interests of 15 terminals operating under Terminal Link in four continents and eight countries.*

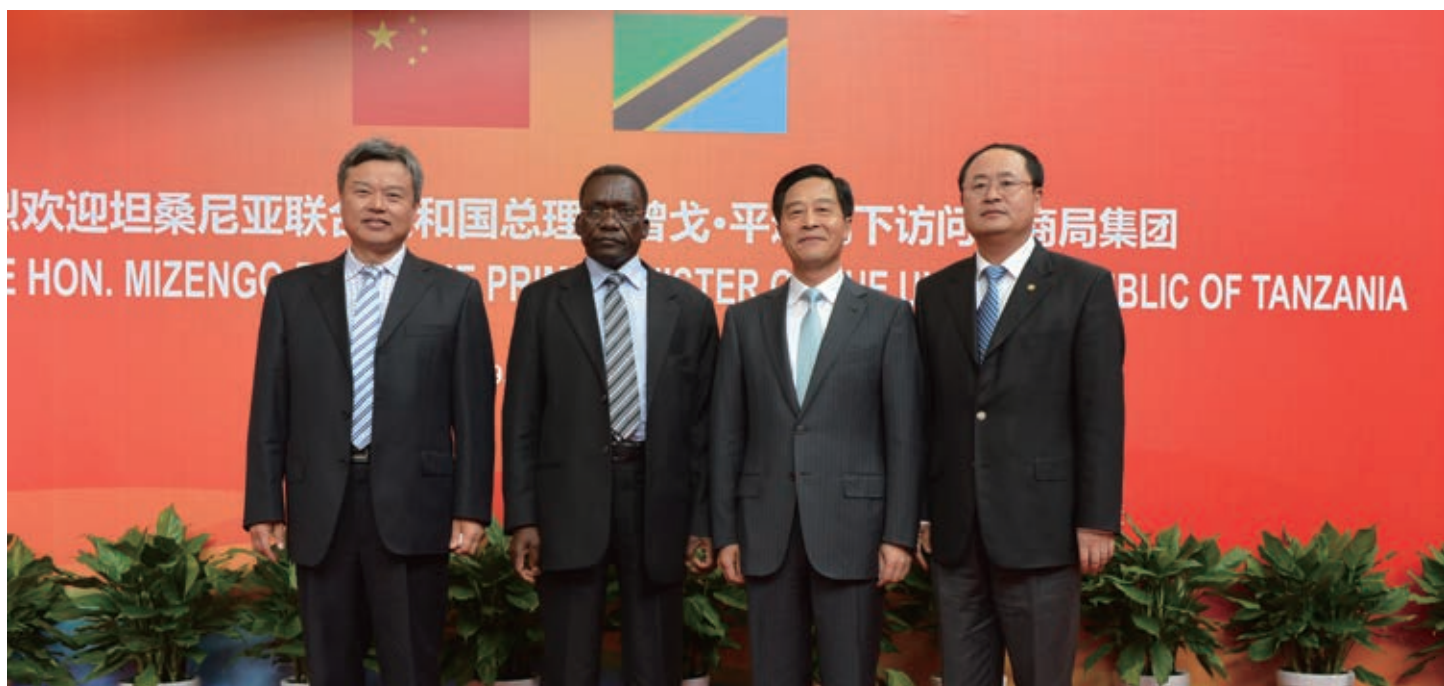




On 28 May 2013, Chinese President Xi Jinping witnessed the signing of a bilateral cooperation agreement between China Merchants Group and the Sri Lankan government



On 24 March 2013, Chinese President Xi Jinping witnessed the ceremony of the signing of the Tanzanian project by China Merchants



Visit of Tanzanian Prime Minister to China Merchants Group



Grand opening ceremony of Colombo International Container Terminal on 5 August 2013 (ribbon cutting by Chairman Li Jianhong and the Sri Lankan President)



## Figures for 2013

	Performance Indicators	2011	2012	2013
Economic Performance	Total assets (RMB100 million)	3,423.12	3,918.10	4,526.01
	Net assets (RMB100 million)	1,587.15	1,820.45	2,094.53
	Operating revenue (RMB100 million)	513.79	646.91	722.10
	Total profit (RMB100 million)	236.85	264.75	273.58
	Recurring profit (RMB100 million)	222.71	245.82	265.44
	Net profit attributable to parent company (RMB100 million)	138.13	147.26	169.42
	Total investments (RMB100 million)	73.60	105.77	241.59
	Return on total assets (%)	7.89	8.09	7.24
	Return on common stockholders' equity for parent company (%)	14.85	13.62	13.60
	Interest-bearing debt ratio (%)	34.59	31.73	35.70
	Contribution to tax revenue (RMB100 million)	82.14	102.93	114.70
	R&D investments (RMB10,000)	18,904	16,665	18,518
	Number of new patents (unit)	322	313	420
	Container throughput of terminal operations (10,000 TEU)	5,729	6,021	7,132
	Bulk cargo throughput of terminal operations (10,000 TEU)	32,453	32,703	34,914
	Total traffic volume of highway operations (10,000 vehicles)	65,651	68,840	74,156
	Tanker fleet throughput (10,000 tonnes)	3,189	3,102	3,111
	Road freight turnover of logistics operations (10,000 tonnes km)	385,505	432,224	529,262
	Delivered area of commodity properties (10,000 sq. m)	74.77	135.95	205.79
	Social Performance	Number of workers employed (people)	44,000	47,000
Number of female managers as percentage of total (%)		7.52	8.16	9
Number of employees under quality and capacity training (people)		35,016	44,700	46,500
Total investments in production safety (RMB10,000)		5,017	6,740	7,942
Number of employees under production safety training (people)		193,167	156,089	247,800
Employee casualties (people)		0	1	3
Total donations (RMB10,000)		2,281.28	2,000	5,000
Charity expenditure of China Merchants Charitable Foundation (RMB10,000)		1,006.86	2,416.2	4,483
Number of cadres trained for poor regions (people)		60	90	150
Environmental Performance	Comprehensive energy consumption for every RMB10,000 added value (tonne standard coal/RMB10,000)	0.3701	0.3176	0.2927
	Carbon dioxide emissions (tonne)	33,342	24,134	21,028
	Chemical oxygen demand (COD) emissions (tonne)	4.24	3.1	3.09
	Nitrogen oxide emissions (tonnes)			
	Ammonia emissions (tonne)	0.69	0.55	1.04
	Wastewater emissions (10,000 tonnes)			
	Total investments in energy saving and emission reduction technological transformation and environmental protection (RMB10,000)	3,675	4,848	4,388
	Number of construction projects with green certificate (project)	9	10	8

(Note: The Group is primarily engaged in the service industry. For the four energy saving and emission reduction indicators on COD, nitrogen oxide, ammonia and wastewater, they are results of testing conducted at our marine base in Shenzhen's Mazhou Island which is the only company in the Group that is equipped with emission measuring apparatus. Therefore, the figures are incomplete and do not reflect the overall situation of the Group.)



China Merchants History Museum

## Contact us

If you have any questions on this report, please call us or send us a letter. Our contacts are as follows:

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