



中國海外宏洋集團有限公司  
CHINA OVERSEAS GRAND OCEANS GROUP LTD.

Stock Code: 00081

# STEADY ON THE WAVE LEADING THE NEW TRENDS

2023 Environmental, Social & Governance Report





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**40.64%** of the employees were female

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Launched the "Qingliu Plan" to build a green supply chain with the supply chain companies as the mainstay to lead the participation of **150** integrated and procurement suppliers

The total investment in public welfare and charity was RMB **606,265**

volunteer service was **3,448** hours

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## About this Report



This report is the eighth Environmental, Social and Governance Report ("the Report") issued by China Overseas Grand Oceans Group Limited (Stock Code: 00081.HK). The report provides detailed disclosure of the governance, strategy, objectives, practices and performance of the Group in the environmental, social and other sustainable development fields in 2023 based on the principles of materiality, quantification, balance and consistency.

### Abbreviation

"China Overseas Grand Oceans Group Limited" "COGO" "the Group" or "We" Refers to China Overseas Grand Oceans Group Limited and its subsidiaries

"The Company" Refers to China Overseas Grand Oceans Group Limited

"COGO Lowcarbon Technology" Refers to China Overseas Grand Oceans Lowcarbon Technology Company Limited, is an indirect wholly-owned subsidiary of the Company

### Reporting Standards

This report has been prepared in compliance with the requirements set out in Appendix C2 — *Environmental, Social and Governance Reporting Guide* (the "Guide") to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("SEHK") and by reference to the United Nations *Sustainable Development Goals (SDGs) Compass*. The report fulfils the "comply or explain" disclosure obligations of the *Guide*, continues to improve the disclosure transparency of ESG reports and responds to the information needs of stakeholders.

The report's *Appendix: SEHK ESG Index* details the main areas, level, general disclosure and key performance indicators (KPIs) index of the Guide for quick reference.

### Reporting Boundary

The report is an annual report covering the period from 1 January 2023 to 31 December 2023 ("the reporting period"). In order to enhance the comparability and completeness of the content of the report, some of the content is extended forward and backward as appropriate.

The scope of the general disclosures, financial KPIs and social KPIs in the report is consistent with the Company's *2023 Annual Report*, covering the Group's Property investment and development, Property leasing and Investment holding, including all entities of the Company and its subsidiaries. The environmental KPIs cover the Company's headquarters and 14 regional companies, 39 city companies and 2 professional companies (including COGO Commercial Company and COGO Lowcarbon Technology) operating in Chinese Mainland and Hong Kong, including self-constructed self-used and leased office buildings, self-owned employee canteens, self-operated project sites, commercial project public area and other areas and means of transport such as official vehicles that are under operational control and incurring the relevant expenses, and excluding the Group's leased out office buildings, outsourced employee canteens and construction site areas. If the scope of coverage of some of the information is otherwise stated in the report, the statement shall prevail.

Unless otherwise stated, the report is denominated in RMB.

## Reporting Principles

The report follows the reporting principles of the *Guide*, including:

<b>Materiality</b>	The report focuses on disclosing relevant matters that may have a significant impact on the stakeholders with inputs from the materiality assessment.
<b>Quantification</b>	The report provides quantitative information on key performance indicators and the standards, methods, assumptions and calculation tools used, together with explanations, to enable the reader to assess and verify the performance of the Group's ESG policies and management system.
<b>Balance</b>	This report is based on objective facts and comprehensively discloses the ESG performance of the Group, so as to avoid the expressions or presentation formats that may inappropriately influence the reader's decision or judgment.
<b>Consistency</b>	Unless otherwise stated, the disclosure and statistical methods used in the report are consistent with previous years to ensure comparability of information.

## Data Sources

All sources of data and materials in the report include internal official documents, statistical reports and the results of third-party questionnaires. The Board of Directors of the Company undertakes to supervise the contents of the report and to ensure that it is free from any false representations, misleading statements or material omissions, and is responsible for the truthfulness, accuracy and completeness of the contents.

The report was approved for issue by the Board of Directors of the Group on 25 March 2024.

## Access to the Report

The electronic version of the report can be viewed and downloaded from the website of SEHK ([www.hkexnews.hk](http://www.hkexnews.hk)) or the website of the Company (<https://www.cogogl.com.hk/en/home/report/>). The report is available in both Chinese and English. If there is any inconsistency between the Chinese and English versions of the report, please refer to the Chinese version. If you have any question or suggestion on the report, you may contact us in the following ways:

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## Message from the Chairman



Chairman and executive director

Zhuang Yong

### Steady on the Wave, Leading the New Trends

Today, we stand at a historical juncture where challenges and opportunities coexist, and the development of novel productive forces is the top priority of this era. Looking back to 2023, we find that the global situation remains uncertain, with a mix of traditional and emerging risks arising from geopolitics, energy supply, climate change, and other issues. Against this backdrop, China has assumed the responsibility of a great nation and "maintains composure amidst chaos" by promoting economic recovery in a steady and orderly manner. Meanwhile, being firmly committed to the "Dual Carbon" strategy and the well-being of the people and human prospect, our government has been making contributions to the building of a better world. In line with the government's development direction, COGO has been optimising its organisational structure to enhance operational efficiency. Moreover, we are committed to innovation to drive business development as well as internal and external green transformation, thereby promoting the high-quality sustainable development of the industry and the society. Every journey begins with a single step. We look for opportunities in challenges, and through our determined efforts, we are always on the way to success.

### Aspiring to be strong, we have been optimising our strategic deployment for achieving self-driven growth.

COGO adheres to the concept of sustainable development and has established a sound ESG management system, paving the way for ESG governance. By actively responding to the demands of stakeholders, we have established a responsible brand image. To cope with the complex and ever-changing market situation, we are agile in adjusting our organisational structure, further improving our risk management mechanism to solidify the foundation of development. Besides, we adhere to integrity and operation compliance. Internally, we have fostered a culture of integrity; Externally, we always bear in mind business ethics and maintain market equity with practical actions. In 2023, the three major international credit rating agencies assigned "investment grade" ratings to us, while China Chengxin International Credit Rating Company Limited ("CCXI"), a domestic credit rating agency, assigned to us the highest "AAA" credit rating. As for the "Three Red Lines" assessment, we maintain a "Green" status.

### Striving for perfection, we continually improve product quality to pursue delivery excellence.

Focusing on customer experience, we have refined the "12345" good product system and established a full-cycle evaluation system to monitor the quality of projects throughout the construction process. Technological innovation and management optimisation also help us to achieve strong delivery capability with "safe, comfortable and green" works. During the year, we continued to implement the three-year action plan of "Technological COGO". It is encouraging to us that we got a delivery satisfaction score of 91.11 and a customer satisfaction score of 90.25 by virtue of our outstanding product quality and full-cycle quality services. With the "Reassuring" products, we have earned the trust and good reputation from the public.

### Following the laws of nature and the natural trend of things, we explore in the low-carbon field and seek green solutions.

In line with the trend of the times and in response to the government's call for "Dual Carbon", we have deployed a "Dual Carbon" strategy with a forward-looking vision. Based on our own technical and business advantages, we have formulated feasible carbon reduction targets and action plans, and explored in-depth ultra-low-energy building techniques. In practice, we have applied these techniques to projects such as Hohhot Glorioushire and Weifang Dagan Tianxia, providing the industry with examples of green practice. With innovation as the core driver of progress, we have independently developed multiple digital energy consumption and carbon asset management products, such as "Smart Carbon Space", "Intelligent Carbon Management Platform for Commercial Buildings", "Intelligent Carbon Management Platform for Residential", and "Smart Carbon Planet", to technically support business development of COGO and low-carbon transition of the society. In addition, we are working with our suppliers to build a green supply chain, encouraging them to certify green products and green building materials. This helps us in building a green supply chain management system and extending green practices to both the upstream and downstream of the value chain.

### Valuing talents and being people-oriented, we are actively creating a sunny workplace.

To create a diversified, inclusive, and fair workplace, fully recognise the value of employees and providing them with motivation for improvement, we have established an open and visible performance evaluation mechanism based on sound human resources management. We advocate work-life balance for our employees. Through a sound compensation and benefits system and various cultural activities, we hope to enhance employees' experience and inspire them. In addition, we provide an excellent development platform for our employees, and we have diversified talent development programmes to explore their potential and creativity. We also encourage them to align their personal visions with the long-term goals of the Company, so that they can work with us with a sense of pride and ownership to forward to success and share the fruits.

### With commitment to loyalty, we bring together the strengths of all sectors to create a better future.

A world where people live and work in peace and harmony has been the dream and pursuit of the Chinese nation for thousands of years, and it is also a dream of COGO. With great love in our hearts, we have been moving forward on the road towards the goal of common prosperity and rural revitalisation. By mobilising our industry chain resources and integrating the strengths of all parties, we have gradually carried out initiatives such as consumption support and education support programmes based on the actual situation. Through these actions, our "COGO efforts" help to promote the development of rural areas. We give back to the society with goodwill and good deeds. Specifically, we pass on love through public welfare activities, while calling on more people to join the volunteer team. We join hands with all sectors to build a harmonious, orderly, vibrant, and positive society.

Where the plain ends, there lie a spring mountain. Work hard until we reach the destination. 2023 is a year full of innovation and progress for COGO. In the future, we will: maintain the momentum with innovation and breakthrough efforts while being guided by the principle of steady progress; explore high-tech, high-efficiency and high-quality development paths based on actual situations; unswervingly practice the concept of sustainability; bear the responsibility of a leading enterprise in the industry and strive relentlessly to promote the transformation of the industry.



## About Us



China Overseas Holdings Limited is a flagship subsidiary of China State Construction Engineering Corporation which ranked 13th out of Global 500 in 2023. China Overseas Grand Oceans Group Limited, one of the five listed platforms of China Overseas Holdings Limited in Hong Kong, is a building and real estate development enterprise focusing on the development of mid- to high-end residences. China Overseas Grand Oceans Group Limited was formerly known as Shell Electric Manufacturing (Holdings) Company Limited which was incorporated in 1955 and was listed on The Stock Exchange of Hong Kong in 1984. In March 2010, China Overseas Land & Investment Limited (00688.HK) completed the acquisition of Shell Electric Manufacturing (Holdings) Company Limited which was renamed China Overseas Grand Oceans Group Limited (00081.HK) (hereinafter referred to as "COGO").

Focusing on the properties for sale and extending to the properties held and the innovative properties, COGO has its business system and characteristic operation "focusing on the housing real estate development and holding core commercial properties for long terms". COGO has held and operated 4 hotel resorts, 6 office buildings, 6 shopping centres and commercial blocks and 1 residential property for lease. Our business operated and to be developed covers a total area of more than 1.5 million m2.

COGO is committed to the development of zero carbon technology, and has made many advances and technological innovations in the field of ultra-low energy consumption, leading the green transformation and sustainable development of the construction environment and the real estate industry with concrete actions. The Group is steadily promoting the development of ultra-low-energy buildings and zero-energy buildings, "dual-carbon" planning and consultation, research and development and production of green building materials equipment, energy consumption, carbon monitoring and active management platform, and other businesses and practices. At the same time, we also enhance the service capacity of the low-carbon whole industry chain, develop and land-to-land ultra-low energy consumption projects in an orderly manner, and provide products for the implementation of the national "dual-carbon" strategy. We provide product, technical and data support for the implementation of the national "dual carbon" strategy, provide high-quality comprehensive solutions to enhance customers' "zero carbon" building development capabilities, and establish the Group's benchmark image in the field of low-carbon buildings.

COGO has been included in the list of eligible securities for Southbound Trading, and has been included in several authoritative indexes such as the Hang Seng Composite Index series of the Stock Exchange of Hong Kong, the Morgan Stanley Capital International (MSCI) Index, the S&P 500 Index, the FTSE indices, etc. In 2023, the three major international credit rating agencies assigned "investment grade" ratings to us, while China Chengxin International Credit Rating Company Limited ("CCXI"), a domestic credit rating agency, assigned to us the highest "AAA" credit quality.

CCXI, a domestic rating agency, assigned to us the highest "AAA" credit quality



Moody's: Baa2



Standard & Poor's: BBB -



BBB: Fitch



CCXI: AAA

## Organisation Structure



## Corporate Culture



Adhering to the "Four-Virtue" enterprise principle: **Good Products** | **Good Services** | **Good Benefits** | **Good Citizens**  
 Adhering to the product design philosophy of **Enjoyable Space** | **Intelligent Internet of Things** | **Green Technologies** | **Healthy Life plus**  
 Adhering to the business strategy of **Main Cities** | **Mainstream Locations** | **Popular Products with High-Quality**  
 Adhering to the quality concept of **Achieving Superb Quality in Each Process** | **Making Each Property of Superb Quality**  
 Adhering to the service philosophy of **Customer-Orientation** | **Taking Prudent Measures with Perseverance**  
 Adhering to the "12345" system concept for **Good Products**



## 2023 Key Performance



Environmental performance	
Green Building	
Accumulated construction projects that have been certified as green buildings	205
Accumulated gross floor area certified for green buildings	43.29 million square meters
Proportion of the number of projects that meet green building standards	100%
Green supply chain	
Number of suppliers involved in the Green Supply Chain Construction Initiative of the "Qingliu Plan"	150
Carbon inventory training sessions for contractors and suppliers	49
Utilization of renewable energy	
Percentage of new projects using renewable energy	100%
Green leasing	
Green agreement signing rate for active tenants has been achieved	50%

Social performance	
Product quality and safety	
Customer satisfaction score	90.25
Delivery satisfaction score	91.11
Housing quality satisfaction score	87.25
Diversity and equality	
Proportion of female employees	40.64%
Occupational health and safety	
Number of work-related fatalities of employees	0
Number of work-related injuries of contractors	0
Lost days due to work-related injuries of contractors	0

Social performance	
Employee satisfaction	
Employee satisfaction score	87.50
Employee engagement score	92.70
Social welfare and voluntary service	
Total charitable contributions	RMB 606,265
Total number of employee volunteering	586
Total number of hours the employee took to volunteer	3,448 hours

Governance performance	
Clean construction	
Completion rate of rectification and correction of internal control points not meeting standards	100%
The coverage rate of the employees who signed the <i>Statement of Integrity Commitment</i> and the new bidwinning suppliers that signed the <i>Integrity Agreement</i> reached	100%
The activities carried out by the Company for clean culture construction this year	245
Number of participants in the clean culture construction activities	Over 20,000

## 2023 ESG Honours



- The MSCI rating was upgraded from BB to BBB
- The GRESB rating scored a score of 91 (out of 100) and earned 4 stars
- The Wind ESG rating was upgraded from A to AA
- United Nations Sustainable Development Goals (SDGs) Hong Kong Achievement Awards
- RICS China Award for Sustainability Achievement of the Year
- ESG Governance Excellence Award Platinum Gold Award for a listed company
- International Award for CONSTRUCTION 21 International Green Solution Award
- Forbes China ESG Innovation Enterprise Award and ESG Pioneer of Action Breakthrough Award of the Year
- Awarded the 2023 Cai Lian Chuo Yuan Award and Environmental Friendly Pioneer Enterprise Award



# Our Sustainable Development Strategy

COGO has always insisted on the path of sustainable long-term development, and has continuously implemented the concepts of green, harmonious and beautiful development. With a comprehensive governance structure, COGO has comprehensively integrated sustainable development into the Group's strategic planning, value innovation and cultural building, and has conscientiously assumed its social responsibility to join hands with its stakeholders to move towards a more sustainable future.

## Statements of the Board of Directors

The Board of COGO is committed to continuously deepening its sustainability management, relying on a four-tiered ESG governance structure to build an ESG management system that covers the entire process and enhances the level of ESG governance in various aspects such as decision-making, communication, execution, reporting and assessment, etc., and progressively optimises the practice of ESG management.

The Board of Directors is the highest decision-making body for the Group's sustainability matters and has overall responsibility for ESG work. The Board has authorised the Executive Committee to co-ordinate sustainability-related matters and set up an ESG Leading Group and an ESG Working Group under it.



Entity of Duty	Role	Composition	Responsibilities
<b>The Board of Directors</b>	Decision-making bodies	Members of the Board of Directors	<ul style="list-style-type: none"> <li>Set and oversee the Group's ESG direction and strategy;</li> <li>Understand the potential impact of ESG-related issues on the Group's business model and the associated risks;</li> <li>Ensure that the Group's ESG performance is aligned with the expectations and requirements of investors and regulators;</li> <li>Ensure that the ESG policy is accurate and consistently in place by being briefed on materiality assessments;</li> <li>Promote a top-down culture to ensure that ESG considerations are embedded in the business decision-making process;</li> <li>Review and approve the disclosures in the Group's ESG report and other ESG-related policy regimes.</li> </ul>

Entity of Duty	Role	Composition	Responsibilities
<b>Executive Committee</b>	Regulatory agency	Executive directors	<ul style="list-style-type: none"> <li>Group's ESG related risks and opportunities;</li> <li>Review the appropriateness and effectiveness of the Group's ESG risk management and internal control systems;</li> <li>Develop the Group's ESG vision, management approach, strategy, framework, principles, policies, thematic priorities and objectives;</li> <li>Regularly review the Group's performance against ESG related targets;</li> <li>Make recommendations to the Board on the above matters.</li> </ul>
<b>ESG leading group</b>	Executing agency	Chairman of the Board of Directors, Chief Executive Officer, leaders in charge of each business and the responsible person of COGO's ESG matters	<ul style="list-style-type: none"> <li>Integrate sustainability objectives and set annual breakdown targets;</li> <li>Complete the ESG work master budget and annual budget;</li> <li>Develop the annual ESG work plan and action programme;</li> <li>Ongoing monitor of the Group's overall sustainability performance and materiality risk;</li> <li>Conduct research, discussion and decision making on specific ESG topics;</li> <li>Organise the preparation of ESG reports;</li> <li>Oversee the ESG performance of lower level organisations;</li> <li>Annually review its working mechanisms and terms of reference;</li> <li>Report and advise the Executive Committee on the above matters;</li> <li>Notify the Executive Committee of any significant cases that may potentially contravene ESG related laws and regulations.</li> </ul>
<b>ESG working group</b>	Executing agency	Chief Executive Officer and responsible persons of departments in the headquarters	<ul style="list-style-type: none"> <li>Implement and routinely manage the specific ESG-related matters in projects;</li> <li>In the course of daily business activities, pay full attention to the Group's requirements related to sustainable development and implement them.</li> </ul>

COGO ESG governance structure and responsibilities

The Group has complied with the requirements of the Guide of the Stock Exchange in setting key ESG objectives such as greenhouse gas emissions, waste management, resource consumption, etc. The Board of Directors of the Group has reviewed and discussed the progress of the achievement of the relevant objectives during the reporting period. At the same time, the Board also discussed the ESG management approach and strategy during the reporting period, including the assessment and prioritisation of ESG related issues and potential risks and opportunities, as well as the Group's management of such issues.

## Sustainable Development Strategy

COGO focuses on implementing the concept of sustainable development in our business practices and organisational culture. Based on five major dimensions, we formulated and implemented the "GO.ESG" strategy, promoting the Group's sustainable development in all directions and at all levels.

### G: Governance

The ESG philosophy is infused into the top-level design. COGO improves the management system of corporate governance and sustainable development to ensure that the management and operation conform to the requirements of laws and regulations and business ethics. Communication and collaboration with stakeholders are maintained to ensure the stable operation of the risk management system.

### O: Opus

The complete implementation of the sustainable development concept is realized in business practice. COGO, a master in engineering, builds the good product system of "12345" with ingenuity. The supervision of product quality is strengthened, and products and services are constantly updated to maintain excellent product competitiveness and industry leadership.

### E: Environment

Environmental management is integrated into the overall development of the enterprise. COGO develops the "carbon peaking and carbon neutrality strategy", promotes green construction and green operation, and vigorously pushes the research and development and application of ultra-low energy consumption building technology, leading the zero-carbon development of the building and real estate industry.

### S: Support

Employees' rights and interests are protected and career development is promoted. A diverse and harmonious work culture is advocated and a comprehensive training system is implemented to create a fair, just and open environment for career development.














### G: Group

The concept of sustainable development is promoted to the society, industry and supply chain partners. The Company is enthusiastic about social welfare, promoting rural revitalization, and continuously improving the supply chain management system. We are dedicated to building the responsible supply chain, actively support and promote the green transformation of the construction industry, to build an industry ecology of win-win cooperation.



"GO.ESG" sustainable development strategy

Through the five-dimensional "GO.ESG" strategic planning, COGO responds to all 26 ESG material topics and 17 UN SDGs.

Strategic Dimension	Material Topics Responded	SDGs-related topics responded	
GO.ESG	Governance	Corporate governance and compliance, Business ethics and anti-corruption	 
	Opus	Product quality and safety, Quality service and customer satisfaction, Responsible marketing, Privacy protection and information security, Technological innovation and industry development	   
	Environment	Green and sustainable buildings, Energy use, Water resources management, Material use, management of pollutant emission, Waste management, Greenhouse gas emission reduction, Climate change response, Rational development and protection of biodiversity	     
	Support	Compliance employment, Employee compensation and benefits, Diversity and equal opportunities, Occupational health and safety, Employee training and development, Employee engagement and satisfaction	    
	Group	Social charity, Community communication and common prosperity and development, Responsible supply chain management	    

Topics and SDGs responded by the "GO.ESG" sustainable development strategy

## Stakeholder Participation

COGO attaches great importance to communication and exchange with stakeholders, and regards communication and cooperation with them as a key link in the concerted promotion of sustainable economic, social and environmental development. We set up a variety of two-way communication channels and mechanisms, set up specific departments and personnel responsible for collecting and assessing feedback from stakeholders, taking into account the demands and suggestions of all parties, and actively strengthen the participation of internal and external stakeholders, while continuously updating the Group's sustainable development strategies and measures based on feedback.

 <p><b>Company employees</b></p>	<p>The Group strives to create a safe, fair, trustworthy and development environment for all employees. We are convinced that all employees should be respected, regardless of age, sex, family status, disability, race, ethnic background and nationality, and have equal opportunities to develop their capabilities. As of 31 December 2023, the percentage of female employees in the Group was 40.6%. Based on the fact that our main business is real estate development, it is one of the industries with the highest proportion of male employees. However, we fully recognize the importance of diversified thinking at the decision-making level, support gender balance in the workplace, encourage the principle of optimal allocation of human resources to uphold the core values of inclusiveness and openness, and guarantee equal opportunities in the recruitment, promotion and remuneration of employees, so that we can make the best use of our ability, ability and ability. Performance and seniority are taken into consideration, and the Group's diversity is continuously enhanced without any bias or discrimination based on gender. We attach great importance to building communication bridges with employees, fully safeguarding employees' right to know, express, participate and supervise, conducting satisfaction surveys, employee seminars, sharing meetings, and other activities on a regular basis, and setting up special mail boxes for employee communication to understand employees' opinions and suggestions on the operation and management of the Group. We are also actively using IT and interactive learning platforms to provide online training courses, and provide additional features such as live-broadcast courses and question-and-answer discussions to grasp the progress and needs of our staff.</p>
 <p><b>Shareholders and investors</b></p>	<p>The Group holds periodic results announcement press conference and general meeting to report the Group's operating results, financial position and strategic development trends to shareholders and investors, and answer their questions; organizes investor briefings, local and international investor roadshows and investor promotion activities to facilitate communication between the Company and its shareholders and investors; conducts investor questionnaire survey at the end of each year to understand the suggestions and opinions from the capital market on the communication with stakeholders, and develops annual plans to improve the work. We also set up an investor relations mailbox to timely receive and answer investors' inquiries on a daily basis.</p>
 <p><b>Customers</b></p>	<p>The Group actively establishes long-term and close relationships with its customers. In order to meet the increasing demand for products and services, we are more actively taking responsibility as a developer at various stages of planning, construction, acceptance, sales and after-sales service, so as to win the trust of our customers and maintain good reputation. We have also drawn up the Guidelines for Customer Return Visit and the Management Measures for Customer Reporting and Disbursement, and regularly conducted customer satisfaction surveys, organised home visits and owner party events, and received follow-up and feedback to customers using the online system. Complaints and maintenance needs are obtained through various channels to continuously improve the quality of service.</p>

 <p><b>Suppliers and other business partners</b></p>	<p>In conducting transactions with suppliers and partners, the Group adheres to the principles of fairness and impartiality, adheres to the most stringent ethical and professional conduct, and promotes the timely signing of the Integrity Agreement by suppliers and conducts training on business ethics of suppliers to ensure project compliance, integrity and orderly conduct. As of the end of the reporting period, the Group had kept cooperation with a total of 6,991 suppliers and contractors, covering the cities of its projects. We actively empower suppliers and contractors to transform green and launch a green supply chain program to promote the use of green and low carbon materials. In addition, we plan to conduct a pilot project on carbon labelling of products upstream and downstream of the supply chain, and continue to explore new ways of green transformation of the supply chain. We also conduct exchange activities with suppliers while promoting the concept of sustainable development, and issue periodic questionnaires to suppliers and business partners to understand their satisfaction with the cooperation process and their suggestions on partnership enhancement.</p>
 <p><b>Government and regulatory authorities</b></p>	<p>The Group works closely with local governments to timely report project preparation schedule and construction progress to relevant authorities to ensure that the operation complies with relevant laws and regulations. We will also receive site visits from various government authorities to gain their opinions on project planning and the process of project construction and operation.</p>
 <p><b>Industry organisations</b></p>	<p>The Group actively joins the industry association and alliance, participates in industry communication meetings, participates in the large-scale promotion of ultra-low, near-zero energy consumption buildings and researches on zero energy consumption and zero carbon buildings, more than 10 sharing and exchange meetings, and discusses the improvement and upgrading of process technology together with outstanding peers to promote the green transformation of the construction industry. We have also participated in the preparation of 10 national, industry and group standards, including the Technical Specification for Measurement of Building Carbon Emission Detection Platform, the Technical Procedure for Ultra Low Energy Consumption Residential Construction, and the Technical Guidelines Standard for Building Assessment in Beautiful China, to help the industry develop high quality, regularisation and standardisation.</p>
 <p><b>Media</b></p>	<p>The Group answers media inquiries by holding media conferences and attending media interviews.</p>
 <p><b>Community and public</b></p>	<p>The Group has always maintained good relations with local communities in a sincere and open manner. Before the construction of the project, we invite residents of the residential areas to participate in the project survey and collect their opinions on the project construction. We are committed to the long-term development concept of win-win relationship with tenants and actively implement the rent relief and relief policy. In 2023, the total number of concessions was reduced by 9 districts and 14 districts. The total amount of relief for each project was approximately RMB 20 million. "China Overseas Property Club" also regularly organizes various care activities, such as on-site inspection of electricity safety and maintenance of air-conditioning facilities for owners. In addition, we actively provide health and education services to local communities, and encourage employees to actively participate in the construction of residential areas, such as conducting residential health check-ups and sponsoring local hope primary schools, and are committed to maintaining good relations with local communities in a sincere and open manner. We also help promote social welfare undertakings and supports rural revitalization, trying our best to solve the actual difficulties of the masses by donating charity funds, taking charitable actions, purchasing charitable suppliers, etc.</p>

Stakeholder participation



## Materiality Assessment

COGO paid attention to the identification, assessment and management of sustainable development issues. In 2023, with the assistance of third-party independent organisations, we conducted research to assess the extent of the impact of ESG issues on our shareholders and the Group for targeted follow-up in the management of sustainability matters and disclosure in the ESG report.

The steps of our determination of material topics are presented as follows:

- Topics identification
  - Based on comprehensive consideration of regulatory compliance requirements and ESG focuses of the capital market, combining with the industry trend analysis and COGO's strategic and sustainable development work plan, we identified and sorted out the data base of ESG material topics in COGO in 2023, including a total of 26 topics in such three levels as environmental, social and governance aspect.

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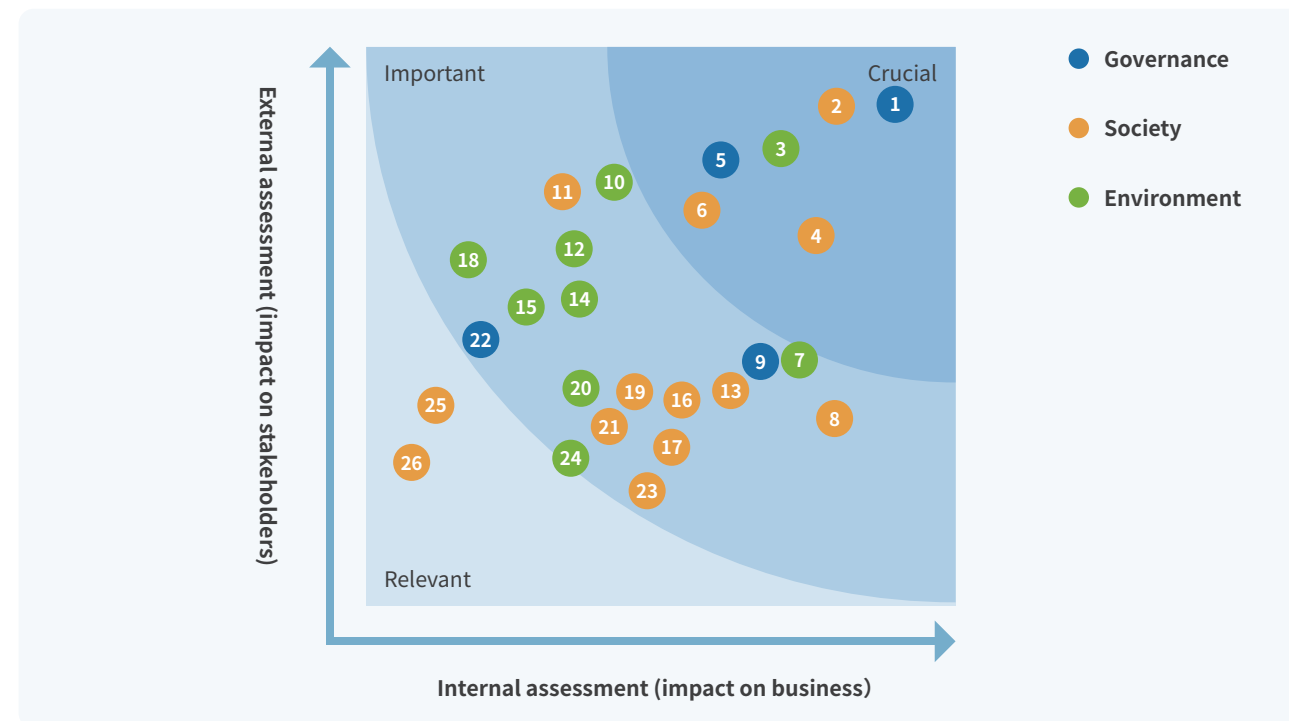
- Investigation on stakeholders
  - We collected the understanding and expectations of 10 categories of internal and external stakeholders, including the Group's management, company employees, shareholders and investors, customers, business partners such as suppliers, and government and regulatory authorities, on ESG-related matters of the Group through interviews, data review and desktop research.

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- Materiality assessment
  - Based on stakeholder research data, capital market concerns and peer disclosure practices, we assessed the materiality of each ESG issue to our stakeholders and the Group and ranked the issues to generate a matrix of materiality issues for 2023.

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- Topic review
  - The Group's Board of Directors and management review and validate the library and ranking of materiality issues.



2023 ESG Material Topic List of COGO			
Importance	Ranking	Category	Topic
Highly important topic	1	Governance	Corporate governance and compliance
	2	Society	Product quality and safety
	3	Environment	Green and sustainable building
	4	Society	Quality service and customer satisfaction
	5	Governance	Business ethics and anti-corruption
	6	Society	Occupational health and safety
Important topic	7	Environment	Use of energy
	8	Society	Employee training and development
	9	Governance	Privacy protection and information security
	10	Environment	Reduction of greenhouse gas emissions
	11	Society	Compliant employment
	12	Environment	Waste management
	13	Society	Employee compensation and benefits
	14	Environment	Response to climate change
	15	Environment	Pollutant discharge management
	16	Society	Community communication and common prosperity and development
	17	Society	Management of the responsible supply chain
	18	Environment	Water resources management
	19	Society	Diversity and equal opportunities
	20	Environment	Rational development and conservation of biodiversity
	21	Society	Technological innovation and industry development
Relevant topic	22	Governance	Protection of intellectual property
	23	Society	Responsible marketing
	24	Environment	Materials Use
	25	Society	Employee engagement and satisfaction
	26	Society	Social charity

## Special Topic

# COGO's Journey to Low-carbon Future

Since the introduction of the national "dual carbon" goals, the government has steadily promoted relevant work by introducing a series of policies to facilitate the green transition of economic and social development in an all-round way. With the vision of "wholeheartedly forge ahead with the carbon peaking and carbon neutrality goal of COGO, committed to promoting the low-carbon development of the industry", COGO actively empowers internal and external low-carbon practices in response to the national call.

With a scientific layout for the Group's dual carbon strategy, we promote the dual carbon work from the top-level design to the implementation in a top-down way. To improve the carbon management and green operation, we combine technological innovation with business innovation. Besides, we continue to carry out zero carbon technology research and development and benchmarking project construction, and tap into green finance, all of which help to realise the Group's dual carbon goal. Additionally, we take responsibilities as an industry leader and make full use of our experience and technology to make the dual carbon goals available to the industrial chain. To create a sustainable and low-carbon ecology, we together with upstream and downstream partners, have made unremitting efforts to promote the green transition of the industry and the society.

## Pioneering efforts for green development

### Dual Carbon Strategy

Against the background of green transition, we, as a state-owned enterprise, closely follow the national "dual carbon" policy, to carry out detailed analysis on our greenhouse gas emissions based on ISO14064 and GB/T51366 two standards. Reasonable and feasible "dual carbon" goals are also set based on scientific calculation results. We published the industry's first complete and comprehensive *White Paper On Carbon Neutrality* for scale-up property companies in June 2023, which provides guidance for the low-carbon and green development of the Group.

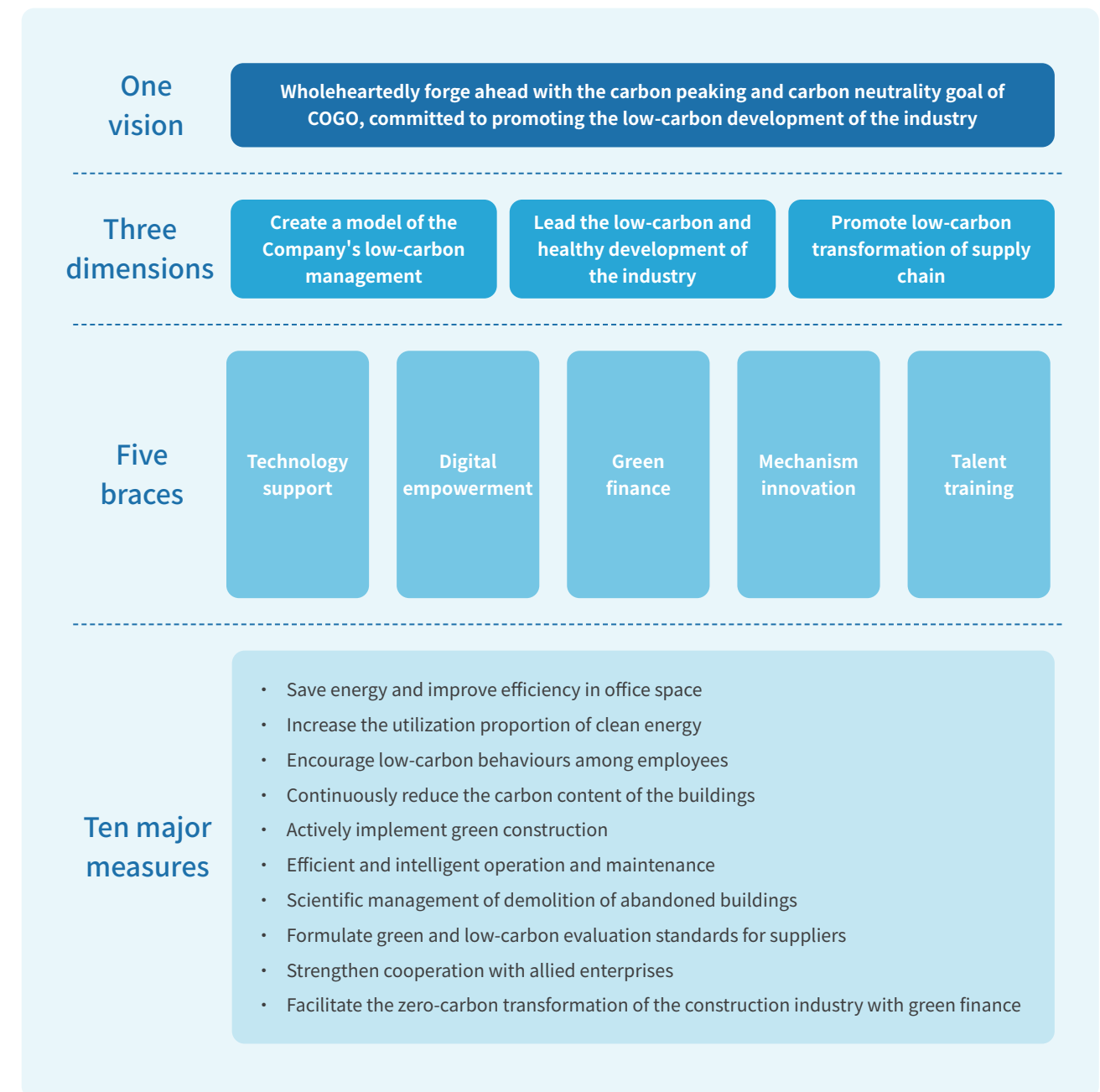
#### COGO's "dual carbon" goals:

- By 2029, COGO will achieve carbon peaking within the operational boundaries, realise comprehensive electrification, and stop using fossil fuels;
- By 2049, COGO will fully secure 100% renewable energy utilisation, and achieve carbon neutrality within the operational boundaries, with a 50% implementation ratio of ultra-low energy buildings, near-zero energy buildings, and zero energy buildings, as well as a 60% reduction in carbon emission intensity compared with the base year.



White Paper On Carbon Neutrality

To effectively realise the "dual carbon" goals, we follow the action principles of "responsibility, orderly, innovative, transparent, cooperative and win-win". We have developed an action plan for carbon neutrality based on the development direction, and built COGO's "3+10+5" carbon neutrality action system.



COGO's "3+10+5" carbon neutrality action system



## Low Carbon Digital Products

We actively innovate low-carbon products relying on digital technologies such as the Internet of Things, artificial intelligence, and digital twinning. The application of digital platforms helps to achieve interactive control and intelligent management of operation and maintenance equipment. The platforms are applied to perception lighting, intelligent air conditioning, healthy environment, low carbon footprint and other aspects, which are finely operated and maintained to timely optimise building operation mode to reduce energy consumption. We are committed to creating the best environmental experience with the lowest energy consumption, and promoting low-carbon and efficient operation.

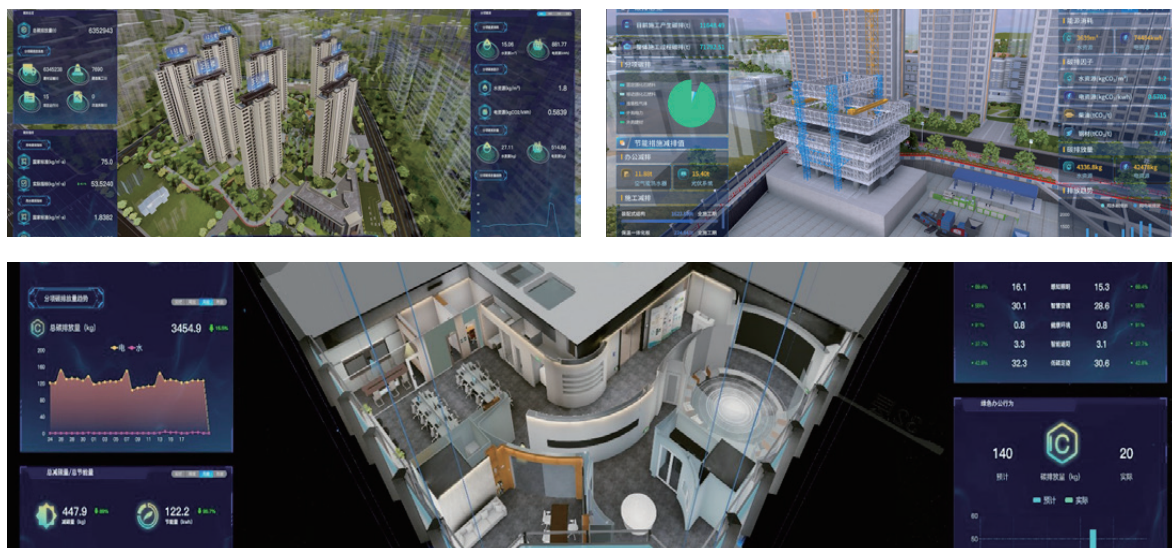
### "Intelligent Carbon Management Platform for Residential" & "Intelligent Carbon Management Platform for Commercial Buildings": Digital twinning-based energy and carbon operation and maintenance platforms

#### • Intelligent Carbon Management Platform for Residential

"Intelligent Carbon Management Platform for Residential" is mainly used in residential building projects, aiming to provide efficient and sustainable solutions for the green and low-carbon transition of residence and community. In December 2023, the platform won the bidding for the Wuhan Hanxin Residence Project. For this project, intelligent management and control will be carried out in terms of monitoring and interactive control of energy consumption during the construction stage, digital generation of energy-saving and low-carbon innovative technologies, and dynamic management of carbon emissions and implementation of emission reduction, helping to build an industry-leading national-level low-carbon construction and intelligent construction demonstration benchmark.

#### • Intelligent Carbon Management Platform for Commercial Buildings

"Intelligent Carbon Management Platform for Commercial Buildings" is a digital energy and carbon operation and maintenance platform which serves smart parks and commercial projects, providing three-dimensional services from top-level planning, landscape design, implementation consultation to system development from the perspectives of safety, prevention and control, high-efficiency management, energy-saving and low-carbon operation and management, and comfort and experience. The application of the platform will improve the energy efficiency of the park, and achieve low-carbon operation and management, providing a model for near-zero carbon parks.



Dashboard of the two platforms

## Zero Carbon Building Model

Deeply engaged in ultra-low energy consumption buildings, we are exploring the emission reduction throughout the lifecycle of buildings. We have created ultra-low energy consumption building projects across various climate regions such as Hohhot Glorioushire, Hefei Unique Palace, Tangshan Maple Palace and Nantong Hills Scenery, which provide replicable "COGO samples" for the green and low-carbon transition of the construction and real estate industries.

### Hohhot Glorioushire Ultra-Low Energy Building Project

In September 2023, COGO's Glorioushire Project was delivered upon the testing of the National Inspection and Testing Centre for Building Energy Efficiency and the acceptance of the departmental supervisor. The total construction area of the project is 165,000 square meters, with the area of ultra-low energy consumption reaching 132,000 square meters. The project adopts the dual-driven model of "need-end energy saving and utilisation-end carbon reduction". In addition to high-performance envelope structures, heat-insulation bridges and highly air-tight building energy-saving technologies, the project also integrates green and low-carbon technologies for energy use, such as heat-recovery central ventilation system, electric heating film, photovoltaic power, and carbon management, operation and maintenance platform. With these efforts, we improved the heat preservation and insulation of the buildings and reduced the energy supply to minimise carbon emissions while creating a comfortable living environment for customers.

Since its launch, the fruitful project has been widely recognised by residents and internal and external professionals for its pioneering innovation:

- Reduced heating costs by 40% after owners had moved in;
- Reduced 556 tonnes of carbon dioxide annually and saved 201 tonnes of standard coal annually;
- Won the 9th C21 International Green Solutions Awards - China Green Building Solutions, the RICS Awards China 2023 - Excellence in Sustainability Achievement of the Year, the Inner Mongolia Autonomous Region Outstanding Engineering Survey and Design Awards - First Prize in Comprehensive Category (Residence and Residential District) and Special Category (Application of Scientific and Technological Innovations);
- Selected as a typical case for "Good Housing" by the Ministry of Housing and Urban-Rural Development of the People's Republic of China, and recognised by the Architecture Magazine, and the Royal Academy of Engineering upon research.



Real scene of COGO's Glorioushire Project



## Exploring Low Carbon Financing

We continue to develop green finance. In 2023, relying on robust operation and first-class brand influence, we, supported by high-quality underlying assets such as green and low-carbon building projects and ultra-low-energy building projects, issued the first carbon-neutral green bonds in the industry. Such bonds, worth of RMB 500 million, were listed on the Shanghai Stock Exchange. We also converted a three-year financing worth of HKD 570 million into sustainability-linked loans. In the future, based on the two-star green building renovation project of Beijing China Overseas International Centre, we will explore a new business model that integrates energy-saving renovation and green finance, to further expand channels for green financing and play a leading role in practice in this regard while reducing financing costs.



issued the first carbon-neutral green bonds



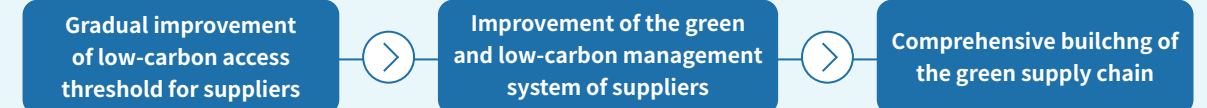
sustainability-linked loans

## Cohesion and green consensus

### Enabling Green and Sustainable Supply Chains

Response to climate change requires efforts from different sectors and industries. And green, low-carbon and sustainable development requires the synergy of all sectors of society. None of us is immune. With a sense of mission and responsibility, led by the concept of green development, COGO and its partners learn from and complement each other. In various forms of exchanges and cooperation, we share with all partners the experience of low-carbon practices, and work together to promote the incubation and implementation of green innovation programs. By doing so, we inject new momentum into the green development of the ecosystem.

We focus on the development of the green supply chain by launching the "Qingliu Plan" green supply chain initiative, which aims to promote the use of quality, safe, low-carbon and environmentally friendly products, and to steadily build up a green and low-carbon management system for the whole life cycle of our suppliers. In 2023, we established a database for the green supply chain to help suppliers with green certification, and plan to pilot carbon labels for upstream and downstream products of the value chain. Thanks to these efforts, we expect green transformation of the supply chain on all fronts, and green advantages in industry development.



**Gradual improvement of low-carbon access threshold for suppliers**  
We will formulate green and low-carbon guidelines for suppliers, and gradually raise the low-carbon access threshold for suppliers. Suppliers are required to improve their green and low carbon performance and those who have carried out low-carbon practices will be prioritised.

**Improvement of the green and low-carbon management system of suppliers**  
We plan to include green and low-carbon requirements into supplier evaluation standards, and set a core evaluation index system to improve the green and low-carbon management of suppliers.

**Comprehensive building of the green supply chain**  
In the future, we will establish a green supply chain database to collect and analyse suppliers' carbon data and conduct follow-up management based on their carbon reduction practices to promote green transition of upstream and downstream partners of the industry chain.

Planning for green supply chain

## Supporting partners' carbon management capacity enhancement

Sticking to empower low-carbon transition of the industry with technology, we continue to increase investment in R&D on digital platforms. We have independently developed the "Smart Carbon Space" carbon management platform based on the international standard ISO14064-1:2018 and the national standard GB/T 51366-2019 to provide digital management tools for partners.

### The First Application Of "Smart Carbon Space" To A Government Project

In November 2023, China Overseas Grand Oceans Lowcarbon Technology Company Limited (Lowcarbon Technology), a subsidiary of COGO, won the bid for the establishment of a carbon emission measurement and monitoring platform in Mawei District, Fuzhou. The project will apply the platform to manage the carbon emission data, including indicator management, data collection, intelligent computing and result analysis. Wining the bidding marks a solid step for the Group in supporting the carbon asset management of local governments, and lays a foundation for the further promotion of "Smart Carbon Space" among organisations and enterprises. This will lead the green transition empowered by digital technology across the industry.

By the end of the reporting period, "Smart Carbon Space" had been put into use by local governments, associations, engineering bureaus, design institutes, professional companies and other organisations and enterprises. The platform has been applied to about 5,000 projects in nearly 300 cities across five climate zones, covering various urban scenarios such as lifestyle, public buildings, office, medical care, sea and land transportation, electric transmission, real estate development, operation services and urban planning.



Carbon management platform dashboard

## Enabling low-carbon transformation of the construction industry

We are constantly innovating our business, gaining insights and analysing the trend of low-carbon development in the industry, combining our carbon management platform technology and practice cases, and using the Rivera City project in Shantou as a pilot project to learn and accumulate the capabilities of carbon inventory and verification in the construction field, as well as gradually building up a dual-carbon consulting business capability, including carbon inventory and verification, carbon peak neutral planning, carbon neutral certification, etc., based on the Group's carbon-neutral planning and the development of "Smart Carbon Space" system. Based on the development of the Group's carbon neutral planning and "Smart Carbon Space" system, the Group will gradually build up its dual carbon consulting business capabilities, including carbon emission inventory and verification, carbon peak neutral planning, and carbon neutral certification, and provide carbon asset management services to government, enterprises and other organisations, and empowering more ecological partners to reduce carbon emissions.

### Providing Carbon Asset Management Capability Support for Eco-Partners to Launch Low-Carbon Initiatives

In 2023, COGO Lowcarbon Technology completed carbon emission inventory for more than 10 entities of the China Construction Group (CCG), including construction bureaus, professional firms, design institutes, and listed companies, covering more than 5,000 projects and accumulating carbon emission data from more than 300 cities. During the carbon inventory work of CCG, COGO Lowcarbon Technology assisted each entity in completing data verification, reducing the purchase of carbon quotas by 717 tonnes of about 89,000 yuan, and creating benefits for the unit through the clarification of carbon data. After CEC, an external professional organisation, verified the results of the carbon inventory, the quality of the inventory of the project undertaken by COGO Lowcarbon Technology was rated as the best, which was unanimously praised by the Double Carbon Office of China Construction Group and all units.



Carbon Inventory of China Construction Group

In addition, COGO Lowcarbon Technology assisted Hui Zhou China Overseas Tangquan Hotel to obtain the first carbon neutral certificate in 2024 from Shenzhen Emission Exchange, completing the first carbon neutral hotel certification in China Construction System. This is an authoritative certification by Shenzhen Carbon Emission Exchange that COGO adheres to the low-carbon concept and promotes environmental protection, and it is also an affirmation of COGO's professional ability to carry out dual-carbon consultation.

Helping CML to obtain carbon neutral certification for Huizhou China Overseas Tangquan Hotel



## Promoting Low Carbon Development in All Sectors of the Community

We promote cross-industry exchanges and cooperation in low-carbon development. Through the formulation of industry standards, industry seminars, and school-enterprise cooperation in low-carbon practice sharing and training, we have boosted the exchanges of low-carbon technology and knowledge among various industries. By doing so, we have formed a benign cooperation model featuring capacity co-building and results sharing to jointly build a green foundation for the high-quality development of society. As of 31 December 2023, COGO has obtained 5 patents for self-developed inventions, 7 patents for utility models, 13 software copyrights, and published 3 journal articles in the field of green and low-carbon industries, thus adding bricks and mortar to the construction of the industry's low-carbon innovation think tank.



Authorized patents

Authorized patents for utility models



Authorized software copyrights

### Participate in industry exchanges

COGO has joined the industry's mainstream green building and energy-saving and emission reduction associations and alliances, and participated in more than 10 large-scale promotion of ultra-low and near-zero energy consumption buildings, zero-energy and zero-carbon building research work, and sharing and exchange sessions, etc., actively sharing cutting-edge industry information and best practices with partners and industry insiders, and jointly exploring green and low-carbon solutions, so as to join hands in promoting the green and low-carbon transformation of the real estate industry.

### Formulating Green Evaluation Standards

We participated in the formulation 10 standards at national, industry and community levels including the *Technical Specification for Measurement of Construction Carbon Emission Detection Platform*, the *Technical Procedure for Ultra Low Energy Consumption Residential Construction* and the *Technical Guidance Standard for Building Assessment of Beautiful China* to facilitate the high-quality and standardized development of the industry.



Conducting Extensive Cooperation

We have established partnerships with government, professional organisations, enterprises and universities in the field of sustainable development, incubated green transformation programs in the industry ecosystem, and jointly promoted the application of green and low-carbon research achievements.

- **Cooperation with governments and institutions:** We established strategic partnership with the Department of Housing and Urban-Rural Development of Inner Mongolia Autonomous Region, Xinjiang Production and Construction Corps, Gannan Tibetan Autonomous Region of Gansu Province, Housing Security Centre of Nanshan District, China Academy of Building Research, National Institute of Metrology, China and China Executive Leadership Academy, Jinggangshan. We provide the low-carbon technology and scientific research support to these government departments and institutions, assisting in the building of low-carbon cities and the implementation of the national "Dual-Carbon" policy.
- **Cross-industry Cooperation:** We are working with Tencent, Huawei, Dual Carbon Office of China State Construction Engineering Corporation (CSCEC), China State Construction Development, China Construction Science & Technology Group and other enterprises to share the COGO Low Carbon Plan to various industries. We also seek to build the "dual carbon" capability and share the transformation achievements with our business partners.
- **Cooperation with Universities:** We cooperate with many universities including Hong Kong Polytechnic University, Tsinghua University, Chongqing University. Through training, lectures and sharing sessions, we aim to achieve the complementarity between the practical experience of enterprises and the scientific research resources of universities to jointly develop innovative green solutions.



Establishing Low-carbon Partnerships with Different Parties

The List of Industry Associations and Alliances, and Industry Exchanges That COGO Has Joined

Industry Associations:

- Special Committee of the National Carbon Peaking and Carbon Neutralization Measurement Technical Committee.
- Passive Ultra-Low Energy Building Branch of China Association of Building Energy Efficiency Association.
- Carbon Neutral Professional Committee of China Energy Conservation Association.
- Green Construction and Energy Conservation Professional Committee of the China Society for Urban Studies
- Low Carbon Healthy Real Estate Professional Committee of China Association of Building Energy Efficiency Association



Industry Alliances:

- CSCEC Carbon Peaking and Carbon Neutrality Industry Alliance
- CSCEC PEDF Industry Alliance, CPIA



Industry Sharing and Exchanges:

- Management Seminar on the Release of 2023 China's Index to Urban Low-carbon Construction and the Urban Low-carbon Management
- 2023 10th National Zero Energy and Carbon Building Conference
- CSCEC "Conservation Promotion Week" and "Low Carbon Day" Conference





ESG Best Practice Exchange Seminar Jointly Organised with the Hong Kong Polytechnic University

On 30 January 2024, COGO Lowcarbon Technology and the Institute of Intelligent Energy of the Hong Kong Polytechnic University held a seminar and exchange meeting in Hong Kong. Both sides conducted in-depth discussions on jointly promoting the transformation and upgrading of low-carbon construction, and jointly realizing the high-quality development of the industry. During the activities, COGO Lowcarbon Technology and the Hong Kong Polytechnic University shared exchanged views on construction technology innovation and "Dual Carbon" capacity building, and held in-depth discussions on topics such as cutting-edge technology, market products, cooperation model and low-carbon development trend in the industry.

This exchange meeting is not only a collision between technology and thoughts, but also a focal point for cooperation between schools and enterprises in "Dual Carbon" work. In the future, COGO will further deepen cooperation with the Hong Kong Polytechnic University in intelligent construction, and jointly promote the incubation of carbon neutral technology and the application of corresponding achievements in the construction industry.



COGO Low Carbon exchanged views with the Hong Kong Polytechnic University

Participation in the release of China's Index to Urban Low-carbon Construction Level 2023 and the low-carbon management seminar

On 26 November 2023, COGO Lowcarbon Technology, as a co-publisher, participated in the release of "China's Index to Urban Low-carbon Construction Level 2023" and the Seminar on Urban Low-carbon Management. During the meetings, COGO Lowcarbon Technology puts forward the low-carbon concept of promoting the in-depth integration of "Green Low Carbon" and "Digital Intelligence" in the construction field, and creates "good houses" and "good communities" recognised by the general public through green construction practices, contributing to the promotion of the industry and even the green development of the city as a whole.



COGO Lowcarbon Technology's speech

In the future, we will further expand the influence of low-carbon practices. Through "Smart Carbon Planet", a carbon-inclusive platform for owners and tenants, constructing low-carbon scenarios, collecting and analysing the carbon data of our users, and using the interactive method of carbon point gift redemption to allow low-carbon concepts to reach each and every one of our customers, the low-carbon concept will take root in every customer. We encourage the public to practise a low-carbon lifestyle, such as low-carbon consumption and travel, to fully support the achievement of the national "dual carbon" goals.

For more information on our low-carbon products and services and our efforts to promote low-carbon transformation in the industry, please refer to the report "03 Develop The Green Base of The City".





# Strengthen the Foundation of Governance Responsibility

Adhering to the governance philosophy of "Operating with Integrity", COGO insists on honest and compliant operation, upholds business ethics and constantly improves the governance level and risk management mechanism, laying a solid foundation for the Group to achieve its goal of high-quality and long-term development, while contributing to the creation of a fair and healthy business environment.

## Performance Highlights



Incorporation of ESG risk indicators into **information-based risk management system**

**100%** completion rate of rectification of internal control substandard points

**No** corruption litigation case in COGO during the reporting period

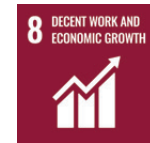
The coverage rate of the employees who signed the *Statement of Integrity Commitment* and the bid-winning units that signed the *Integrity Agreement* reached **100%**

In 2023, the Group carried out **245** clean culture construction activities, with more than **20,000** person-times of participation

## ESG-related material topics responded in this chapter

Corporate governance and compliance, business ethics and anti-corruption, protection of intellectual property, privacy protection and information security

## SDGs-related topics responded in this chapter

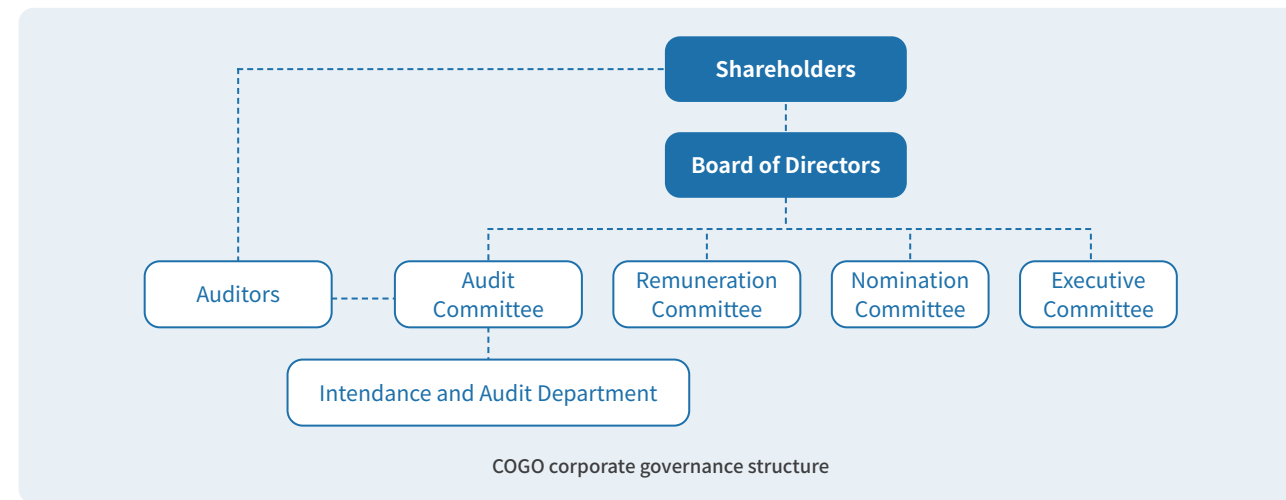




## Governance Structure



A good governance foundation cultivates quality soil for corporate value creation. We strictly abide by laws and regulations such as the *Company Law of the People's Republic of China*, continue to strengthen our corporate governance capability, and, under the leadership of the Board of Directors, we promote the implementation of the Group's strategy in an orderly manner to improve the modern corporate governance of state-owned enterprises with Chinese characteristics.



We continue to promote the development of a scientific, rational and efficient Board of Directors, and to enhance the level of scientific and standardised decision-making of the Board. The Board of Directors is the highest decision-making and management body of the Group. The Board of Directors is responsible for leading and overseeing the Group's strategic direction, operation management and business performance, and performs the following corporate governance functions:

- Planning the overall development strategy of the Group
- Setting long-term performance and management objectives
- Formulating policies and monitor the implementation
- Ensuring that the Company acts in accordance with the laws and regulations and ethical standards of business
- Overseeing the effective operation of the risk management system

In order to further promote the diversification of the membership of the Board of Directors, the Group has formulated the *Diversity Policy for Members of the Board of Directors*. The Nomination Committee is responsible for promoting and overseeing the implementation of the diversity objectives of the Board of Directors. The *Diversity Policy for Members of the Board of Directors* is reviewed annually and recommendations are made to optimise the management of the Board of Directors.

We have implemented the principle of "merit in the use of employee", and we have taken into account a variety of factors in the selection and appointment of board members, including gender, age, culture, educational background and professional experience. By the end of the reporting period, COGO had a total of eight directors, including three executive directors, two non-executive directors and three independent non-executive directors. In 2023, we replaced one executive director and one independent non-executive director to further increase the level of diversity of the Board and to avoid the risk of compromising independence due to excessive tenure. We plan to appoint at least one female director by 31 December 2024, and to make the percentage of female directors 10%, so as to explore more potential female successors to the Board of Directors and bring more diversified thinking to the decision-making level of the company, promoting the construction of gender balance.

## Compliant Operation



COGO strictly abides by relevant national and industrial laws and regulations, continuously improves the Group's risk management and internal control system, adheres to the concept of honest and frugal business, respects the intellectual property rights and data privacy of others and resolutely protects the legitimate rights and interests of various stakeholders, working with various parties to build an orderly and stable business environment.

**Key Performances**

- The coverage rate of the employees who signed the *Statement of Integrity Commitment* and the bid-winning units that signed the *Integrity Agreement* reached **100%**
- The completion rate of rectification of internal control substandard points was **100%**
- The rate of timely disposition of reports was **100%**
- The Group carried out **245** clean culture construction activities, with more than **20,000** person-times of participation, covering all directors, employees and suppliers of the Group
- No** corruption litigation case against the Group or our employees

## Risk Management

### Compliance and Risk Management System

COGO continued to deepen the building of risk management system, formulating internal policies for the Group and all its subsidiaries, such as the *Compliance Management Measures* and the *Rules for Implementing the Responsibilities of Principal Officials in Implementing the Role of Principal in Promoting the Rule of Law Construction*. We also revised the *Risk Management Measures* in the current year to clearly standardise the responsibilities of compliance management bodies at all levels of the Group. We have strengthened the assessment of risk management-related indicators of our subsidiaries, and have pursued accountability for the occurrence of hidden risks due to dereliction of duty in operation and management, late reporting, omission or concealment of major risk events, and untimely response to risk events, which have resulted in undesirable consequences, so as to maximise the effective prevention and mitigation of major risks.

We constantly improve our compliance and risk management system. The Board of Directors of COGO is fully liable for the risk management, and the Audit Committee shall conduct specialised deliberation on the material business risks of the Group. In 2023, we established the Compliance and Risk Management Committee, set up the Rule of Law and Compliance Working Group and the Risk Working Group under it and appointed the Vice President as the Company's General Counsel and Chief Compliance Officer, forming the "Three Lines of Defence" for compliance and risk management to further improve the Company's compliance and risk management system. The Rule of Law and Compliance Working Group and the Risk Working Group are headed by the Vice President and are responsible for co-ordinating and promoting the Group's rule of law and compliance management work, establishing mechanisms for risk management and control of project development and operation as well as internal and external compliance audits, providing guidance on the commencement of the Group's legal affairs, compliance risks and major litigation-related matters, and conducting routine reporting and approval of decision-making. In 2023, we held the first meeting of the Compliance and Risk Management Committee and the deployment meeting of compliance and risk management to further strengthen the Group's ability to control compliance risk.



At the same time, we have formulated the *Measures for the Management of External Lawyers* to standardise the Group's recruitment, use and evaluation of external lawyers, making full use of external resources to provide strong legal support for the Group's compliance operation. In order to strengthen the normativity of case process management, we have prepared the Material Case Handling Control List and the Document Filing List Template to provide a standardised template for the Group to identify and manage legal risks, improve the level of legal risk management, and promote the Group's legal compliance operation.

We have launched compliance training for senior management, inviting industry experts to conduct lectures and interactive Q&A sessions with the senior executive trainees, so as to further consolidate the management's awareness of compliance and improve the level of compliance operation and management of the enterprise.

Organisation of *Listing Rules* Compliance Training for Senior Management

On 5 December 2023, we launched a *Listing Rules* compliance training for the Group's senior management. The Chairman of the Board of Directors, the Chief Executive Officer, the Deputy Chief Executive Officer, the Assistant Chief Executive Officer, the Deputy Chief Financial Officer, the General Manager of the Finance and Treasury Department (Hong Kong), the Deputy General Manager of the Finance and Treasury Department, as well as the employees of the headquarters and the regional Finance and Treasury Department of COGO attended the training. Ms Wu Yifan, a lawyer with over 18 years of experience in the capital market, was invited to conduct the training, which focused on the two major compliance areas of "connected transactions" and "continuing obligations" of listed companies, and provided in-depth and concise training on the two areas and the key points of compliance, including how to identify connected persons, the compliance procedures and approval process of connected transactions, etc. She also explored the common misunderstandings of the *Listing Rules* compliance, aiming to deepen the management's understanding of the Rules and strengthen their compliance awareness.

Compliance management is an important cornerstone of corporate development. This training effectively enhanced the understanding of the senior management of the Company on the *Listing Rules* and their awareness of compliance, which will help to ensure strict compliance with the *Listing Rules* by the Group and its regional companies, and promote the Group's steady development and realisation of high-quality development.



*Listing Rules* compliance training

## Risk Identification and Countermeasures

We continue to optimise the identification, assessment and response of risks. We have incorporated the risk indicators into the information-based risk management system to achieve full-process risk management and control of the project through risk identification management, risk dynamics monitoring, risk elimination follow-up and risk data precipitation and analysis. Based on the results of the internal control review and the previous year's risk assessment, we update the risk standards bank of the information-based risk management system each year, and conduct the internal and external risk collation and assessment process covering all segments of the Group's business from legal, operational, audit and ESG aspects.

We fully utilise our risk management system, promote risk assessment and response work on a level-by-level basis and report the risk assessment work twice a year to the Audit Committee. Monitoring and Audit Department takes the lead in coordinating various departments to take countermeasures to prevent and control risks.

In 2023, the Company's Monitoring and Audit Department organised an internal control audit evaluation for the Group's headquarters and all subsidiaries. We identified internal process control issues through the combination of self-assessment and audit supervision, and urged relevant departments to follow up on rectification. In 2023, the Group's internal control had a total of 8 substandard points, which were mainly internal control implementation defects in general defects, and there were no significant deficiencies or material weaknesses. By 31 December 2023, the completion rate of rectification of internal control substandard points was 100%.

In addition, we set up an emergency working group according to our internal policy the *Emergency Management Measures*, headed by the Group Chief Executive, to review and handle all types of contingencies, and prepare specialised contingency plans to improve prevention and response of risks related to emergencies such as violations of the law and regulation, construction safety, product quality and extreme weather, so as to minimise the negative impact that unexpected risk may have on the Group, and to maintain the brand image of the Group.

To improve the risk identification and response capabilities of employees, we further strengthen the compliance and risk culture construction. In 2023, we compiled the *13th edition of COGO Operational Risk Tips*, organised the Group-wide awareness training, announced the recent compliance and risk cases at the Company's business meetings on a quarterly basis and conducted five alert general education sessions. In addition, we have set up a new audit section on the Group intra-net and published four risk columns of the "Investment, Product, Operation and Sales Power of Four Leagues", promoting compliance and risk awareness among the Group's units and employees at all levels.

## Business Ethics

### Anti-corruption and Integrity Management System

We attach great importance to the building of anti-corruption and clean governance, strictly abides by relevant provisions such as the *Anti-Money Laundering Law of the People's Republic of China*, the *Anti-monopoly Law of the People's Republic of China*, and the *Anti-Unfair Competition Law of the People's Republic of China*, and prohibits all forms of extortion, blackmail, bribery and corruption and other activities that violate business ethics. The Board of Directors is responsible for overseeing business ethics-related work, the Accountability Committee is responsible for overall follow-up and accountability, and the Monitoring and Audit Department is responsible for carrying out implementation and management for specific business ethics-related work.

We have established a comprehensive business ethics and anti-corruption system and formulated the *Anti-Corruption Policy*, the *Discipline Inspection and Inspection Work System*, the *Audit and Management System*, the *Management Measures for Integrity Conversations*, the *Management Measures for the Reception of Gifts by Employees*, the *Reporting of Individual Conflicts of Interests by Employees* and the *Management of Integrity Files*, and the *Tendering Management Methods*, specifying the details of work in the areas of anti-bribery, anti-corruption, monitoring and auditing, compliant procurement, and disposal methods for non-compliance. At least every three years, we assess and conduct audits of our business ethical standards, anti-corruption policies and business practices in all areas of our operations. In 2023, the Group conducted one centralised system training aimed at promoting the effective implementation of policies, standards and mechanisms related to business ethics and anti-corruption.

In order to effectively prevent and control the risk of corruption and create a clean and honest atmosphere, we organise all employees to sign the *Statement of Integrity Commitment* every year, taking the lead and making example to implement the principle of honesty and integrity. We sign the *Integrity Agreement* with the bid-winning units, requiring all suppliers to formulate anti-corruption policies and regularly review their performance to safeguard their effectiveness. In addition to the integrity and anti-corruption checks covered by our daily audit, we also invite key suppliers to comment on the integrity environment of the Group by issuing integrity survey questionnaires to obtain feedback from suppliers on the Group's performance in business ethics, and to take targeted improvement measures based on the feedback results, constantly optimising the Group's anti-corruption and integrity management system.



Anti-corruption and integrity activities

### Reporting Handling Mechanism

To further promote the effective implementation of the Group's clean management mechanism, we have formulated the *Reporting Policy* to standardise the process of receiving, registering, reviewing, making decisions and disposing of information. We continue to improve the management structure for handling reports, set up the Accountability Committee, with the chairman of the Board of Directors as the director, the chief executive as the deputy director, and the head of the Monitoring and Audit Department and the Human Resources and Administration Department as the permanent members to centrally handle the complaints and reports and are also responsible for consistently improving the reporting handling mechanism. The Monitoring and Audit Department is responsible for the follow-up, investigation and handling of complaints and reporting leads. We accept anonymous reports, provide various open and transparent reporting channels such as the official website, independent reporting hotline, email and letter box and ensure that the reporting methods are publicised and that the reporting channels are open to receive reporting information from employees, suppliers, customers and other third parties.



Reporting handling process

We uphold the basic principle that there are channels for reporting and procedures for receiving reports. We are committed to treating all reported information in a responsible manner, proactively enhancing integrity management, and adopting a "zero-tolerance" attitude towards corruption, malpractice and other irregularities. In 2023, we continued to strengthen the investigation and handling of reports and to improve the handling efficiency, and further improve the protection mechanism for whistleblowers. We have signed confidentiality agreements with relevant informants and strictly keep confidential the name, work unit, home address and other relevant information of the whistleblower, protecting the basic rights and interests of the whistle-blower from being infringed, and preventing any form of retaliation. Once found, the one who retaliates shall be dealt with seriously according to the requirements of the law.



## Anti-corruption and Integrity Culture Construction

We have implemented the integrity concept of "compliance, honesty, self-discipline and integrity" and continued to strengthen the building of clean culture in the new era. We actively promote anti-corruption training and moral education for all kinds of members, and organise them to participate in integrity awareness training and publicity activities such as conference of building clean governance and anti-corruption, engineering management meeting, cautionary education meeting, and cautionary publicity of quarterly meetings and cautionary education of the regional company, with content concerning policies and institutional regulations on integrity and ethics, warning cases of non-compliance, and recent risk matters. In 2023, we held a series of activities such as "Integrity of COGO" clean culture construction activities and publicity and education season on building clean governance. We organised 15 subsidiaries to participate in the CSCEC work collection of the integrity culture concept and earnestly promoted the implementation of the integrity culture concepts and symbols in COGO to strengthen integrity and compliance awareness of all employees to foster culture of integrity and righteousness.



Cautionary education meeting



Integrity of COGO LOGO design activity

### COGO Participated in the Video-shooting Activity of "I Speak for Clean COHL"

In 2023, four subsidiaries organised by COGO took part in the third "I Speak for Clean COHL" video-shooting activity. The video exhibited had over 250,000 person-times of hits and 1,500 person-times of praise and comments. The Group won a total of 1 second-class award and 3 third-class prizes. This innovative event attracted the enthusiastic participation of employees at all levels of the Group, further strengthened members' sense of integrity in the profession, and fully demonstrated the determination and actions of the Group in fighting corruption and promoting integrity to the public, thus providing a strong "integrity drive" for achieving the Group's sustainable development goals.



Integrity culture concepts and symbols

## Protection of Intellectual Property Rights

COGO fully implements the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China* and other laws and regulations and has stipulated regulations such as the *Guidelines on the Control of Advertising Risk in COGO*. Subsidiaries' legal affairs and external lawyers are required to strengthen the audit of various promotional materials and strictly abide by the scope of using intellectual property rights of others. We insist on using genuine software and respecting the intellectual property rights of others. At the same time, we also strengthen the protection of our intellectual property rights through means as scrutinising the registration of intellectual property rights and strengthening the management of patent applications to protect our legal rights and interests while fully respect the intellectual property rights of others, creating a fair and healthy competition environment, and stimulating the development and innovation of the industry.

### Key Performances

In 2023, COGO received **5** invention patents, **7** practical new-type patents, **13** software copyrights and **3** journal papers

## Information Security and Privacy Protection

COGO attaches great importance to information security and privacy protection. We strictly abide by the *Personal Information Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Consumers' Rights and Interests*, the *Cybersecurity Law of the People's Republic of China* and other laws and regulations and have formulated the *Information Management Measures*, guiding the Group's network and information security management, and constantly optimising the details of the protection management on the privacy of employees and customers. We have set up an information security organisation structure comprising the Board of Directors, the Working Group on Informatisation and the Digital Technology Centre, which are responsible for promoting the information system construction and privacy protection related work, including the preparation of information security and privacy protection plans, management systems and processes, the implementation of grade protection work and training and rectification of related incidents.

We have improved the Internet and information security risk management and evaluation system according to national secondary standards, and clearly established information security boundaries, technical specifications, management processes and corresponding emergency preventive measures. We install encryption software on our office computers, use automatic document encryption policies to prevent unauthorised access and disclosure, and record key actions such as decryption and transmission in the background. The screenshots will also keep a watermark of employee account numbers for traceability. In addition, we have also strengthened our network security defence construction through deploying firewalls and online behaviour managers, installing network monitoring, intrusion monitoring and vulnerability scanning, and actively conducting emergency security drills, including network attack and prevention drills, disaster recovery tests to ensure the Group's information security from multiple perspectives. We assess and review information security systems twice a year to identify risks and formulate countermeasures to effectively reduce the risk of internal threats and data breaches, and improve the overall security level of information assets. In 2023, our information security system was certified at the third level of national classified protection.

To enhance employees' awareness of information security, we sign confidentiality agreements and conduct induction training with employees when they enter into employment to inform new employees about information security and privacy protection requirements, and to help them understand their responsibilities for information security and privacy protection, including those of themselves, other employees, the Company and customers. We conduct information security and privacy protection training for all employees on a semi-annual basis, covering skills learning to deal with cyber threats and risks, and introduction to the Company's information security and privacy protection policies and best practices. In addition, we conduct Publicity Week of information security and privacy protection once a year, popularising information security knowledge to employees, providing specialised training on cybersecurity for all employees, and require employees in key positions to complete relevant exams. We promote daily data security and privacy protection through large-screen circular video, and strengthen the promotion of information data security related knowledge such as information security management, anti-fraud, personal privacy protection, cybersecurity laws, etc.



# 2

## Ensure Happiness and Peaceful Living for People

Facing market challenges, COGO always adheres to its responsibility and mission of co-creating a better life. Relying on solid and stable operations, high-quality products, stringent delivery standards, and attentive services, COGO builds cities and creates enjoyable living spaces, guiding people towards their anticipated peace of mind.

### Performance Highlights

Third party quality test score of **91.17**

Customer satisfaction score is **90.25**

Delivery satisfaction score is **91.11**, in **95**th percentile of the industry

**22** projects were reported by leading provincial and municipal media

Quality trainings cover **100%** of employees

### ESG-related material topics responded in this chapter

Product quality and safety, quality service and customer satisfaction, privacy protection and information security, responsible marketing, protection of intellectual property, technology innovation and industry development

### SDGs-related topics responded in this chapter





## Quality with Ingenuity



Since the concept of "peace of mind" was first put forward in 2020, COGO has made every piece of land and every building treated with care with nearly 38 years of experience in product research and urban habitat operation. With its "brand security, quality comfort and service warmth", COGO enables every homeowner to choose, buy and live with peace of mind. By these, COGO enables every homeowner to choose, buy and live comfortably, to ensure all the beautiful desires of people about their homes.

### Key Performances



Third party quality test score of **91.17**

Housing quality satisfaction score is **87.25**, in **90**th percentile of the industry

Conducted open construction site activities for **23** projects across **19** cities

Quality trainings cover **100%** of employees

## Lean Operations and Strict Quality Control

COGO prioritizes quality, improving quality satisfaction through process evaluation and strict inspection of building materials. The Group enhances the quality of occupancy delivery with perfect deliveries and fine repairs. In 2023, an authoritative institution of third-party evaluation and consulting for construction projects, drove up our quality test score to 91.17 points. And our roughcast house delivery quality score, decorated house delivery quality score, and total score were among the top of real estate enterprises in the mainland. We also procured a number of provincial and municipal certifications and awards for quality.

Project	Award	Level
Tangshan-The Pogoda	Hebei Province Structural Quality Project	Provincial level
Weinan-Master Mansion	Shaanxi Provincial Civilization Demonstration Site	Provincial level
Zunyi-New City of China	Second prize in the National Construction Project Quality Control Standardization Competition	Provincial level
Yinchuan-Master Mansion	Shaanxi Province Engineering Construction Excellent QC Team	Provincial level
Changzhou-World Masterpiece	First prize of Changzhou Engineering Construction Excellent QC Team	Municipal level
Qingyuan-Yuehu Garden	Qingyuan Municipal Construction Project Quality Award	Municipal level

2023 Quality Award Program (Partial)

## Quality Management System

We have established sound quality management system, complied with laws and regulations of the place of operation such as the *Product Quality Law of the People's Republic of China*, *Regulations on Construction Project Quality Management*, and other relevant laws. We have formulated policies such as the *Measures for Project Quality Management*, *Property Handover Inspection Standards* and others. And we defined the planning stage to all projects of the Group's technical requirements, quality and safety standards and work processes for the acceptance phase.

We have set up a perfect organisational structure for quality management, with a structural team at the Group's headquarters. The Engineering Department of the Group is equipped with quality and technical professionals responsible for the overall control of quality matters, and the technical person in charge of the project is equipped to supervise and manage the quality of the project. In order to strengthen the responsibility for quality management, we have formulated matching incentive and punishment mechanism. We have incorporated quality-related indicators into the performance evaluation system of "COGO Star". Through quality-specific real-time rewards and penalties, we have clearly linked performance appraisal, rewards, and penalties of relevant employees and management to quality indicators.

In addition, we strictly require suppliers, including contractors, to fulfil their product quality responsibilities. And we stress our quality standards and safety requirements to them throughout the cooperation process to ensure that product delivery meets our quality and safety standards. We also conduct annual supplier training on quality assurance, explain the construction of the engineering quality system, share our experience in quality management. And we communicate to contractors the quality requirements and standards of COGO, thereby helping the contractors to improve their quality standards. At the same time, we encourage contractors to build quality management system, obtain quality management system certification, and improve delivery quality. In 2023, our quality trainings have covered all suppliers (including contractors) that were working with us. We also require suppliers and contractors to sign and confirm the relevant requirements after training, with a signing rate of 100%.

## Value Process Assessments

We have established quality management objectives and quality safety bottom line. We have focused on each major engineering node, made pre-planning, mid-term review, post-assessment to ensure projects perfect and standard. In 2023, 100% of our engineering projects have met the internally developed product safety and quality standard.

### Before entering the site

- Before the construction unit enters the site, technical briefings are organised for each project to clarify product quality standards, and ensure that all contractors are clear about the product quality requirements of COGO.



### Before constructions

- Before large-scale construction starts, material samples shall be confirmed;
- Sample trainings are organised for contractors in each project to ensure that the materials and processes used in construction meet the standards.



### During the construction process and before delivery

- During the construction process and before delivery, we regularly engage third parties to carry out external audits and assessments of the project quality;
- Meanwhile, in response to the quality problems and enhancement points identified, we urged the contractor to rectify the problems in a timely manner.

Quality Management Measures for Construction Projects

We regularly carry out quality inspections, including quarterly inspections of projects, inspections of key nodes before its delivery, and occasional inspections at construction sites, to fully guarantee quality and safety. In addition, we continue to carry out special quality inspection, namely the "Sky-eye Action", the special inspection for pile foundations, and the external wall decoration inspections. We urge relevant responsible parties to rectify the improvement points identified in the quality inspection in a timely manner to ensure product quality and safety.

We continue to raise employees' awareness of the quality and safety and conduct annual training on quality control standards for employees. In addition to regular trainings, we conducted the "master craftsmen operation", inviting experienced engineers to exchange technology with new engineers. Through on-site inspections and professional trainings, "master craftsmen operation" shares experience, transfers knowledge, and improves the quality of the project. In 2023, we conducted 12 training sessions at the Group, covering 100% of employees.

In 2023, we actively enhanced quality management through digital empowerment technology. We achieved standardised inspection process and mechanisms through the Engineering Quality Inspection APP, and carried out comprehensive construction material control and construction process control. The engineering quality inspection system has more than 3,000 on-site inspection problem categories, more than 80 "real measurement" inspection items, more than 2,000 material files, and more than 100 key process acceptance standards. Through these, we achieve intelligent analysis of inspection data information, visual display of quality inspection results, and empower quality management. Through the system, we keep abreast of our partners' quality management, identify quality issues and risks, and efficiently carry out performance assessment management.

In order to strengthen public supervision and participation, we organise site opening activities every year, and jointly with the local government, take the initiative to show the project progress to others. In 2023, we carried out open construction site activities for 23 projects across 19 cities.

## Strict Control of Materials

We strictly control the quality of contractors' performance and set clear quality, environmental and health standards for the materials used by contractors. We carry out regular inspections and evaluations of these materials. Daily quality inspection of materials are carried out by project supervisors, while the Group headquarters conducts unannounced quality inspection to ensure that the materials meet our standards. For more information on green building materials, see the *Report* "Develop the Green Base of the City".

We also pay more attention to the quality assurance of other suppliers. We conduct supplier reviews on a regular basis and regularly review and supervise the facilities and quality management processes of Tier 1 suppliers. For Tier 2 suppliers (subcontracted suppliers), we inspect the material supply processing plants and labour teams according to the access inspection checklist, covering product quality, technical level, production qualification, labour resources and supply ability, etc. The regional company checks the inspection results from the professional perspectives of bidding and procurement, engineering, project and design. The Group headquarters conducts quarterly flight inspections and reviews the quality of materials used by Tier 2 suppliers. For more information on supplier management, please refer to the *Report* "05 Join Hands to Create a Better Future".

### Supplier material quality inspection:

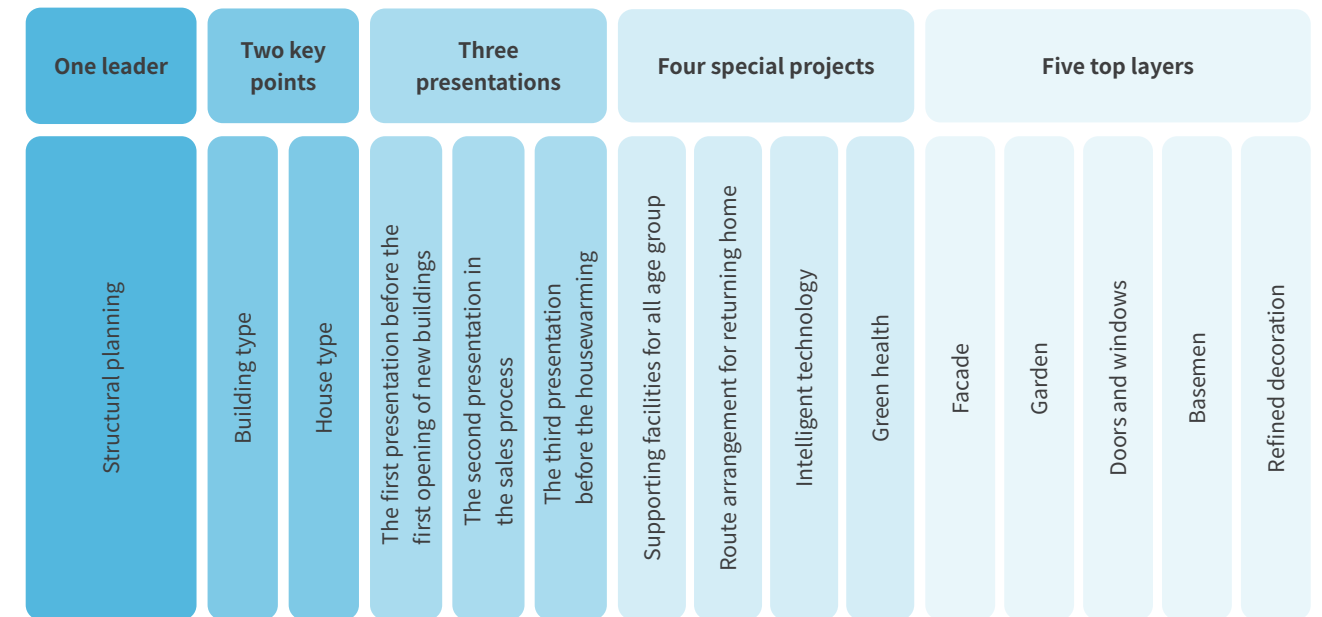
- Testing methods: factory material testing (covering bidding and contract performance) and project site material testing (covering supplier performance)
- Testing content: The frequency of sampling testing is divided into monthly, quarterly, semi-annual and annual according to the quantity of supply and the importance of materials. For the unqualified materials, we organise the corresponding material suppliers to interview. For suppliers who fail to pass repeated tests, we will re-evaluate their supply qualifications, and those who are unqualified will be pulled into the blacklist

In 2023, we tested 1,855 batches of materials across 57 material categories.



## Innovative Design and Good Products

While strictly controlling product quality, COGO actively promotes product innovation. The Group continues to carry out in-depth research on refinement, enriching the conception of living scenarios, upgrading the beautiful living experience, and providing customers with a healthy and green living environment. We have developed the "12345 Good Product System" with the customer at the core. We constantly explore the functions and emotional needs of households in the new era, create new scenarios, build new lives, and achieve high-quality development.



"12345 Good Product System"

We set the product standard of the "Feeling-shared House 9+1 Assessment". We create high quality innovative products that meet the customers' needs with scientific style, rational dynamic design and fine decoration quality, to enhance the customer's living experience. In the course of the project design, we also sufficiently considered the health and well-being of the residents, took into consideration various health factors, such as sound insulation and noise reduction, natural lighting, natural ventilation, and comfortable temperature and humidity, and provided every customer with a safe, healthy, comfortable and excellent product. We also sufficiently guided every owner and tenant after the project completion and tracked and assessed the health and safety performance of the building in the form of a satisfaction survey. For more information on healthy building technologies, please refer to the *Report* "03 Develop the Green Base of the City".

In 2023, we continued to upgrade our products, implemented a number of retrofit and enhancement programmes based on customer feedback suggestions and needs, and carried out 367 community quality improvement projects throughout the year.



## The Integrity and Honest Culture of COGO

COGO adheres to the principle of integrity, practices corporate responsibility with practical actions, adheres to the customer first, and ensures the implementation of commitments. With efficient and stable project delivery system, complete customer privacy protection measures, and strict responsible marketing strategy, we actively respond to the challenges of industry change, and create a more secure and comfortable service experience for our customers. As a result, we have won the trust and recognition of our clients.

### Key Performances

Delivery satisfaction score is **91.11**, in **95**th percentile of the industry

## No Less than Expected, Leading the Tide Delivery

In the long-term period of profound changes in the industry, under the fluctuating tide, COGO still insisted on the idea of "Cultivation of Good Things and Guarantee of Stable Delivery". With the responsibility of a state-owned enterprise, the Group has established a perfect delivery system with the strength of "high efficiency, high speed and high quality" to achieve customer satisfaction and industry-leading high-quality on-time delivery. In 2023, COGO delivered a total area of 7.42 million square meters, and 69 batches were delivered in advance, totaling 46,500 suites. The advance delivery area totaled 720,000 square meters. Among them, the number of projects delivered one month in advance reached 17, accounting for more than 33%. All projects are delivered on time, and the property right certificates are completed upon project delivery. Our special customer satisfaction score for delivery service was 91.11, and the score was in the forefront of the industry.

Our project delivery performance was widely recognised by mainstream media and praised by official media of many provinces (including Jilin Province, Anhui Province, Guangxi Zhuang Autonomous Region, etc.), and won honors such as China National Radio Real Estate "2023 Delivery Leader", Ehconsulting "Top 10 Super Deliverables for China's Housing Enterprises in 2023" and other honours. 22 projects were recognised and reported by provincial and municipal media.

### Zhonghai He Shan Guan Lan Project Delivered with High Quality and on Schedule

In August 2023, Zhonghai He Shan Guan Lan Project in Hohhot city was delivered as promised. COGO presented a perfect delivery to the owners with its stable delivery capability and high-quality fulfillment. On the eve of the project delivery, the project held a "pre-delivery" customer experience day event, allowing owners to visit before accepting the units, fully experiencing the delivery process and project quality. Feedback and suggestions from the owners were promptly addressed and improved upon, achieving a 100% satisfactory perfect delivery.

### Delivering High-Quality Projects to Fulfill the Promise of a Better Life

Amidst the fluctuations of the industry cycle, COGO always treats each project delivery with prudence, striving to exceed expectations as its goal. The Group fulfills the product strength with responsibility and creates high quality with craftsmanship, writing a new chapter in project delivery. As real estate gradually returns to residential and livelihood attributes, COGO not only ensures delivery, but also focuses on achieving high-quality delivery with strong capabilities. Before project delivery, COGO conducts multiple third-party quality inspections and self-inspections, constantly pursuing excellence. The delivery adopts a "inspect first, then accept" model, demonstrating quality confidence through an open and transparent process.

- Zhonghai He Shan Guan Lan project was honored with a high-quality delivery report by Inner Mongolia Daily
- Several projects of COGO Hefei Company received honorable reports from Anhui Daily
- Zhonghai Xiyuan received a quality delivery report from Yimeng Evening News



## Regulation and Privacy Protection

Protecting the privacy of customers and the legitimate rights and interests of organisations is a fundamental obligation of a business. We strictly abide by the laws and regulations related to privacy protection such as the *Cybersecurity Law of the People's Republic of China* and the *Data Security Law of the People's Republic of China*. We have formulated and implemented internal systems such as the *Information Management Measures*, the *Employees' Code of Conducts* and the *Employee Handbook*, and standardised the collection and management of customer information.

We are committed to respecting the privacy of our customers, making every effort to safeguard our customers' privacy information and data, and to prevent from privacy leakage. In terms of information collection, we minimise the collection of customer data in a lawful and compliant manner, subject to the customer's informed consent. In terms of information management, we protect customer data with encryption within our information system and set strict system permissions. We regularly review the effectiveness of customer privacy management and continuously improve the privacy protection management mechanism. In 2023, we further strengthened the management of system permissions and strictly controlled the risk of privacy leakage. We also deployed virtual dialling function in our CRM system to fully protect the privacy of our customers' contact information. In addition, we establish a sound information security management system. By regularly reviewing the software and hardware management of information security and formulating a complete plan for responding to and handling cyber-security incidents, we protect the privacy and security of our customers from multiple perspectives.

In 2023, no customer privacy or personal data leakage incidents occurred within the Group.



## Accurate, Transparent and Responsible Marketing Management

COGO believes that responsible marketing is the key to shaping customer trust. COGO strictly abided by the *Advertising Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Consumers' Rights and Interests*, and other relevant laws and regulations. We have formulated the *Administrative Measures of COGO for Project Marketing*, standardised the content standards of marketing and promotional materials, clarified the review process for external publicity and display materials, and implemented responsible marketing.

We have established a standardised approval process for marketing materials. Local companies strictly control the content of publicity materials, and the marketing materials must be approved by the responsible person of the regional company before they can be used. When promoting sales, we make public the unfavourable factors and the five certificates at the sales site of the project. We inform consumers of possible product differences, ensure that product information is open and transparent, and fully protect consumers' right to know.

In addition, we implement a systematic audit and control procedures on responsible marketing. We comply with and the *Guidelines for Compliance Inspection of Marketing*, the *Stopping Point Inspection System*, and compile *Sales Site Publicity and Advertising Inspection List* to conduct responsible marketing compliance audit of all projects. After the project is awarded and before its opening and presentation, we conduct joint inspections with multiple departments to ensure consistency between the actual situation and various marketing and publicity materials.

We continue to strengthen our employees' awareness of responsibility, and provide responsible marketing trainings for all employees, covering all sales and marketing related positions. In 2023, we provided special trainings to employees on the laws and regulations of the real estate industry and various internal system requirements, sales risks and responses and corresponding measures, reinforcing the responsible marketing awareness and ensuring compliance with the daily marketing activities. During the reporting period, we conducted a total of 65 training sessions on responsible marketing, covering nearly 1,800 employees.

### The "Three Strong Training Program" of COGO was successfully completed

On 30 November 2023, COGO successfully held the closing ceremony of the special training and upgrading program of "Strong leaders" "Strong managers" "Strong employees" for marketing players, professional customer research and sales teams in Shenzhen. The training series was jointly organised by the Marketing Management Department and the Manpower and General Department at Headquarters. 32 outstanding students from 15 regional marketing management departments participated in the closing ceremony.

The "Three Strong Training Programs" of COGO focuses on building a learning organisation, and provides a systematic learning platform for the marketing team using the modes of "online + offline" and "theory + practice". We fully leverage a wealth of excellent internal and external resources for sharing and guidance, covering a wide spectrum from the underlying logic of marketing fundamental work to the professional activities of marketing, and further extending to the operational logic, engineering costs, design appreciation, financial analysis, and other specialised business areas connected to upstream and downstream departments in marketing. Additionally, we incorporate numerous practical cases to solidify the professional capabilities of marketing personnel, broaden their horizons, and facilitate the application of learned knowledge, all of which collectively contribute to the high-quality development of the company.



The Photo of the Closing Ceremony of the "Three Strong Training Program"



## Whole-Hearted Customer Service



COGO is committed to providing warm, high-quality service to customers. We have established a comprehensive service quality assurance system, improved customer communication mechanism, enhanced customer satisfaction, and built harmonious and good customer relations.

### Key Performances



Customer satisfaction score of COGO was **90.25**, and the delivery satisfaction score was **91.11**

COGO received a total of **295** customer complaints, with a response time within **30** minutes and a handling rate of **100%**

The customer satisfaction score for maintenance services was **87.28**, higher than the **95**th percentile of the industry

Customer loyalty score was **81.53**

## Customer Oriented and Good Service Provided

Through a comprehensive service quality assurance system, COGO systematically promotes customer service work, and continues to carry out the "peace of mind in COGO" program, upholding the concept of "peaceful brands, comfortable quality and warm service", and continuously upgrading the service experience. We have formulated internal systems such as the *Customer Service Management System* and the *Home-coming Work Guideline* to standardise customer service work standards and ensure efficient response to customer service needs and quality requirements. In order to have a better understanding of customers' needs, in 2023, we carried out customer imagery and customer needs research, and improved the customer service quality by restoring life scenarios, providing insight into the customer's needs.

In the area of maintenance services, we implement standardised management of repair centres, formulate standardised maintenance procedures and service actions, unify maintenance personnel's clothing, and carry out quality maintenance services. Through the annual customer satisfaction survey, we collect feedback from customers and continuously improve the quality of maintenance services.

## Respond Promptly, and No Lost demands

COGO attaches importance to customer suggestions and feedback, maintains smooth communication channels with customers, and listens to customer needs. In 2023, we implemented the mechanism of "listening to the original, visiting the real person, and going to the scene". The regional general manager set up "Peace in Mind Day" to go to the front line of the project to communicate and communicate face-to-face with the owners and customers, listen to the real voice of the customers, collect the real thoughts of the customers, and follow up on the customers.

In order to actively respond to customer complaints and standardise complaint management, we have formulated such systems as the *Customer Complaint and Claims Management Methods*, *Customer Return Visit Work Guideline* and the *Whole-process Customer Risk Control Guideline* to properly handle customer complaints and opinions, and conduct full-process management. In the area of risk management, we actively carry out risk monitoring and prevention, regularly collate relevant risk points of customer management, conduct public opinion monitoring and management, and handle customer opinions in advance, so as to avoid escalating customer opinions into complaints as far as possible. We have established a comprehensive process for handling customer complaints in the areas of receiving and handling complaints. Customers can complain about relevant matters through the unified reporting platform hotline. The system based on the content of the complaint, the complaint will be dispatched to the corresponding responsible person, the responsible person in a timely manner to respond to, analyse and deal with customer complaints, to ensure that the complaint is resolved efficiently.

In addition, we continuously review the effectiveness and reasonableness of customer complaint management, and check the handling of complaints from time to time. We also conduct a follow-up survey after the closure of the complaint to ensure that the customer's complaint is handled in a true and effective manner. And we continuously improve the handling of the complaint based on the customer's feedback.

In the entire process of handling complaints, we use information-based tools to track and record the entire process, including the content of the complaint, the processing status, and the satisfaction of follow-up visits. The digital customer relationship management system is able to generate quantitative indicators for handling complaints such as real-time response rate and real-time response time, effectively assisting us in analysing the efficiency of customer complaint handling and improving customer service level.



## Positive Action, Good Neighbourhood

Customer satisfaction is a direct reflection of the customer service achievements of COGO. We conduct customer satisfaction surveys every year, and regard customer satisfaction as an important evaluation criterion for the measurement of products and services. We have formulated the *Customer Satisfaction Work Guideline* to continuously improve the dimensions of customer satisfaction research, and strive to obtain comprehensive feedback and understand the expectations of customers.

We are committed to providing customers with "100%" satisfactory service. In 2023, we invited a third-party research organisation to conduct a satisfaction survey for a sample of all property owners. The research question bank contains 5 systems and 10 dimensions, which comprehensively cover all the details of our service with customers. We categorise our customers according to different service stages. The third-party research organisation selects customer-applicable questions from a pool of research questions, collects customer satisfaction, and conducts interviews and research as appropriate. Through these measures, we gain a comprehensive understanding of customer's evaluation and ideas, laying the research foundation for improving customer satisfaction.

In order to improve customer service satisfaction, we are actively engaged in customer relationship management. In accordance with the Guidelines for Customer Care (China Overseas Club), we organise diverse customer care activities for owners and potential customers, and strengthen contact and communication with customers. We regularly carry out customer service activities such as the "Four-season Action" and the "Convenient Repair Service Day", provide community service, care for the elderly in the community, and provide free maintenance, house check-up, heating inspection, and other services.

In 2023, based on the connotation of "good products, good service, good neighbourhood", we innovated to create a customer service brand festival, "COGO Neighbourhood Festival". The "COGO Neighbourhood Festival" is carried out in the form of owners' parties, garden parties, family feasts and food festivals, covering 33 cities and 162 communities, with the participation of more than 90,000 owners' families. The activities of the "COGO Neighbourhood Festival" promote friendly relations among neighbours, enhance the community's good atmosphere, and promote the harmonious development of the community.



Poster on "COGO Neighbourhood Festival"



Owners' Party



Theatre festival activity



Care for the elderly in the community



Community service



# 3

## Develop The Green Base of The City

Staying true to the concept of low-carbon and green development, COGO has established a sound environmental management system and carried out green practices in strategic planning, construction, operation and management to fulfil its commitment to environmental protection and contribute to the achievement of the national "dual carbon" goals.

### Performance Highlights

Proportion of new projects that had met the national star design standards for green buildings: **100%**

Number and area of projects that had met green building standards: **205** and **43.29** million square metres

Proportion of the number of projects that had met green building standards: **94%**

Proportion of new projects that had met the One-star Green Building Standards or above: **67%**

Proportion of new projects that had applied renewable energy: **100%**

Signing rate of green agreement planned for tenants in operation: **50%**



### ESG-related material topics responded in this chapter

Climate change response, green and sustainable buildings, greenhouse gas emission reduction, energy use, waste management, management of pollutant emission, material use, water resources management, and rational development and protection of biodiversity

### SDGs-related topics responded in this chapter





# Environmental Management



As a pioneer in pursuing the green and intelligent buildings, COGO takes the initiative to assume the social responsibility of environmental protection and sustainable development, continuously upgrades the environmental management of the entire stage of the project from design and development to operation and improves the environmental management system according to its effectiveness, striving to achieve environmental management goals.

## Environmental Management Goals

In order to promote the effective implementation of the Group's environmental management system and efforts to save energy and reduce emissions, we have set environmental management targets in terms of greenhouse gas emissions, and energy and resource management. We have also regularly reviewed the progress made in achieving these targets, and optimised the plan in a closed-loop fashion accordingly.

Indicators	Goals	Progress
<b>Energy consumption</b>	With 2022 as the base year:	<ul style="list-style-type: none"> <li>By 2023, we have cumulatively completed 13 projects under the energy efficiency retrofit programme.</li> </ul>
	<ul style="list-style-type: none"> <li>By 2025, consumption per unit of contract volume will decrease by 15%.</li> <li>By 2030, consumption per unit of contract volume will decrease by 35%.</li> </ul>	<ul style="list-style-type: none"> <li>The proportion of new projects applying renewable energy reaches 100%.</li> </ul>
<b>Water resources consumption</b>	With 2022 as the base year:	<ul style="list-style-type: none"> <li>To further promote the application of the digital platform in the management of water resources in their own office areas and commercial project operation areas.</li> </ul>
	<ul style="list-style-type: none"> <li>By 2025, consumption per unit of contract volume will decrease by 17%.</li> <li>By 2030, consumption per unit of contract volume will decrease by 35%.</li> </ul>	
<b>GHG emissions</b>	With 2021 as the base year:	<ul style="list-style-type: none"> <li>Continuously promoting the construction of green building certification projects, with 100% of new projects meeting the national green building design standards by 2023.</li> <li>Developed ultra-low energy consumption building projects such as Unique Palace in Hefei, Maple Palace in Tangshan and Hills Scenery in Nantong.</li> <li>Launched the "Let's embrace low carbon" Campaign.</li> </ul>
	<ul style="list-style-type: none"> <li>By 2029, the Company will achieve carbon peaking within the operational boundaries, realise comprehensive electrification, and stop using fossil fuels.</li> <li>By 2049, the Company will fully secure 100% renewable energy utilisation, and achieve carbon neutrality within the operational boundaries, reducing carbon emission intensity by 60% compared to the base year (2021).</li> </ul>	

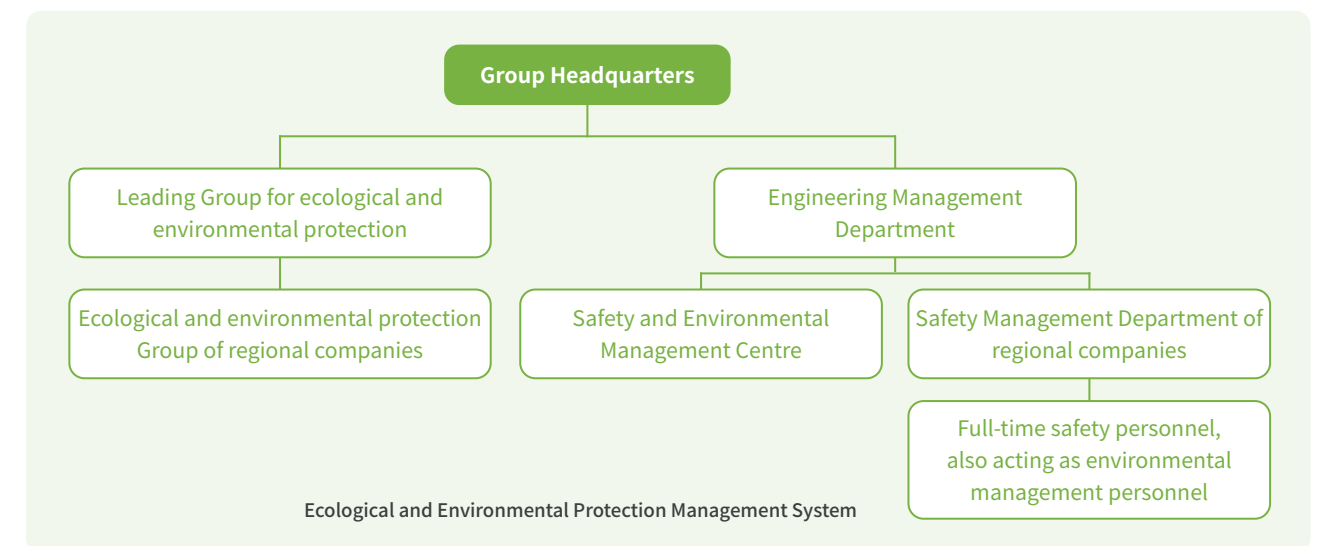
Indicators	Goals	Progress
<b>Waste discharge</b>	With 2022 as the base year:	<ul style="list-style-type: none"> <li>To formulate and implement on a trial basis the Operational Guidelines for Ecological Protection at Construction Sites to lay the institutional foundation for promoting the realisation of the objectives.</li> </ul>
	<ul style="list-style-type: none"> <li>By 2025, reclaim rate of renewable resources will reach 20%, recycling treatment rate of kitchen waste will reach 30%, and the harmless disposal rate of hazardous waste will reach 30%.</li> </ul>	
	<ul style="list-style-type: none"> <li>By 2030, reclaim rate of renewable resources will reach 30%, and the recycling treatment rate of kitchen waste will reach 50%.</li> <li>Harmless disposal rate of hazardous waste will reach 50%.</li> </ul>	

Environmental management goals

## Environmental Management System

We pay continuous attention to national policies related to environmental protection and industry trends, and adhere to relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China*. In addition, we have formulated internal policies such as the *Environmental Policy*, which clearly defines the requirements for environmental management in terms of climate change response, resource and waste management, ecological protection, sustainable buildings and green procurement, and lays a solid institutional foundation for improving the environmental performance of the Group's entire business chain.

We regularly conduct environmental compliance inspections to review the implementation of environmental management requirements, and formulate emergency plans for environmental accidents to improve climate risk response capabilities and minimise losses caused by extreme weather. We also provide environmental protection related training for all employees and suppliers to raise their environmental awareness and increase the effectiveness of the Group's environmental management.



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# Green Building



COGO sticks to the path of green and low-carbon development. We integrate the concept of green buildings into the whole process of projects from design and planning to production and construction according to the GB/T 50378-2019, develop products that comply with the green building standards, and commit to green buildings. In this way, we strive to realise the harmonious coexistence between buildings and nature, and lead the industry in green and low-carbon development.

### Key Performances



By the end of the reporting period,

Proportion of new projects that had met the national star design standards for green buildings: **100%**

Number and area of projects that had met green building standards: **205** and **43.29** million square metres

Proportion of the number of projects that had met green building standards: **94%**

A total of **235** types of materials we procured have obtained green building materials, green products or carbon footprint assessment certifications

Since the commencement of the green materials procurement campaign in early 2022, the cumulative amount of green materials procured by the Group amounted to approximately RMB **1.98** billion as at the end of the reporting period

## Green Building Goals And Certification

### Green building goals:

- New projects and projects under construction are implemented in full compliance with green building design standards, and are encouraged to obtain higher level certifications (e.g., the national Two-star or Three-star Standards for Green Buildings, U.S. LEED, WELL);
- In some of self-operated property projects, the Group plans to renovate existing buildings according to green building standards and obtain the appropriate certifications;
- To achieve a 100% retrofit ratio of self-owned commercial green buildings between 2024 and 2026;
- By 2049, the proportion of ultra-low-energy buildings, near-zero-energy buildings and zero-energy buildings will reach 50%.



COGO commits that 100% of new projects and projects under construction will meet green building design standards, and promotes all projects to obtain national green building certification. In 2023, 100% of our new projects met star design standards for green buildings, with several projects designed in line with the national three-star standards for green buildings. By the end of the reporting period, a total of 205 building projects with a total area of 43.29 million square metres had been certified as green buildings, among which the number of green buildings certified from COGO Commercial Company was 18, with a total area of approximately 670,000 square metres (including the underground), among them, the number of projects which have been registered but have not obtained green building certificates is 7, with a total gross floor area of about 325,000 square metres (including the underground); the number of projects which have obtained green building certificates is 11, with a total gross floor area of about 345,000 square metres (including the underground), accounting for 51% of the total number of projects.

S/N	Region	Project	Property type	Total Gross Floor Area (GFA) (10,000 sq.m.)	Level of China Green Building certification
1	Yinchuan	Live Hub	Integrated Business	2.4	One-Star
2	Hefei	Central Park Around the World	Integrated Business	2.1	One-Star
3	Anqing	Around the World	Integrated Business	4.1	One-Star
4	Hefei	Royal Villa	Lease Residential	1.8	One-Star
5	Hefei	Halo Park	Lease Residential	2.9	One-Star
6	Jilin	International Community – Around the World	Integrated Business	2.4	One-Star
7	Jilin	Universal City	Integrated Business	8.1	One-Star
8	Hefei	Binhu Around the World	Integrated Business	3.9	Two-Star
9	Hefei	Universal Building	Office Building	4.0	Two-Star
10	Hefei	Genius Garden International	Office Building	3.7	Two-Star
11	Hefei	Halo Park	Lease Residential	0.7	Two-Star
12	Huizhou	Around the World	Integrated Business	3.4	Two-Star
13	Huizhou	China Overseas Plaza	Office Building	4.9	Two-Star
14	Huizhou	Hilton	Hotel	4.8	Two-Star
15	Weifang	Around the World	Integrated Business	6.6	Two-Star
16	Weifang	Hilton	Hotel	5.3	Two-Star
17	Huaian	Around the World	Integrated Business	3.7	Two-Star
18	Hefei	Upper East	Lease Residential	2.3	Three-Star
<b>Total</b>				<b>67.1</b>	<b>/</b>

List of certified green building projects of COGO

### Weifang Daguan Tianxia Green Building Project

Weifang Daguan Tianxia Commercial Project is located in the core area of Weifang High-tech Zone, Shandong Province, with a total area of about 160,000 square metres.

The project is generally described as "a meeting place for new businesses and trends". Once completed, it will play an important role in promoting the economic development and green transformation of the city. The project is built according to the Two-star Standards for Green Buildings and implements green building programmes in the whole process of planning, design, construction and operation:

- **Passive design:** Full consideration is given to the building form coefficient and the spacing between the buildings, and the window-to-wall ratio and building orientation are appropriately designed to ensure good natural ventilation and lighting in the interior. The thermal performance of the external enclosure structure is optimised in the design of the external façade to improve the thermal insulation performance of the building façade and the roof. Hollow LOW-E energy-saving glass is adopted for the entire curtain wall of the hotel tower, which has an excellent thermal insulation effect and good light transmission compared to the traditional coated glass used in construction;
- **Sponge city technology:** In the outdoor landscape design, the site space is reasonably utilised to control the runoff within the site and improve the ecological environment of the site through the design of recessed green space, permeable paving, and the reasonable use of the natural water system within the site for sponge city design;
- **Water-saving process:** Rainwater collection and utilisation system is set up in the project, which collects rainwater from building roofs and sites. The clean water, after purification and filtration, will be used for green irrigation and road cleaning, thus saving water resources;
- **Energy-saving products:** Measures to reduce energy consumption of buildings are adopted, such as deploying properly designed heating and air-conditioning systems, choosing energy-saving products with high energy efficiency, and adopting frequency conversion control technology.



Weifang Daguan Tianxia Commercial Centre

### Jilin Dongshan 04 Green Building Project

Jilin Dongshan 04 Commercial Centre is located at the junction of Huizhan Street and Yishan Road, Jilin City, Jilin Province. It is planned as a shopping centre with a construction area of about 80,000 square metres, and is intended to become a project that meet the "One-star Standards for Green Buildings".

We design low-carbon and energy-saving solutions at the planning stage, and implement "green manufacturing" throughout the entire project process. We adopt energy-saving measures in buildings to improve the insulation of exterior walls and roofs, and apply efficient energy systems to optimise the selection of cooling towers and improve equipment utilisation. In the use of renewable energy, we deploy photovoltaic systems to increase the proportion of renewable energy and to generate enough power for self-use and contribute residual electricity to the grid. We also use underground space light pipes to further reduce electricity consumption.

In addition, we apply intelligent energy management system to monitor abnormal energy consumption and waste in time through functions of classified consumption monitoring, energy consumption quota management, and comparative data analysis. In the future, real-time monitoring of carbon emission data and energy consumption of commercial projects across the Group will be achieved, which can provide a basis for energy-saving planning of new projects.



Jilin Dongshan 04 Green Building Project

## Green Building Development

COGO believes in ecological construction, optimising the ecological pattern and functions of the city and revitalising the spatial allocation of urban resources on the basis of protecting the ecological environment and natural landscape. At the site selection stage of development projects, we conduct pre-investment surveys and research on the overall risk of land parcels in order to reasonably avoid environmentally sensitive or polluted areas.

#### Green development considerations:

- Assess local land resources of the site to avoid damage to cultivated land or farmland;
- Incorporate nature-friendly design in project development and design by considering local natural resources such as wind, light and water resources. Explore local renewable energy utilisation opportunities to rationally use clean energy;
- Consider local transport and infrastructure accessibility to encourage green travel and convenient infrastructure.





## Greenfield Development and Brownfield Redevelopment

COGO is committed to avoiding as much as possible the impact on green areas during development. If unavoidable, we will only develop green-certified properties in green fields, obtain approval from relevant departments before using the land, and devote ourselves to ecological protection and restoration during the development process. In selecting site of the development project, we assess the overall risk of the site before investment to reasonably avoid environmentally sensitive and polluted areas. In addition, we implement the philosophy of sustainable and eco-friendly environmental governance. Following the model of "environmental conservation in development and construction", we upgrade and redevelop the urban brownfield, and treat and rehabilitate contaminated land to meet national standards.

### Zhanjiang Glorious City Redevelopment Project

The Zhanjiang Glorious City project has an area of 76,248.15 square metres. The original site is covered by a cement factory and was polluted to a certain extent before the redevelopment. We plan to adopt environmental restoration and ecological management measures to revitalise and transform the original site of the cement factory into a multi-functional living park integrating housing, commercial areas and ancillary educational facilities, and at the same time to beautify and upgrade the surrounding landscape, so as to create a green, livable and comfortable leisure place for the local residents.



Cement Plant before renovation



Project effect after renovation

## Contribution to Urban Revitalisation

COGO undertakes an active role in the construction of urban revitalisation projects and help to reweave the urban fabric with organic renewal. We have readjusted urban space resources in many areas through maintenance, renovation, demolition, and improvement of public resources. This stimulates regional development potential to better meet the needs of economic and social development, and empower sustainable and thriving cities.

### Shanty-area Renovation of "Lantuo Factory Comfortable Community" in Lanzhou

In 2023, the Lanzhou "Lantuo Factory Comfortable community" project was successfully completed and accepted, and is expected to be delivered in September 2024. The project, located in Qilihe District, Lanzhou City, Gansu Province, is an old city renovation project, and the land nature is residential and commercial land. The project is positioned as a high-quality and liveable community which is affordable for the public. The site is close to Lanzhou West Railway Station and there is a subway station within 1.5 kilometres in a straight line. Besides, the project has signed contracts with Anxi Road Primary School, Qilihe District Kindergarten, Wushan Road Kindergarten and other self-built primary schools and kindergartens to provide convenient travelling conditions and excellent educational facilities for residents therein. The total gross floor area of the project is 181,952 square metres, of which 90,056 square metres are resettlement apartments with a total of 1,424 households. It is expected that upon completion of construction, living conditions of more than 4,000 people will be improved and the urban environment will be effectively enhanced.

This project will help to create new economic growth points in the region, boost investment and consumption demand, and drive the development of relevant industries. It also plays a positive role in promoting sustained and healthy economic development and improving people's livelihoods.



Pre- and post-construction comparison of shanty-area renovation of "Lantuo Factory"



## Affordable housing

We are actively involved in the construction of affordable residential properties. In strict compliance with national standards and guidelines and by working with the government to improve project quality, we practically address the needs of affordable housing tenants and are dedicated to offering high-quality residential properties for society. In addition, we are committed to helping people with housing difficulties or low incomes solve their housing problems, and accordingly, we provide a variety of "affordable and wonderful" residential properties, including relocation housing, public rental housing, and resettlement housing. By the end of 2023, we have participated in 24 indemnificatory housing construction projects, including affordable residential and commercial housing projects, with a total area of 787,366 square metres.

### Changzhou Hai Hua Garden Affordable Residential Housing Project

The project is located in Tianning District, Changzhou City, Jiangsu Province, with a total residential and ancillary site area of 99,951 square meters. A total of 18 high-rise residential towers are planned as resettlement housing for a total of 1,884 households, with a total resettlement area of approximately 205,000 square meters. The project is located in the Qinglong Block of Tianning District, which is the core location of the city, with a comprehensive public transport network. The project is located at the core of Qinglong Plate in Tianning District, which is well served by public transport network. A three-storey 18-class kindergarten of approximately 7,500 square meters, and a community center of approximately 3,500 square meters, are built in the vicinity of the project, which provide one-stop services for residents and safeguard the quality of life and living experience of the tenants. The project's delivery process has been recognized by the Changzhou Municipal Government as a benchmark for resettlement housing projects in the region.



Changzhou Haihua Garden Resettlement Housing

### Hohhot Shi Li Qing Chuan Talent Apartment Project

COGO is actively implementing the government's policy on housing for talents and has built the Hohhot Shi Li Qing Chuan project to solve the housing problems of young talents. The project is located in Saihan District of Hohhot City, Inner Mongolia Autonomous Region, close to the core city, with mature supporting infrastructure and convenient traffic. The project consists of 9 flat blocks with a total site area of 38,990 square metres. It has a reasonable layout of various functional spaces, and is surrounded by well-developed facilities in a livable environment. In 2022, the government invited tenders for the procurement of three flats in the project, with a gross floor area of approximately 43,319 square meters. We are committed to building the Shi Li Qing Chuan Talent Apartments into a beautiful living space for urban youths, delivering them on schedule with high quality and standards, contributing to the promotion of the talent attraction and retention programme and the high-quality development of the city.



Hohhot Shi Li Qing Chuan Talent Apartment

## Green Building Design

Adopting the concept of green environmental protection, COGO has formulated standard guidelines such as the *Design Standard for Energy Efficiency of Passive Ultra-low Energy Green and Residential Buildings*, the *Design Standard of Healthy Buildings* and the *Guidelines for Design of Precast Concrete Buildings*. These guidelines were developed to guide the design and implementation of the Group's low-carbon green building projects, while protecting the natural environment and safeguarding the health of residents in the building construction process.

We integrate the concept of sustainable development into the entire project design process through a variety of approaches. Specifically, we integrate nature-friendly and humanised elements into the project design scheme, promote the integrated design of sponge city and landscape, and follow the principle of zero demolition and renovation to achieve the recycling of building materials. By doing so, we aim to reduce the ineffective waste of resources in the project development process, and minimize the negative impact of buildings on the environment, striving to create a livable environment where man and nature can coexist harmoniously.

We continue to deepen our efforts in the field of zero-carbon buildings. At COGO, we implement building energy efficiency standards, including the Net Zero Energy Building Technology Standard and the Ultra-low Energy Building Standard, and incorporate the ultra-low energy design concept of green and energy saving into project planning and design. We also adopt passive design concepts to achieve need-end energy saving, deploy high-efficiency energy-saving equipment to promote utilisation-end carbon reduction, and replace traditional fossil energy with renewable energy to comprehensively improve the environmental performance of buildings. In 2023, we successfully completed the delivery of Hohhot Glorioushire ultra-low energy building project and developed ultra-low energy building projects such as Hefei Unique Palace, Tangshan Maple Palace and Nantong Hills Scenery, which have received high recognition and continuous attention from all sectors, providing design references and guidance for low-carbon residential buildings in the industry.



### Xuzhou Future Land Sponge City and Landscape Integration Project

COGO Xuzhou Future Land Project adopts the integrated design of sponge city and landscape. Through scientific design, it aims to build a "breathing" sponge city with high standards and quality. Measures in this regard include strengthening the ability of sponge facilities to control rainwater runoff from multiple dimensions and levels, and improving the efficiency of rainwater utilisation through rainwater recycling and reuse systems.

- This project is designed with pro-natural and humanised elements, integrating functions of stagnation, storage, purification, use and drainage. The low-maintenance rainwater garden uses perennial flower border paired with natural stone layout and water facilities to leave a dry stream exploration area integrating recreation and natural cognition;
- Permeable EPDM (Ethylene Propylene Diene Monomer) is paved with a diversified combination of entertainment equipment to mitigate surface runoff;
- A rainwater recycling system is built, where rainwater collected by sponge facilities will be filtered and reused in the underground water reservoirs and can be recycled to the above-ground watering system, creating a complete ecological sponge system for the community and a new model for the industry.



Real scene of COGO's Xuzhou Future Land Sponge City

### Hefei Unique Palace Low-energy Project

In 2023, COGO developed Hefei Unique Palace low-energy project, which covers an area of 59,564 square metres, with a total construction area of about 200,000 square metres. The project selected 7# Building to construct an ultra-low energy consumption building with a total construction area of 12,738 square metres, achieving an overall energy efficiency rate of 82.5% in terms of passive energy conservation and active optimisation.

- For external wall insulation, the project uses a combination of prefabricated insulation sandwich wallboard and internal insulation to ensure the thermal insulation performance and reduce the safety implications of an overly thick external wall insulation system;
- The exterior windows adopt triple insulating glass with level 8 gas tightness and the southbound exterior windows are narrow frame curtain walls;
- The southbound exterior windows have built-in solar shading systems to reduce radiant heat;
- The mechanical and electrical pipelines of the facade and embedded parts of the curtain walls are treated with heat-insulation bridges to reduce heat loss;
- Exterior windows and the openings for the mechanical and electrical pipelines are lined with polytetrafluoroethylene to improve gas tightness;
- Heating and air conditioning systems are used to provide a building with cold and heat sources, which adopt household low ambient temperature air source multi-connected heat pump (air-conditioning) units, and are equipped with fresh air systems with efficient air purification and heat recovery functions, with a total heat recovery efficiency of not less than 70%.

This project applies technologies such as three-star green building, healthy building, smart home, ultra-low energy building, prefabricated building (with an assembly rate of 65%), and sponge city. It aims to build quality-first, green, low-carbon, and healthy buildings, and to provide high-quality models to further promote the development of ultra-low-energy buildings.



Real scene of COGO's Hefei Unique Palace Project



## Green Building Technology

COGO focuses on research, innovation and application of green building technology. In doing so, the Group integrates factors such as green energy conservation, safety and health into the entire lifecycle of construction projects, continuously explores opportunities for technological innovation, and improves building quality and construction efficiency. The aim is to promote energy conservation and emission reduction in buildings, improve the health and well-being of residents, and create a low-carbon and environmentally friendly construction mode.



### Ultra-Low Energy Building Technology

As a leader in low-carbon development in the industry, we continue to promote research into ultra-low-energy technologies and explore the potential for reducing emissions during the operational phase of buildings. Taking the Hohhot non-public market hook-up as an opportunity, we have explored and landed the first and largest ultra-low-energy demonstration project in China's severe cold regions, the He Shan Da Guan project, and simultaneously launched scientific research to form a mature ultra-low-energy technology system and solutions for the severe cold regions. We will also gradually improve and form the ultra-low-energy technology routes covering different climate zones through the experiments of the Jiujiang and Shantou R&D bases on the ground.



### Building Energy-Saving Technology

We accelerate the use of prefabricated buildings in projects across the country by applying technologies such as the optimisation of prefabricated shear walls and prefabricated bay windows, and prefabricated construction, to improve the efficiency of building materials and reduce carbon emissions in key processes such as building material transportation and construction. Meanwhile, we expand the application of BIM, Internet, IoT, big data, cloud computing, AI, blockchain and other digital technologies in the whole construction process. We develop intelligent energy management and control platforms "Intelligent Carbon Management Platform for Residential" and "Intelligent Carbon Management Platform for Commercial Buildings" to monitor and control the energy consumption of the whole project lifecycle, and accurately adjust the operation strategies of equipment to achieve fine construction.



### Building Health Technology

From the perspective of safety and health, comfort and convenience, as well as energy conservation and environmental protection, we take into account the climate and natural resources of the places where the buildings are located, and apply a variety of healthy building technologies, including ventilation systems, environmentally friendly building materials, sound insulation treatment, water quality control, and health facilities. In this way, we provide residents with humanised, personalised, and diversified building health facilities and services.

We have taken various measures to further strengthen the Group's R&D capabilities in green building technology and to promote its application, including research projects and special training to promote the concept of low-carbon building and improve the level of green building.

#### COGO Participated in China Overseas Holdings Limited's Research Project Themed on *Research and Application of Key Technologies and Products in Ultra-Low Energy Consumption Buildings in Severe Cold Area*

In 2023, COGO participated in China Overseas Holdings Limited's research project themed on *Research and Application of Key Technologies and Products in Ultra-Low Energy Consumption Buildings in Severe Cold Area* and proposed suggestions. This project aims to address major challenges in key technologies and industrial application of ultra-low energy consumption buildings in severe cold area through research and develop a set of technical standards and cost control methods by digging into the technical system, material application, cost and industrialisation practices of ultra-low energy consumption buildings in severe cold area. These efforts enable COGO and even the industry to promote the ultra-low energy consumption buildings technology system in a more effective manner in the future.



COGO participates in the internal research project

In addition to studying and applying green technology in our own building projects, we take an active part in the research and discussion of key national topics. In this way, we contribute our strength to continuous technological innovation, sustainable transformation and high-quality development of the industry.

#### COGO Participated in the "14th Five-Year Plan" National Key R&D Programme: *Research and Demonstration of Key Technologies for Environmental Monitoring, Evaluation and Protection in Healthy Residential Areas*

In 2023, COGO participated in the "14th Five-Year Plan" National Key R&D Programme: *Research and Demonstration of Key Technologies for Environmental Monitoring, Evaluation and Protection in Healthy Residential Areas*. This marks the first time COGO got involved in the national top-level R&D programme. Taking the national strategic needs, e.g., Healthy China and New Urbanisation, as the research topics, the programme aims to further promote the innovation and upgrading of environmental health risk assessment and monitoring and intelligent regulation. The research results will help COGO incubate low-carbon digital community solutions in the future and provide technical support for enhancing the competitiveness of COGO products.



COGO participates in the external research project



## Green Building Materials

COGO integrates the concept of sustainability into every aspect of the construction, fully considering environmental factors in procurement. We minimise the use of non-renewable construction materials and do not proactively select scarce construction materials. We choose building materials following national and regional environmental regulations and health and safety standards, giving priority to local green building materials such as high-performance materials, renewable materials, easily recyclable materials and materials with low carbon content. We use environmentally friendly new materials such as polymer pre-applied and anti-adhesive sheets, finished mortar for door and window plugging, finished plaster self-levelling floor and thin plaster. We also continue to invest in R&D and utilisation of low-carbon building materials including new aerogel insulation materials and synthetic resin curtain wall to explore the feasibility of low-carbon building materials replacing high-carbon building materials. Besides, we strengthen the recycling of building materials and promote green transportation to reduce the impact of transportation and utilisation of materials and waste disposal on the environment.

Meanwhile, we have refined supplier selection standards, prioritising suppliers with green building materials certification. In the future, we plan to help more suppliers obtain green certification, in an effort to further build a green supply chain, and facilitate the promotion and utilisation of green building materials. As at 31 December 2023, a total of 235 categories of materials procured by us have obtained green building materials, green products or carbon footprint assessment certification, and the cumulative procurement amount of green materials<sup>1</sup> is approximately RMB1.98 billion. In 2023, we, together with suppliers in Jinhua, Shaoxing, studied and discussed the sustainable materials for assembled interior decoration. We joined hands with suppliers to push forward the development and utilisation of green building materials.

## Green Construction

COGO abides by laws and regulations such as the *Construction Law of the People's Republic of China* and the *Environmental Protection Law of the People's Republic of China*. In addition, the Group has formulated the *Rewards and Punishments Measures for Engineering Ecological and Environmental Protection* to strengthen the environmental protection management of projects in progress and to avoid negative environmental incidents during construction. In 2023, the Group formulated and piloted the *Operational Guidelines for Ecological Environmental Protection at Construction Sites* to further improve the environmental management at construction sites.

In implementing our projects, with full consideration of the needs of the environment and surrounding communities, we have adopted four key ecological and environmental protection measures and strengthened environmental protection training and promotion for contractors and other site personnel. Through these efforts, we aim to achieve pollution reduction, resources conservation, dust prevention, energy conservation and emission reduction, noise control and other effects to minimise the impact of construction on the environment.

<sup>1</sup> Materials: civil engineering products such as waterproofing, elevators, wires and cables, pipes and fittings, entrance doors, fingerprint locks, exterior wall paints, water pumps, etc.; and finishing products such as wall and floor tiles, wooden flooring, interior doors, interior carpentry, kitchen appliances, sanitary ware and air-conditioning.



### Dust prevention

- Use ready-mixed mortar and prohibit open mixing on site;
- Provide fog guns, spraying, washing and dust monitoring systems;
- Establish fully enclosed construction fences;
- Use wet construction for dust-prone operations and arrange for sprinkler trucks around the site to spray water regularly;
- Cover bare soil and dust-prone materials in areas that have not yet been constructed on site;
- Strictly prohibit muddy, overloaded, or uncovered dump trucks on the road.



### Energy and water conservation

- Use energy-efficient equipment such as LED lamps and renewable energy equipment such as solar street lamps.
- Implement sunken landscaping with permeable pavement and install rainwater collection basins at the entrances and exits of the construction sites to make full use of rainwater resources;
- Strictly control water consumption at the construction site and install time switches;



### Noise control

- Install noise monitoring systems to monitor the noise generated from the concrete construction and pile foundation construction by the contractor;
- Take noise control measures during construction;
- Ensure that nocturnal construction permits are obtained for nocturnal construction;
- Ensure that nocturnal operations are conducted during the permitted hours;



### Three waste (waste gas, waste water and industrial solid waste) management

- Supervise contractors to treat industrial wastewater as required before discharge;
- Filter the on-site drainage before discharging it to the municipal sewage system or being recycled;
- Improve maintenance and repair of equipment and vehicles to ensure that exhaust emissions meet national and local government emission standards;
- Supervise contractors to formulate construction waste disposal plans;
- The project should be equipped with a "Dust Control and Construction Waste Disposal Responsibility Signboard" or a "Construction Waste Disposal Signboard" in accordance with the local requirements;
- Formulate and implement the classified treatment system of construction waste, and carry out the classification and disposal of domestic waste and toxic and hazardous waste;
- Remove construction site waste promptly, and use enclosed garbage trucks for transportation;
- Repurpose construction waste for reuse.

#### Construction Site Environmental Protection Measures

# Green Operation

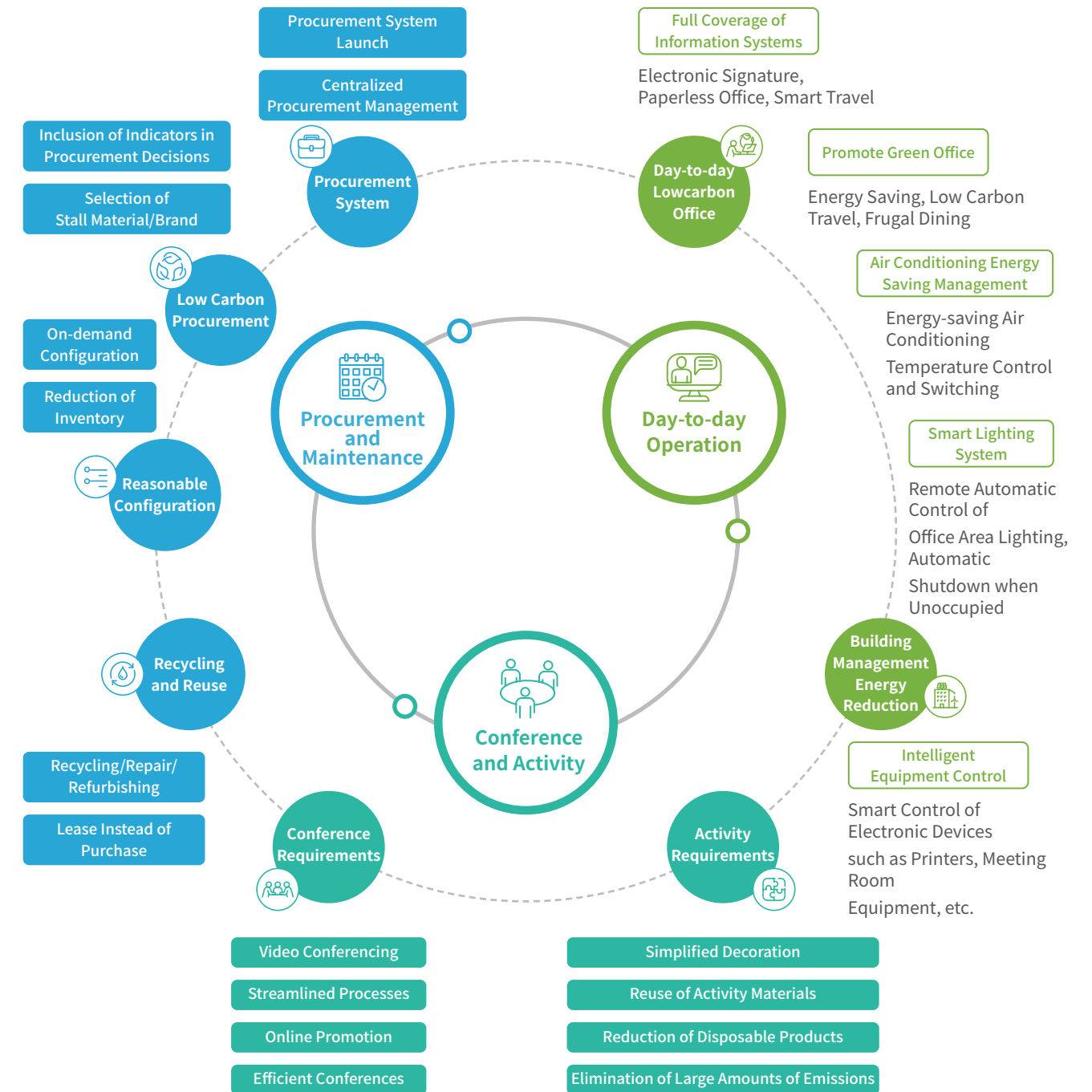


COGO complies with the *Environmental Protection Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China*, the *Environmental Impact Assessment Law of the People's Republic of China* and other laws and regulations. The Group is committed to reducing the environmental impact that may be caused by its operations, and actively cultivating employees' awareness of energy conservation and environmental protection. We continue to strengthen our ability to manage energy, resources and emissions in our offices and in the operation of managed projects, and to optimise the energy structure, thereby contributing to the development of a circular economy. We consistently optimise and implement the *Administrative and Logistic Management Measures of China Overseas Grand Oceans Group Ltd.*, and require employees to consciously enhance their awareness of environmental protection, develop green habits such as saving water and electricity, using stationery and various types of equipment sparingly, and cherishing office equipment and items. To further create a green office environment, we issued the *Management Measures for Employee Performance Benefits and Business Expense of China Overseas Grand Oceans Group Ltd.* in 2023, which advocates "frugality and green office" and sets requirements and restrictions on employee cars, meals and accommodation.

We launched the "Waste on the Tip of the Tongue" campaign to strictly manage food waste. We promoted the "Regular Business Travel Low Carbon Travel" programme to advocate the use of public transport for business travelling, and planned to launch a travel data monitoring exercise to further promote the development of green travel awareness among staff. At the same time, in accordance with the notice on carbon peak and carbon neutrality issued by the China Construction Group, we will implement the "One Hundred and Ten Million" project in depth, and firmly promote low-carbon related office and publicity work.

Adhering to the principle of "promoting frugality and diligent corporate management", COGO has carried out the low-carbon campaign of "Let's embrace low carbon" since 2022. By adopting diversified measures in procurement and maintenance, daily operations, and meetings and activities, COGO encourages employees to integrate the concept of low-carbon and green living into their daily work and life. We also planned various themed activities, including the "Simplified Meeting Initiative", "One-week Low Carbon Meeting Challenge", the centralised "Green Meeting" programme, "Exploring Paperless Office," and "Cherishing Food Special Campaign", to motivate employees to adopt and promote a low-carbon working style.

- **Procurement and maintenance:** To minimise resource waste in offices, we have implemented centralised procurement and leasing alternatives. We prioritise selecting sustainable office supplies and consider product carbon emissions and energy consumption indicators in our procurement decision-making process. Additionally, we set up office supply recycling stations to recycle used office equipment, promote recycling and create a recycling-friendly office atmosphere.
- **Daily operations:** Our energy-saving efforts primarily focus on two areas: daily office low-carbon practices and building management energy reduction. We use intelligent methods and routine controls to carry out energy-saving transformation of operational equipment. We aim to improve energy-saving efficiency in all operational aspects of the Group and reduce greenhouse gas emissions.
- **Meetings and activities:** We advocate for internal online meetings to reduce additional carbon emissions caused by travel. We also reduce the use of paper, materials, and disposable items during meetings and other activities, recycle and reuse some materials to reduce resource waste. Furthermore, we streamline meeting processes, reducing meeting room electricity consumption and overall office energy consumption.



COGO's panorama "Let's embrace low carbon"



## Energy Conservation And Emission Reduction

COGO sets targets for energy conservation and emission reduction and takes active measures to achieve these targets. We have formulated the *Environmental Policy* and implemented relevant requirements through effective energy management efforts. We have reduced emissions in the building operation and maintenance by improving energy efficiency and quality, optimising energy consumption patterns and promoting digital technology. In addition, proactive efforts have been made in the review of the Group's greenhouse gas emissions to clarify the path of emission reduction and keep energy consumption within expected level.

### Energy-saving Transformation

COGO has been keenly aware of the importance of energy conservation and efficiency improvement in the operation of projects. We have transformed the energy consumption patterns of our own offices, commercial and office buildings in our business region through three dimensions: zero-carbon renovation of existing buildings, carbon reduction plans for public buildings and clean energy recycling. We have carried out energy-saving transformation to building energy facilities such as lighting, heating and ventilation, and water equipment, focusing on energy efficiency management and technological innovation for high-energy consumption equipment. Through these various measures, we aim to promote energy conservation and emission reduction in building operations. In 2023, we successfully delivered the distributed power plant and the energy monitoring platform of the Yinchuan Around the World commercial project, and we received a special honorary certificate from the Yinchuan Government. In addition, we also completed a total of 13 energy-saving transformation plans, effectively consolidating the Group's energy-saving transformation capabilities.



Certificate of Around the World Commercial Project



Yinchuan Around the World commercial project

### Energy-saving Transformation Project of Yinchuan Around the World

Yinchuan Around the World is a shopping centre, which opened in December 2019, with a total gross floor area of approximately 18,000 square metres and a leasable area of approximately 10,600 square metres, which generates a relatively large amount of energy consumption for its operation. Through detailed research on the local peak and trough electricity tariffs and relevant policies and regulations, we have formulated an energy-saving retrofit strategy in three aspects, namely, high-efficiency energy system (active), and utilisation of renewable energy sources (energy substitution). In November 2023, Yinchuan Around the World completed the retrofitting of photovoltaic power and the installation of an energy monitoring platform, which has realised the following two aspects, namely, energy saving from both the source of generation and the consumption.

- **Clean Energy Generation: Photovoltaic Power Generation**

With a usable roof area of 3,500 square metres, the installation of 406 photovoltaic panels with an installed capacity of 240 kilowatts (kW) and an area of 1,900 square metres, and based on the 25-year lifespan of the photovoltaic panels, the cumulative total of power generation will reach 7.5 million kilowatt hours (kWh), with an average of 300,000 kWh of power generation per year, which represents an average annual energy saving of 14% based on the current electricity tariff level.

- **Overall Energy Saving: Energy Consumption Detection Platform**

By installing smart meters for the public area's electricity consumption equipment system, the recorded electricity consumption data can be uploaded to the intelligent monitoring platform to achieve precise, real-time monitoring of the equipment's electricity consumption data and adjust the equipment operation strategy based on the analysis results of energy consumption anomalies to achieve intelligent management and control of energy consumption and improve the efficiency of energy consumption, with an estimated average annual energy consumption saving of 25,000 kWh.



PV Application in Yinchuan Around the World

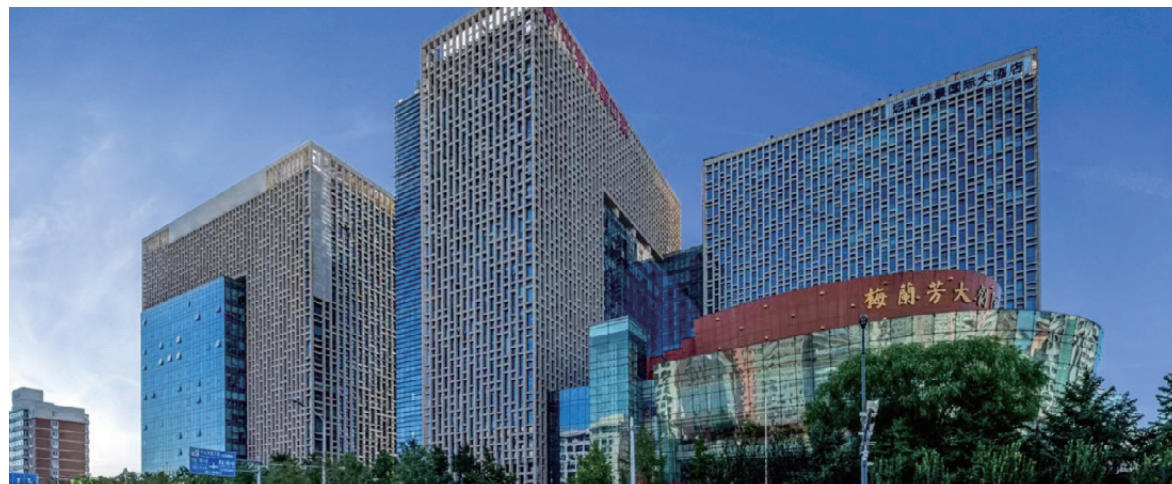


### Energy Saving Retrofit Project of Beijing China Overseas International Centre

Beijing China Overseas International Centre opened in 2007, with a total gross floor area of about 52,800 square metres, of which 42,000 square metres is above ground. Before the energy-saving renovation, the average annual electricity consumption in the public areas of the building exceeded 2 million kWh due to the long service life of the building's equipment and facilities and high overall energy consumption; after the energy-saving renovation, it is expected to save more than 25% of the public area's energy consumption annually, effectively reducing the building's carbon emissions and improving the quality of the tenant's environment.

We disassemble and analyse building energy consumption data, investigate on-site equipment, sort out management measures, and carry out energy-saving renovation of the building through three paths: active energy-saving technology, passive energy-saving technology, and use of renewable energy:

- **Intelligent Lighting and Intelligent Control:** Through the renovation of the lighting system of corridors and underground garages in the public area, it realises sensorless intelligent lighting, adjusts the lighting according to the flow of people, and saves about 20%-30% of electricity, with an annual energy saving of about 220,000 kWh.
- **Intelligent energy management and control platform:** Adopting "Intelligent Carbon Management Platform for Commercial Buildings" self-developed energy consumption monitoring platform to monitor and feedback control of the project's full-portal energy consumption situation, and to inspect, test, adjust, verify and optimise the electrical and mechanical systems, so as to make the electrical and mechanical systems satisfy the design and usage requirements, and to achieve the procedures and methods of high efficiency and comfort in all working conditions.
- **Rooftop photovoltaic:** The roof space is used to install photovoltaic to supplement green energy; the installation area is about 127 square metres, with an installed capacity of 24 kilowatts of peak power and an annual power generation capacity of 28,000 kilowatt-hours, and according to the calculation of a 25-year photovoltaic life span, the cumulative power generation will be 700,000 kilowatt-hours.
- **Fresh air system renovation:** the new air system is activated, the new air channels are replaced, and the new air heat recovery equipment is replaced to provide fresh air and a comfortable indoor environment.
- **Water system renovation:** Renovation of the cooling tower and water supply and drainage system to save water and reduce energy consumption.



Beijing China Overseas International Centre

## Integrated Energy Management Capacity Building

Leveraging the Internet of Things, AI, big data and other advanced technologies, COGO widely applies the Energy and Carbon Asset Management Operation and Maintenance System powered by digital twin technologies in commercial and residential projects. By bridging the information gap between the construction stage and the operation and maintenance stage, and integrating static basic data and dynamic operation data of buildings, we improve the intelligent operation and maintenance management of commercial and residential buildings. The water supply, power supply, heating and other energy consumption are also managed through this system in a refined, intelligent and comprehensive way, to realise energy saving, efficiency increase and carbon reduction.

### R&D and Application of Digital Platform for Integrated Energy Management

COGO Lowcarbon Technology follows the trend of applying digital twin and digital technologies in construction, and undertakes independent R&D based on the digital twin energy consumption monitoring platform. Taking the Company's office space as a pilot, the IOT monitoring and management platforms for energy consumption and carbon emissions, i.e., "Intelligent Carbon Management Platform for Residential" and "Intelligent Carbon Management Platform for Commercial Buildings" were formed through experiments, iterations and positioning of the Glorioushire project and R&D bases in Jiujiang, Shantou and other places. The two platforms are respectively designed for civil buildings and public buildings, which apply digital technologies to monitor energy consumption and carbon emissions in the operation and maintenance process in real time. With existing database scenarios and AI optimization algorithms, the platforms provide the optimal control and energy supply strategies for equipment systems to reduce energy consumption and carbon emissions, giving technical support for energy saving and carbon reduction of building projects.



Dashboard of the digital twin energy consumption monitoring platform

## Utilisation of Renewable Energy

Firmly following national policies and industry development trends, COGO explores renewable energy utilisation modes that are in line with the Group's operation. By arranging distributed photovoltaics, purchasing green electricity and improving electrification, we actively apply renewable energy and increase its use in the Group's operations while meeting the energy demand and controlling cost.

- **Layout of distributed photovoltaics:** Based on the solar radiation characteristics of our office areas and project locations, rooftop photovoltaic power generation systems are set up in areas rich in solar energy to provide power for office buildings and residential public areas. COGO also combines solar photovoltaic and solar thermal systems for power generation in areas where conditions permit;



- **Procurement of green electricity:** We purchase green electricity, and formulate systematic strategies and methods of green power trading, which are constantly optimised and adjusted according to market conditions. In addition, we explore to secure cooperation with green power projects through long-term agreements, thus ensuring long-term and stable power supply and achieving the goal of 100% renewable energy utilisation;
- **Increase of electrification:** We achieve carbon neutrality of operational boundaries by developing and progressively implementing the replacement plan for official fuel cars. Moreover, the replacement plan for canteen cooking equipment has been made and gradually carried out to promote the full electrification of canteen cooking, thereby helping COGO achieve the goal of full electrification of the operations by 2029.

Energy Consumption Indicators	Unit	2023 Data
Energy consumption		
Gasoline	MWh	2,611.51
Diesel	MWh	147.41
Compressed/pipeline natural gas	MWh	2,894.27
LNG	MWh	608.83
LPG	MWh	819.69
Renewable energy (biofuel) consumption	Litre	14,200.00
Purchased electricity	MWh	47,752.93
Purchased heat	MWh	10,214.66
Total energy consumption		
Total energy consumption(excluding renewable energy consumption)	MWh	65,049.30
Direct energy Consumption(excluding renewable energy consumption)	MWh	7,081.71
Indirect energy consumption	MWh	57,967.59
Energy consumption density		
Energy consumption density	MWh/'0000 sq.m.	1,099.20
Direct energy consumption density	MWh/'0000 sq.m.	119.67
Indirect energy consumption density	MWh/'0000 sq.m.	979.54

Greenhouse Gas Emission Indicators	Unit	2023 Data
greenhouse gas emissions		
Scope 1 direct greenhouse gas emissions	tonne CO <sub>2</sub> e	1,679.90
Scope 2 energy indirect greenhouse gas emissions	tonne CO <sub>2</sub> e	31,278.50
Scope 3 other indirect greenhouse gas emissions	tonne CO <sub>2</sub> e	1,318.93
Total greenhouse gas emissions	tonne CO <sub>2</sub> e	32,958.40
Greenhouse gas emission density	tonne CO <sub>2</sub> e/'0000 sq.m.	556.93

## Water Resources Management

COGO has continuously strengthened the management of water resources, and made clear requirements on the improvements in water conservation measures, strategies, technologies, and education in the *Environmental Policy*. We have also identified risk points related to water resources management, such as restrooms, cleaning water usage, fire protection and air conditioning water usage according to our operations. To enhance water resources management, we vigorously promote the application of digital platforms in the water resources management of our office and commercial project operations. Based on the storage and calculation requirements of daily water consumption data, we strengthen the monitoring and analysis of the water resources usage related to various areas and equipment. We also continuously optimise the water-saving goals and relevant measures. Furthermore, we use digital management platforms, upgrade water-saving equipment, and strengthen institutional management to effectively implement the Group's water-saving requirements.

### Water-saving Management of Huizhou Live Hub

Huizhou Live Hub is located at the core of Dongjiang New Town of Huicheng, with convenient transportation. It has core consumer groups of 100 thousand from Harbour City, and nearly 200 thousand consumers from real estates, schools and other institutions nearby. It is a commercial block integrating shopping, entertainment, leisure facilities, catering and food, and children's education. With the increasing inflow of merchants and consumers, the water resource consumption of Huizhou Live Hub has become an important environmental issue to be solved urgently.

In order to achieve a "win-win" situation between resource protection and commercial development, we have designed a set of water-saving schemes for Huizhou Live Hub based on the results of on-site research and water consumption data analysis:

- The water pressure of sensor flushing based washrooms and washbasin in each floor is reduced by 20%-30% according to the water consumption;
- After investigating the use of water equipment in shopping malls, the sensor flushing taps of less used washbasins are replaced by manual taps to reduce water waste, which is expected to reduce approximately 10% of water consumption;
- The special cleaning work of public areas is changed from twice a month to three times every two months, under the premise of ensuring cleanliness and hygiene, which is expected to save about 20% of water used in shopping malls.



Huizhou Live Hub

Water Resources Management Indicators	Unit	2023 Data
Total water consumption	cu.m.	739,206.33
Water intensity	cu.m./'0000 sq.m.	12,491.13

## Emission Management

The Group adheres to national laws and regulations such as the *Solid Waste Pollution Prevention and Control Law of the People's Republic of China*, the *Air Pollution Prevention and Control Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, and the *Soil Pollution Prevention and Control Law of the People's Republic of China* to ensure compliant emission discharge. We regularly assess the impact of emissions generated by our own offices and project operation sites, and build a household waste classification and recycling system to effectively promote reasonable and environmentally friendly disposal of waste among the Company's employees, tenants, residents and other groups.

We have formulated the China Overseas Grand Oceans Commercial Green Environment Convention and the China Overseas Grand Oceans Business Office Green Environment Convention. Tenants are required to comply with the requirements of garbage classification management policies, packaging and supplies usage, and sewage discharge. Merchants are asked to implement the emission management requirements. In 2023, we carried out a mystery shopper survey on commercial properties to know whether the shopping mall has energy-saving signs and sets up classified trash bins. Meanwhile, waste management measures for shopping malls were optimised based on the results of the survey to achieve closed-loop rectification.

### Waste separation management for commercial tenants:

- For domestic waste, we provide waste separation bins and wet/dry bins for food and beverage traders to facilitate separate dumping. Retailers are required to dump their rubbish bags uniformly into the rubbish bins of the domestic waste room every day;
- Harmless waste (domestic refuse and food waste) is collected by government-designated units or recognised recyclers and dumped at designated landfills for disposal.



In addition, in terms of health risk related pollutant emissions and hazardous waste, we actively communicated with stakeholders such as the Environmental Protection Agency, residents and merchants to ensure effective emission management.

Emission Management Indicators	Unit	2023 Data
NOx	kg	334.98
SOx	kg	4.20
Particulate matter	kg	26.77
Hazardous waste	tonne	1.87
Non-hazardous waste	tonne	262.15

## Green Leasing



In order to motivate tenants to practise green concepts together, COGO actively promotes green leasing, raises tenants' awareness of environmental protection, and creates a low-carbon and sustainable business ecosystem.

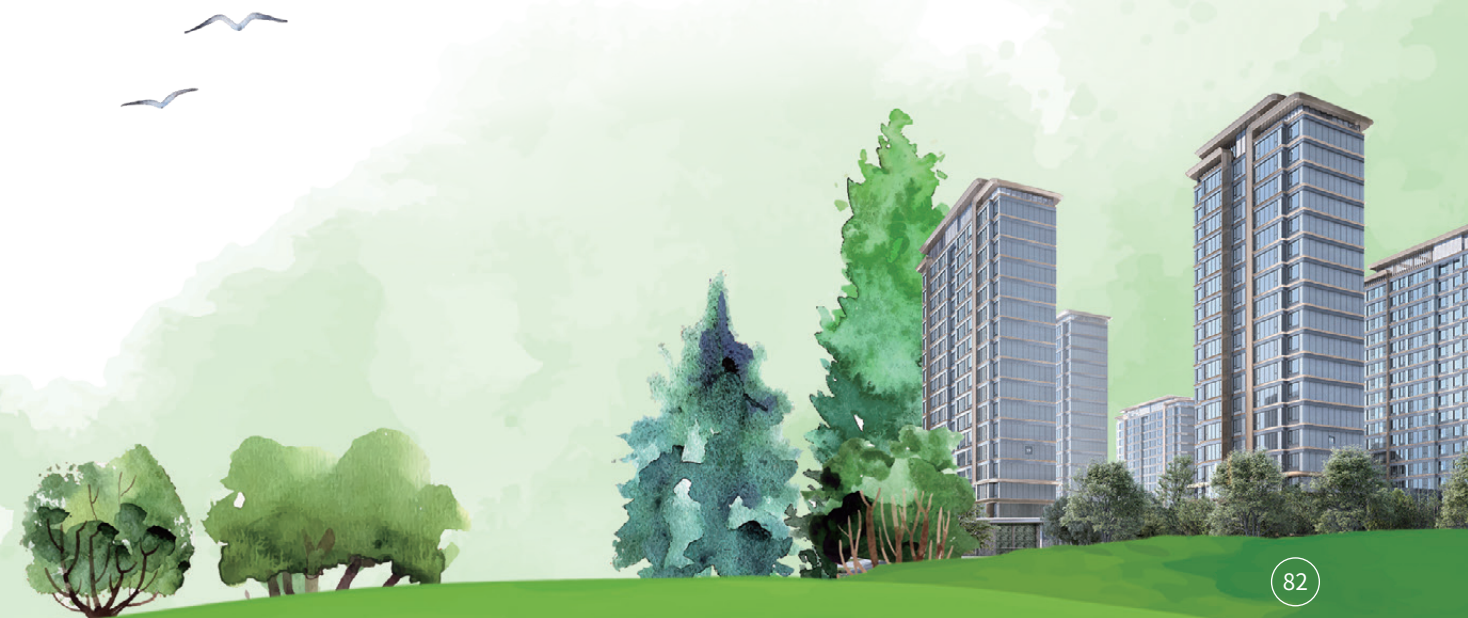
### Key Performances



In 2023, COGO achieved a **50%** signing rate of green agreements for tenants in operation

To encourage tenants to take part in environmental protection actions, COGO has formulated the *China Overseas Grand Oceans Commercial Green Environment Convention* and the *China Overseas Grand Oceans Business Office Green Environment Convention* for tenants of centralised commercial and office properties as supplementary agreements. We propose environmental protection initiatives covering green office and green operation, such as energy conservation, waste recycling, and waste sorting. Moreover, we clarify the regulations such as implementing energy consumption sharing in public areas for new projects and projects with high energy consumption in the lease contract. By signing the green agreements with the tenants and organising green environmental protection activities, we guide the tenants to promote low carbon practices, and raise their awareness of energy conservation and environmental protection. We make every effort to advance the signing of green agreements with our tenants, and has already achieved 50% signing rate for tenants in operation by the end of 2023. We aim to achieve 100% signing rate for new tenants by 2024.

In the future, COGO will further promote the carbon inclusion platform to all commercial tenants, and cooperate with businesses and hotels around the world to pick city-specific commodities for tenants to redeem carbon credits. We also encourage tenants to turn low-carbon awareness into proactive behaviours, and help them develop a green lifestyle.





## Green Advocacy



COGO encourages employees to implement the concept of green environmental protection. We have established an internal carbon credit incentive mechanism through the Company's internal "carbon trading" platform, providing employees with corresponding carbon credits for emission reduction from business travels. Employees can exchange credits for gifts, internal concessions and redeeming services on the "carbon trading" platform, thus making their energy-saving and carbon reduction behaviours valuable.

### "Smart Carbon Planet" Carbon Inclusion Mini Programme

On 18 November 2023, the launching ceremony was held for the "Smart Carbon Planet" WeChat carbon inclusion mini programme designed by COGO Lowcarbon Technology, with a total of 180 participants. As a comprehensive service platform for green and low-carbon life, "Smart Carbon Planet" collects and analyses low-carbon data through creating low-carbon scenarios to help users settle their "green accounts". During the launching ceremony of "Smart Carbon Planet", a labour union activity, the year-end sprint mountaineering was organised, with a slogan of "Forge ahead to conquer the mountain, create a better future with lower carbon". The participants of the activity can calculate their personal carbon reduction through the mini programme and receive an exclusive "Carbon Reduction Medal". In the future, we will further promote the use of "Smart Carbon Planet" carbon inclusion platform, establish a carbon inclusion model of "Everyone participates and everyone benefits", stimulate employees' enthusiasm for low-carbon actions, and enhance the green and low-carbon awareness among all employees.



Interface of "Smart Carbon Planet" mini programme



Launching of "Smart Carbon Planet"

In addition, we help our staff, customers and partners, including suppliers and contractors, to raise their green awareness through teaching, popularisation of science and publicity. We have also launched a series of green publicity campaigns in various residential properties, collective businesses and offices to enhance the sense of participation and experience of our tenants and residents in green lifestyles, and to create an atmosphere in which everyone can take part in low-carbon actions. In the future, we will further promote the use of "Smart Carbon Planet" applets in the daily operation of shopping mall tenants, and through digital applications, we will encourage more people to turn green and low-carbon concepts into practical actions!

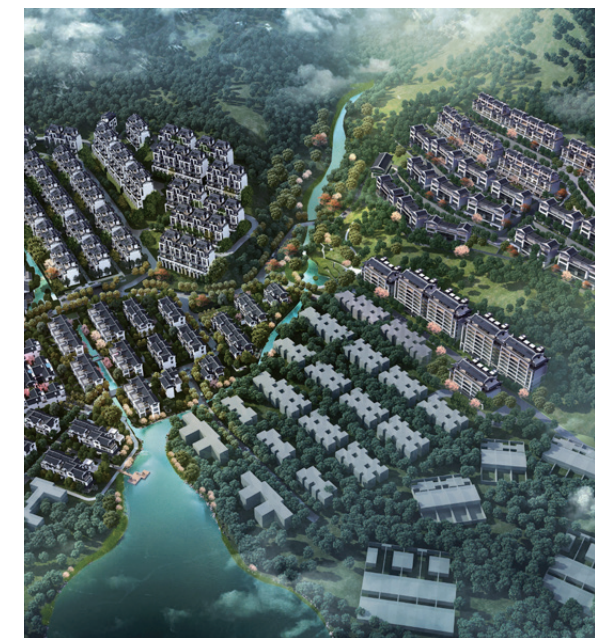
## Ecological Environmental Protection



Firmly adhering to the concept of "lucid waters and lush mountains are invaluable assets", COGO has adopted a variety of measures to minimise the ecological impacts that may arise from operations. Adhering to the *Outline of Nature Conservation of the People's Republic of China*, the *Regulations on the Environmental Protection Management for Construction Projects* and other laws and regulations, COGO requires strict implementation of measures to protect the ecological environment in the course of internal projects based on the *Environmental Policy* and other internal systems of the Group. We clearly stipulate the requirements for biodiversity conservation in the entire process from project site selection, design, development to operation. Furthermore, we are committed to minimising the negative impact on the habitats, and work with partners and the public to maintain the benign ecosystem and the ecosystem's resilience.

### Multiple Measures Are Taken To Protect The Ecology Of Ancient Trees In Huizhou Tangquan Phase 3 Project

There are two ancient mahogany trees with a height of more than 30 metres and an age of about 200 years in COGO Huizhou Tangquan Phase 3 project. To minimise the impact on the ecology of the ancient trees, in the pre-project R&D and design stage, we fully take into account the landscape resources such as mountains, water, grasses and trees of Tangquan to form the original landscape scheme of the ancient trees. The building and roads were designed to arrange around the ancient trees. Moreover, we lowered the height of the building to reduce the impact on the natural light for the ancient trees and protect their growth environment. During the construction of the project, we built a landscape square around the ancient trees and set up devices to draw water into it, and plant a variety of low shrubs and turf to maximise the ecological diversity around the ancient trees to ensure their natural growth.



An overview of ancient tree protection measures and the overall ecological environment of Huizhou Tangquan Phase 3 project

# Responding to Climate Change

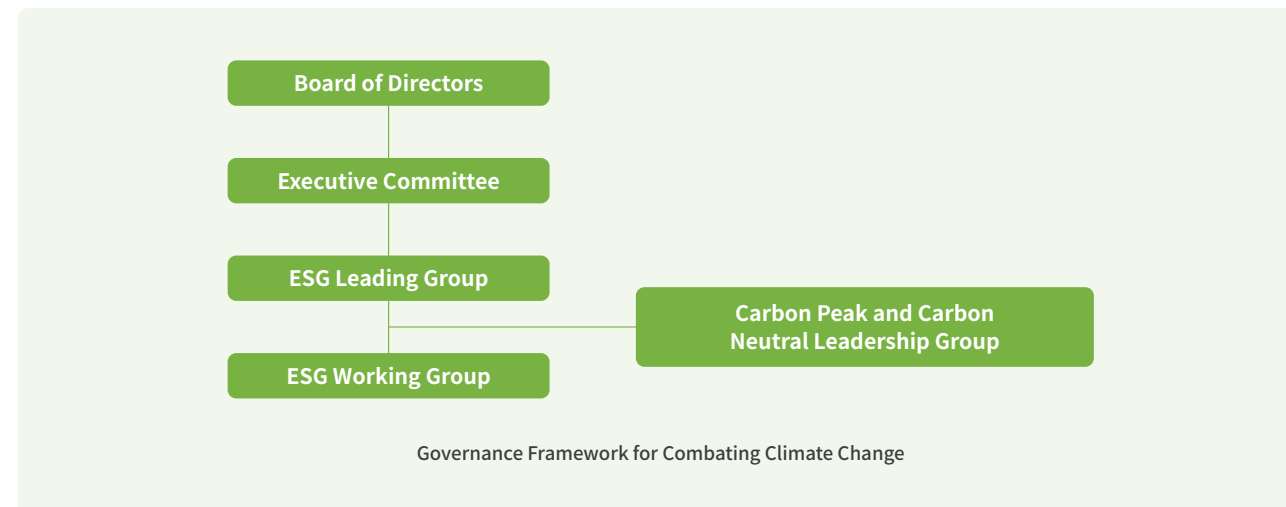


The global impact of climate change affects the future of mankind. In order to build a clean, beautiful and sustainable world and a common destiny for mankind in response to climate change, the United Nations has continued to follow up on the progress of fulfilment of the commitments made in the *Paris Agreement*, and China has put forward its "Dual-Carbon" strategy to contribute China's strength to solving the global climate problem.

As an enterprise with a high sense of social responsibility and a sense of historical mission, COGO has actively taken measures to lay out the Group's own "Dual Carbon" plan, formulate a carbon reduction action plan covering the entire industrial chain, embed the green concept into the entire life cycle from product planning and design to operation, and at the same time, empower its own and the ecosystem's green transformation through technological innovation, so that it can promote the green development of the society and take action on climate change in conjunction with all sectors of the community. We will work together with all sectors to promote green development and climate action.

## Governance

COGO has established a four-tier governance structure, namely "Board of Directors - Executive Committee - ESG Leadership Group - ESG Working Group", and a Carbon Peak and Carbon Neutral Leadership Group to promote the Group's "Dual-Carbon" goal and climate change efforts on a step-by-step basis. In particular, the Board, as the highest decision-making body for ESG governance, has included climate change related risks and opportunities in its scope of supervision. The Board has authorised the Executive Committee to co-ordinate sustainability-related matters, perform functions including identifying, analysing and managing climate risks and opportunities, overseeing the implementation of the sustainability work of various business divisions, and reporting regularly to the Board on the progress of work. At the executive level, the ESG Leadership Team and the Carbon Peak and Carbon Neutral Leadership Group are responsible for leading the implementation of carbon reduction work, while the ESG Working Group is responsible for the specific implementation and routine management of carbon management-related matters in the projects.



## Strategy

Noting that the construction industry already accounts for nearly 40% of global carbon emissions, real estate companies are facing climate-related risks and opportunities along their value chains. In response to this, we have developed a comprehensive carbon reduction action plan for our own operations and upstream and downstream of our value chain, including construction, in order to prevent and respond to the possible negative impacts of climate change on our existing assets and businesses, and at the same time, to capitalise on the opportunities and turn "crisis" into "opportunity":

### Green Construction

- Give priority to the selection of green building materials, reduce the use of high-carbon building materials, enhance the recycling of building materials, and promote the green transport of building materials
- Promoting prefabricated building, formulating scientific low-carbon construction programmes
- Energy saving and quality enhancement, and launching a pilot scheme of PEDF in buildings
- Promoting digital life technology to realise intelligent operation and maintenance of buildings
- Resourceful disposal of construction waste, strengthening R&D of building material reuse technologies



### Green Operation

- Enhancing Space Energy Efficiency Management
- Enhance the application of energy efficient equipment
- Promote intelligent operation and maintenance platform based on BIM technology
- Orderly development of decentralised photovoltaic and procurement of green electricity
- Promote paperless office
- Explore a carbon bonus incentive mechanism for staff
- To formulate contingency management plans such as the *Guidelines on Safety Precautions during Rainstorm and Typhoon Seasons* and the *Emergency Measures for Emergency Response to Sudden Events* to cope with extreme weather events





### Green Supply Chain

- Formulate green and low-carbon assessment criteria for suppliers, and give priority to those suppliers that have taken part in climate action
- Form a "Zero Carbon Building Alliance" with enterprises upstream and downstream of the supply chain
- To launch a pilot scheme on carbon labelling for supply



### Industry Green Transformation

- Strengthening exchanges and co-operation in coping with climate change and sharing practical experience in the industry
- Fully utilise green credit such as green building development loans and green commercial housing loans
- To explore the issuance of green financial support tools such as carbon neutral CMBS and green bonds



For more detailed information on our carbon reduction initiatives, please refer to *White Paper On Carbon Neutrality*.

## Risk Management

We pay close attention to global climate change dynamics and national policies, and have integrated ESG risks into our existing risk management system. Taking into account our own business situation and sustainable development needs, we analyse in a timely manner the impacts of climate change on our business operations and their related financial risks and opportunities.

## Metrics and Targets

We fully recognise that controlling greenhouse gas emissions is key to mitigating the problem of climate change, and in this regard, we have conducted a comprehensive inventory of the carbon emissions of the Group's operational boundaries in accordance with the international standard ISO 14064-1:2018. At the same time, in order to understand the carbon emissions at various stages of the building lifecycle of various property types in different climate zones, we have used a representative sample of 89 projects that will be launched in the three-year period from 2019 to 2021 as the basis for the calculation of the carbon emissions of the whole lifecycle of the buildings, and started the accounting in accordance with the national standard GB/T 51366-2019. According to the assessment results of the whole life cycle carbon emissions of the sample buildings, the building operation stage and the building materials production stage have the largest carbon emissions, accounting for 70% and 26% of the total life cycle emissions respectively. In this regard, we have formulated the Group's "Dual Carbon" targets and building lifecycle emission reduction targets based on reasonable calculations, please refer to the section of 3.1 Environmental Management in this chapter for details of the targets.

In the future, we will continue to pay attention to the carbon emission KPIs of the Group and the life cycle of our buildings, and steadily promote the realisation of the Group's "Dual Carbon" targets based on the carbon reduction path. Please refer to section 3.3 Green Operation in this chapter for details of the carbon emission KPIs.



# 4 Lead Staff to Create a Win-win Situation

COGO regards talent as the core force supporting the high-quality development of the enterprise, implements the management concept of "People First" and protects the basic rights and interests of employees in all aspects. We care for the physical and mental health of employees, build a comprehensive training and development system, and listens to the voice of employees through multiple communication channels. We are committed to building a career platform of equality, respect, openness and inclusiveness, diversity and win-win, and broad development for employees, and realising the common growth of employees and enterprises.

## Performance Highlights

By the end of the reporting period, **2,586** employees were employed, and **40.64%** of the employees were female

Since the disclosure of health and safety information in 2017, COGO has maintained **zero** work-related injury and fatality

There was **0** work-related injury, **0** work-related fatality, **0** lost work day due to work-related injury of COGO contractors' employees

The coverage of the health and safety training for COGO's employees was **100%**

COGO employees received a total of **72,794** hours of training, and the number of training hours per capita was **28.11** covering **100%** employees

The Group's employee satisfaction score was **87.50** points, and the employee engagement score was **92.70** points

## ESG-related material topics responded in this chapter

Employment compliance, diversity and equal opportunity, employee training and development, employee compensation and benefits, occupational health and safety, and employee engagement and satisfaction.

## SDGs-related topics responded in this chapter





# Rights and Interests of Employees



COGO continuously improves the compliance employment management mechanism, earnestly safeguards the legal rights and interests of every employee, establishes and improves the talent management system, and provide employees with competitive remuneration and benefits so that every employee can feel an inclusive, equal, warm, and enterprising workplace atmosphere from the first day of entry, attracting and retaining talent through practical actions.

## Compliant Employment

According to the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Labour Dispute Mediation and Arbitration Law of the People's Republic of China, and the Provisions on the Negotiation and Mediation of Enterprise Labour Disputes, the Group formulated related employment management systems including the Recruitment Management Regulations, the Employee Relations Management Methods, and the Employee Handbook, to standardise general employment practices, including the procedure of recruitment and dismissal and the arrangement of labour hours and holidays, reinforcing the management and monitoring of employment compliance.

The Group attaches great importance to human rights and understands that protecting human rights is the basic social responsibility and compliance requirement of enterprises, and is the basis for promoting long-term and coordinated development of enterprises and society. In accordance with internationally recognised human rights norms such as the International Bill of Human Rights, the Universal Declaration of Human Rights and the basic principle of the United Nations Global Compact, we have formulated the Human Rights Policy to explicitly prohibit forced labour and child labour, to combat discrimination, and to promote diversity and integration. The ESG leading group reviews the policy at least every three years and reports to the Executive Committee regularly for approval. In addition, we are committed to respecting and protecting the labour rights and interests of our employees and supply chain employees, and taking into consideration of human rights when accessing suppliers. In 2023, COGO was not involved in any violations of human rights such as forced labour, employment of child labour, discrimination. No business, place of operation and suppliers were found with significant risks of employing child labour and forced labour.

<b>Child labour and forced labour are prohibited</b>	The Group forbids the engagement of all types of forced labour in all scopes of business or supply chain partners. In the event of forced work, the employees may file a complaint to the Audit and Supervision Department through the procedures specified by the <i>Complaint Management Methods</i> .
<b>Child labour is forbidden</b>	The Group forbids the engagement of child labour in all scopes of business or supply chain partners. We engage our employees after verification of their background information, ensuring they meet the local statutory working age. It is not allowed to engage any employee under the statutory working age.
<b>Discrimination is opposed</b>	In the course of employment, remuneration, promotion and other business activities, all business units of the Group and their partners must act in accordance with the principle of equal opportunities. We do not discriminate or harass our employees, colleagues, customers or other business associates on the basis of gender, age, family status, disability, race, religion or other factors as determined by law or regulation.
<b>Diversity is advocated</b>	The business units of the Group and its partners should strive to promote a diverse and inclusive work culture among their employees, and recognise the core values of equal opportunities and diversity of talents, so that everyone can achieve their potential in an equal working environment. In the recruitment and promotion process, we provide equal opportunities, based on ability, performance and seniority, without prejudice and discrimination based on age and gender.
<b>Freedom of association is respected</b>	The Group respects the freedom of association of our employees that participate in labour unions, employee representatives, or other organisations according to local laws and regulations, and is devoted to ensuring our employees are free from revenge, threat, or harassment.
<b>Labour hour, basic compensation and employment are guaranteed</b>	The Group commits to guaranteeing the basic rights and interests of our employees, with the work time, holiday policy, compensation, and employee welfare absolutely meeting the requirements of laws and regulations in the areas where the business is operated.

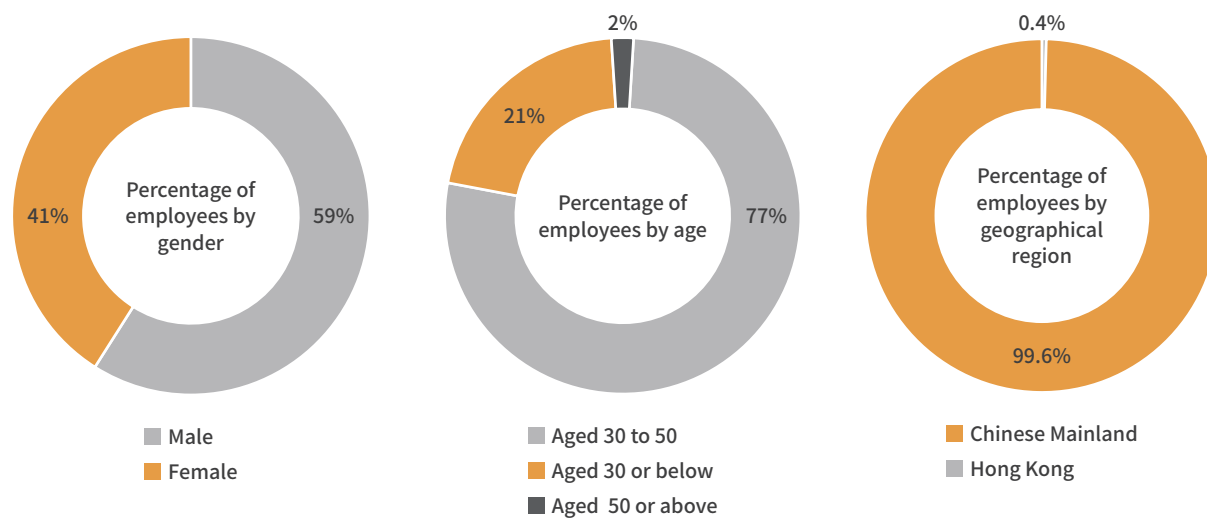
Excerpts from the Human Rights Policy



## Recruitment of More Talents

We fully identify and manage the risks in employment. For candidates in key positions, the third-party investigation agency is introduced to conduct risk verification of the identity information, personal credit risk, litigation record, working experience, and performance for the candidates; for candidates of other positions, the operation mode of the third-party professional agency is followed and used for the comprehensive verification aiming at the education background and working experience of the candidates to get the qualitative risk rating, which may help to prevent employment risks to the greatest extent.

We keep a close watch on the construction of our brands and improve our services and strive to maintain our sound reputation in the industry. We stick to the principle of fair employment, appoint people by abilities, provide employees with equal opportunities for job and development. We continue to widen the recruitment channels, optimise the sourcing structure of employees from the higher education and professional categories, and strive to cultivate a diverse workforce.



Diversified talent structure

In order to attract outstanding talent in all aspects, we have formulated specific recruitment plans for different types of employees based on the Group's development needs.

### Sons of China Overseas Property Project

We have formulated the Sons of China Overseas Property Project to provide new graduates with positions in real estate development and business management, aiming to build the main force of comprehensive management experience and enterprise talent echelon for the Group through elite, international and systematic training. In 2023, we will strengthen the training and attention of "Sons of China Overseas", and take stock of a total of 128 "Sons of China Overseas" members in the past five years and uniformly promote them.

### Stars of China Overseas Property Project

Our Stars of China Overseas Property Project provides sales, commercial supporting business, education, aged care and other positions for fresh graduates. The Stars of China Overseas Property Project gives priority to recruiting outstanding talents from local colleges and universities and cultivating local elite talents and aspiring to develop Star of the Sea into industry's rising star. In the current year, we expanded the evaluation scope of the Stars of China Overseas Property Project and further explored the development potential of the members involved.

### Premier Talent Recruitment Project

Premier Talent Recruitment Project is a recruitment platform for experienced professionals, which can be divided into daily recruitment, elite recruitment and intensive recruitment according to different objects and recruitment organisations. We continue to attract socially experienced professionals to empower the growth and development of the Group.

Our brand image is widely recognised by the industry and has won many honours. In 2023, COGO won the "TOP30 Professional Employer Service", "2023 Chinese Enterprise Outrigger Sailing Award" "Professional Credit Outstanding Employer Award" and "Graduates' Top Choice Brand of Chinese Real Estate Employers in 2023".



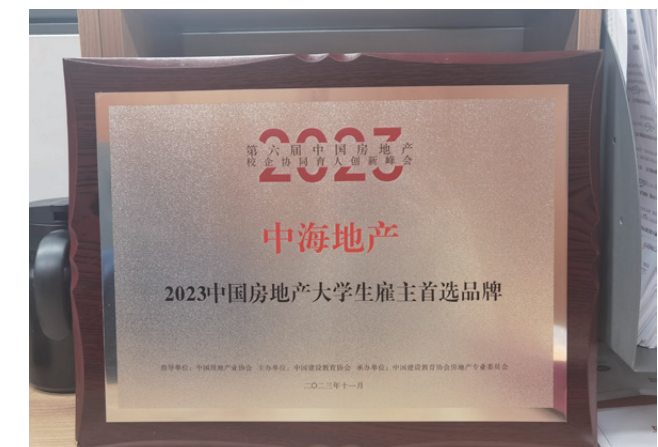
2023 TOP30 Professional Employer Service



2023 Chinese Enterprise Outrigger Sailing Award



2023 Professional Credit Outstanding Employer Award



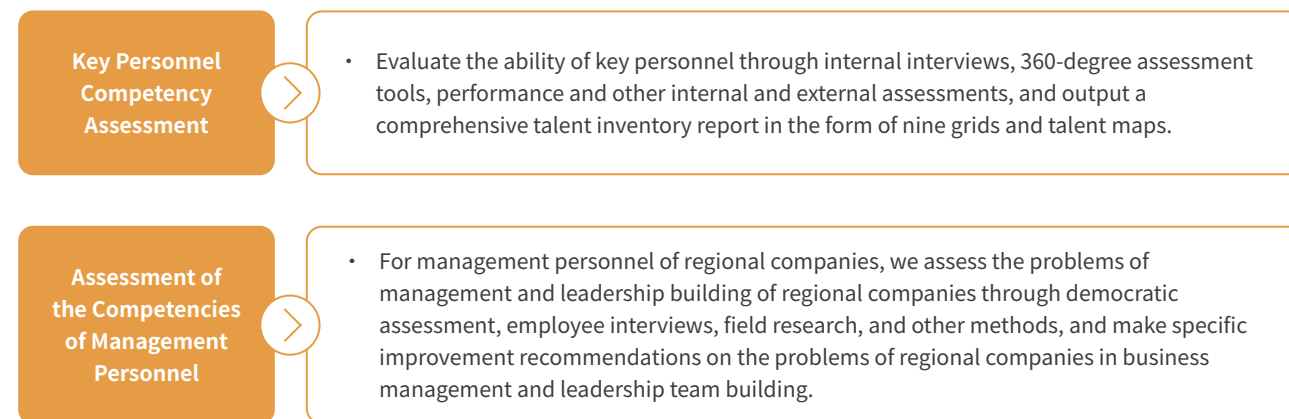
2023 Graduates' Top Choice Brand of Chinese Real Estate Employers



## Talent Management

Under the guidance of "gathering enterprising people and inspiring promising people", the Group further improves the talent management system and continuously improves the precision of talent management to better help employees realise their career values.

We continually improve the talent identification and assessment system. We expanded the scope of inventory and increase the number of specialised inventories to gain a multi-faceted understanding of the business performance and development potential of employees at all levels and in all categories. With multiple rounds of assessment and verification from headquarters, business lines, and regional companies, the talent gap is covered, based on our plan for recruitment, training and allocation. In 2023, the Group further promoted the construction of the internal talent market, and regional companies independently matched the needs based on business needs, strengthened internal talent flow, provided retention opportunities for outstanding employees, and ensured the continuity of individual career.



Competency assessment of key personnel and key position managers

In 2023, we set up the "Personnel Competence Assessment System", an information-based talent inventory system for the Group's middle and senior management personnel, which records the historical performance data, key management behaviours and employee's evaluation of senior management personnel. We enabled the timely tracking and comprehensive assessment of the competency level of employees, and gradually establish a comprehensive cadre leadership evaluation system, thus further improving the efficiency of personnel appointments and building a high-quality management team for the development of the Group.

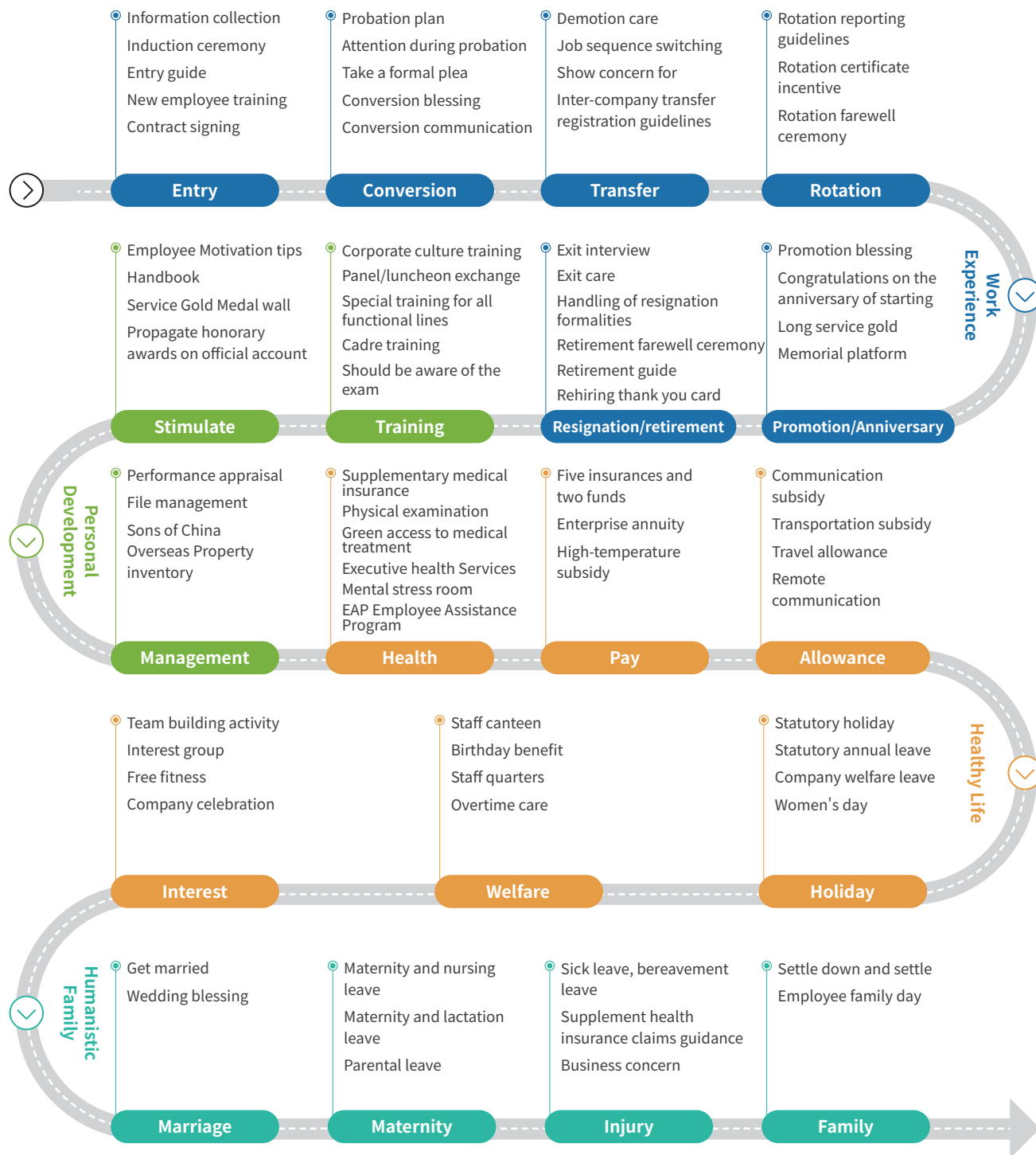
## Employee Compensation and Benefits

We aim to build a competitive compensation and welfare system, so that employees' contributions are directly proportional to their gains, and employees' happiness and satisfaction are enhanced. We have formulated the *Employee Salary Management Methods* to provide standards for the composition, adjustment and payment of employee compensation, emphasising equal pay for equal work and more pay for more work. On the basis of guaranteeing basic salaries, we also provide employees with generous welfare benefits. We have formulated the *Employee Benefits Management Methods* to specify the benefits, including comprehensive enterprise welfare leave, commute subsidy, catering subsidy, health protection, enterprise annuity, to create an attractive welfare system for employees.

At the same time, we have built a 360-degree welfare system around the six dimensions of statutory benefits, promotion protection, performance allowance, health service, life service, and union care, forming a full-cycle care service system for employees, and providing material and spiritual support for their work and life. We have also set up various types of employee interest clubs to organise regular competitions, external exchanges and other colourful cultural and recreational activities, to enhance staff cohesion and sense of belonging, to stimulate staff vitality, and to guide employees to work together to form a healthy lifestyle. In 2023, we organised two "2023 Luofu Mountain Climbing Series", which attracted more than 200 participants; we organised four thematic activities on traditional Chinese festivals; and we organised the first Shenzhen Construction Union's "Architects' Cup" Basketball Tournament, the "Great Footwork on the Green" Soccer Tournament and Table Tennis Team Match, as well as other interest group matches.



The 360-degree Welfare System of COGO



Various excellent service experiences to the employees of COGO

"Working with Enterprising Employees, Spreading Happiness Across the COGO" Employee Care Program

In 2023, we implemented the "Working with enterprising employees, spreading happiness across the COGO" staff care plan, and implemented regular care projects with quarterly themes, and integrated the "theme" with the "brand", and established the "U+" model of employee care work, which covers all aspects of work, life, health, psychology and family with employees, and carries out innovative and diversified care activities to improve employees' happiness at work. This year, we carried out 2 large-scale collective activities, 4 traditional festival related activities and 3 interest group competitions, and organised psychological lectures and counselling regularly in various regions, with an average of 70 people attending each game, and committed to building a positive, harmonious and humanised organisational culture atmosphere.



The quarterly theme of COGO employee care





Psychological counselling seminar



COGO Luofu Mountain climbing activities



COGO employee walking activities



COGO basketball team recreational activities



COGO football team

## Occupational Health and Safety



COGO attaches great importance to the health and safety of employees, regards it as the basic requirement of the Group's operation and management, and continuously improves the employee health and safety management system. We pay attention to the physical and mental health of all employees and suppliers, take all necessary measures to safeguard the safety during construction, strictly prevent and control safety risks, and avoid safety accidents. We undertake to create a safe, healthy and standardised working environment for all employees, suppliers and contractors.

## Physical and Mental Health of Employees

We strictly abide by the laws and regulations of the state and regions on health and safety, and have formulated the *Self-checking Standards of Office Environment Management* and the *Occupational Health and Safety Policies*, which cover the Group's all employees, suppliers and contractors, clearly setting out the safety standards for office space and the requirements for the physical and mental health management of employees.

In 2023, we established the HiLove one-stop health management system based on our health and welfare policies, and carried out all kinds of health care activities simultaneously. We provided a series of comprehensive health care services, including employee medical examinations, services, consulting, insurance and voluntary Chinese Medicine diagnosis to safeguard the physical and mental health of employees in all aspects.



Voluntary Chinese Medicine diagnosis for employees



Physical and mental health protection measures for employees in offices include, but are not limited to:

- Provide employees with a healthy and comfortable office environment, ensure that the office area has a comfortable temperature, adequate lighting, safe water and electricity, and set up a smooth fire escape;
- Launch the "HRSSC", an EAP (Employee Assistance Program) project brand of COGO, and provide anonymous one-on-one psychological consultation, scientific and comprehensive psychological assessment, and fun and practical psychological guidance for all employees of COGO and their family members to help employees to relieve stress, adjust their mood, and start a high-quality life;
- Set up an Employee Health Corner and provide equipment such as a blood pressure metre, pulse oximeter, weight scale and data terminal tablet, facilitating employees to monitor their health data at all times and develop monitoring habits. Employees can also use on-line apps to record data, track their health conditions, and identify health problems in a timely manner;
- Provide customised health examination programs for all employees and their families, continuously expand the scope of medical examination institutions, and set up offline examination report interpretation and online green medical treatment services to protect the physical and mental health of employees and optimise the management of employee health;
- Hold quarterly diversified health training and biannual mental health lectures for all employees to answer their questions on emotional stress management, professional development and other workplace emotional problems. Experts are also invited to share knowledge and experience. By doing so, our employees are provided with multi-channel interactions and are reminded to pay attention to their physical and mental health.



HiLove one-stop health management

In addition, we care for female employees with all our heart. We provide cervical cancer screening packages for female employees, support the application for paternity leave and menstrual cramps leave, organise Women's Day care activities, set up breastfeeding rooms in the office area and place hygiene products and painkillers in the bathroom, creating a good atmosphere of care for female employees. Through various measures, we keep enhancing the sense of happiness and security of female employees, actively lead the female employees to concentrate on development and stimulate them to make contributions to the development of the enterprise.



2023 COGO Labour Union organised Women's Day activities

## Production Safety Management

COGO puts production safety in the first place. We establishes and improves the production safety management system, specifies safety management responsibilities at all levels and takes the production safety target as the guideline. Focusing on the key nodes of construction, we have built a whole-process standardised safety management mechanism with implementation specification, operation procedure, process control and result evaluation so as to provide the personnel of the construction site with a full-process safety guarantee.

### Production Safety Management System

We strictly abide by the *Work Safety Law of the People's Republic of China*, the *Construction Law of the People's Republic of China*, the *Administrative Regulations on the Work Safety of Construction Projects*, the *Regulations on the Reporting, Investigation and Handling of Production Safety Accidents*, the *Standard for Construction Safety Inspection* and the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*. We have formulated the *Project Safety Management Scheme*, the *Production Safety Management Manual*, the *List of Safety Responsibilities*, the *Construction Safety Management Policy* and the *Occupational Health and Safety Policies*, which apply to all employees and contractors within all project sites of the Group. Through signing the *Annual Safety Target Liability Letter* between the Group headquarters and the regional companies and projects and signing the *Safety Management Agreement* between the projects and the co-operative units, we enforce the safety responsibilities and functions from the management level to the executive level, striving to safeguard the health and safety of all construction site personnel, including the contractors. We review the production safety system annually, assess the implementation of the relevant policies and add and improve the relevant policies and regulations in a timely manner to ensure the implementation of the safety management system.

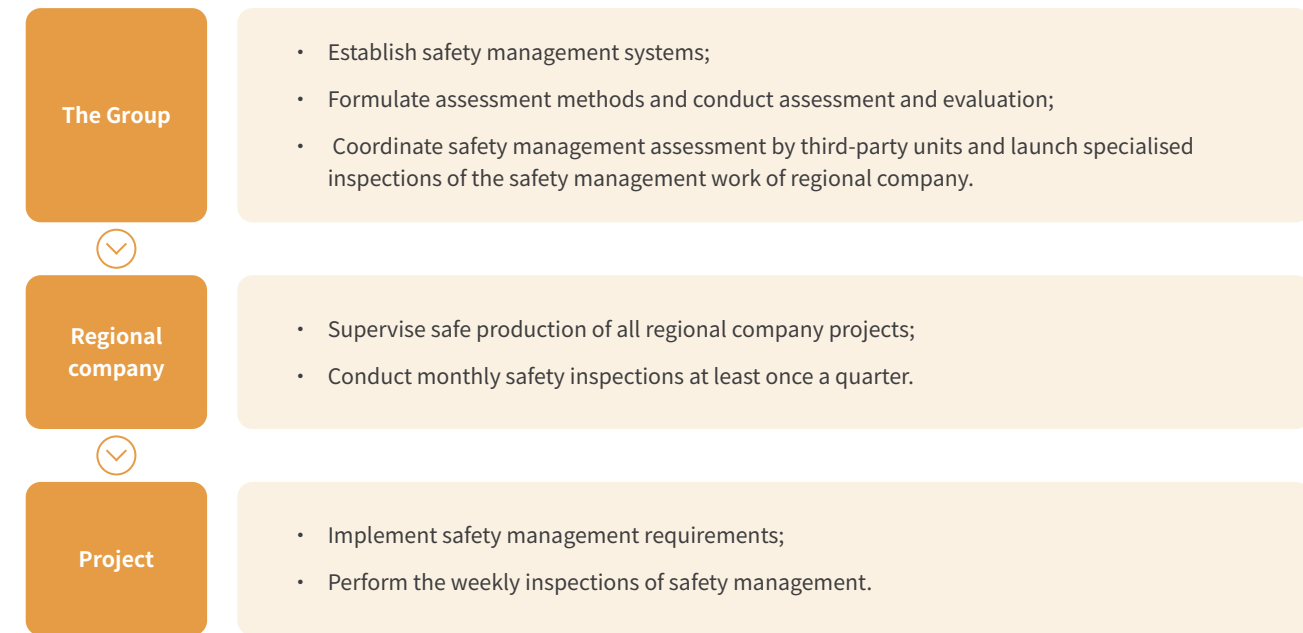
We plan to obtain ISO 45001 Occupational Health and Safety Management System certification in 2024 and have initiated the relevant certification activities. We have started our preparatory work by formulating and implementing occupational health and safety guidelines and targets, establishing a systematic risk management process, identifying hazardous sources, conducting risk assessments and implementing necessary control measures. At the same time, we continue to raise the occupational health and safety awareness and competence of our employees and appraise their occupational health and safety performance in order to continuously improve our safe production capability.



We have formulated the *Construction Safety Management Reward and Punishment Rules*, established an accountability mechanism for safety management, linked the performance of safety management personnel at all levels, including the Group's Senior Management, to the achievement of production safety objectives. We drive persons in charge at all levels to perform their duties conscientiously with positive incentives and penalties to improve the efficiency of safety management and promote the effective implementation of the Group's safety management system. For companies with safety accidents, depending on the severity of the accidents, their general manager, safety director, project director and other leaders and persons in charge of safety will be subject to different levels of financial penalties (salary and bonus deductions) and administrative penalties (demotion and dismissal).

We have adopted a pattern of centralised management for production safety and established a three-tier system of "Group - Regional Company - Project". At the Group level, the Board of Directors and the General Manager are the first responsible persons for production safety, and the Production Safety Supervision and Management Committee at the Board level is the executive organisation responsible for health and safety related practices, co-ordinates and manages production safety related matters, establishes goals related to production safety, reviews and discusses the goals, and continuously monitors and reviews the progress of the achievement of the goals. At the regional level, we have set up safety management supervision groups in regional companies, with their general managers as the first responsible persons for production safety and the regional company's leader as the safety director, to oversee the implementation of project safety management matters. At the project level, the person in charge of the Project Development Department is the first person responsible for the safety management of specific projects.

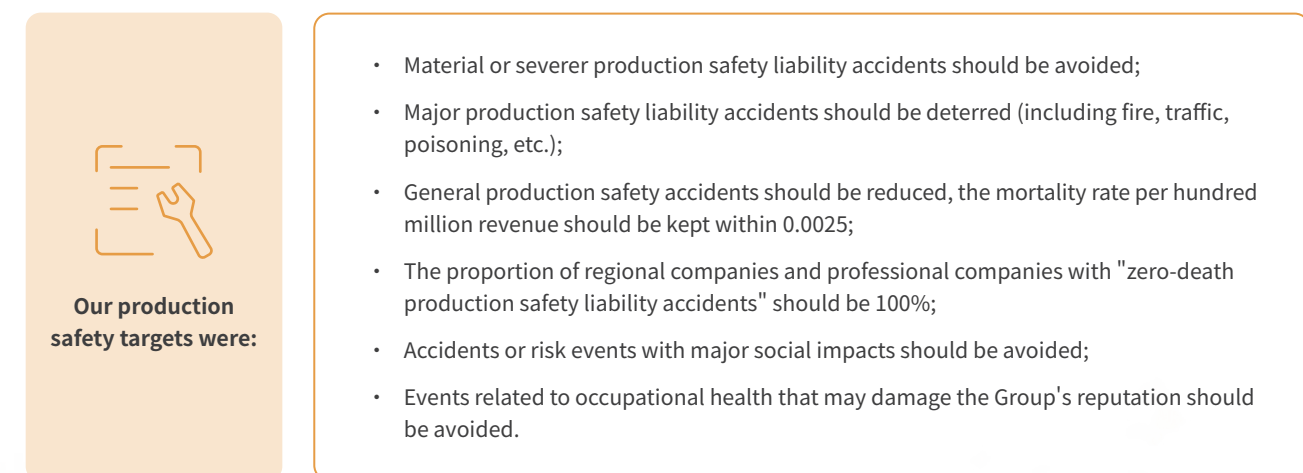
In addition, we also stipulate the requirements for safety personnel of the supervision unit and construction unit according to the development area of each project, so as to improve the safety management at the project level.



Production safety management system

## Production Safety Targets

In order to strengthen the control over project safety risks, we set a series of safety management targets for construction site employees and contractors, and regularly review the achievement of the targets to assess the effectiveness of the safety management system and adopt closed-loop optimisation measures.



### As of the end of the reporting period

COGO had a total of **37** full-time and part-time safety personnel, of which **16** were in the development sector

(**15** full-time, **1** part-time, and **4** holders of certificates of registered safety engineers)

**21** were in the commercial sector

(**2** full-time and 19 part-time)

In 2023, COGO had 0 safety liability accidents, 0 risk events with significant impact, and 0 occupational health events that damage the reputation for the year. Meanwhile, we built 21 safe and civilised demonstration sites during the year, including 8 at the provincial and ministerial level and 13 at the local and municipal levels.

Project	Award Title	Level
Zhanjiang Dushi Garden Project	Zhanjiang Safe and Civilised Construction Demonstration Site	Municipal level
Zhanjiang School Project	Zhanjiang Safe and Civilised Construction Demonstration Site	Municipal level
Huizhou Unique Palace Project	Huizhou Safe and Civilised Construction Demonstration Site	Municipal level
Lanzhou Platinum Pleas'd Mansion Phase III Project	Gansu Province Safe and Civilised Construction Site	Provincial level
Lanzhou Platinum Pleas'd Mansion Phase III Project	Gansu Province Green Demonstration Site	Provincial level
Genius Garden Project	Shandong Province Building Construction Safe and Civilised Standardisation Site	Provincial level
Skyline Project Phase I Section I	Anhui Province Building Construction Safe Production Standardisation Demonstration Site	Provincial level
Skyline Project Phase I Section II	Anhui Province Building Construction Safe Production Standardisation Demonstration Site	Provincial level
One Sino Residences Project	Nanning Safe and Civilised Standardised Integrity Site	Municipal level
The Rivera East City	Shantou Construction Project Safe Production and Civilised Construction "Double Excellence Site	Municipal level
Glory Mansion Project	Yinchuan Green Construction Project in Building Field in 2023	Municipal level
Glory Mansion Project	Yinchuan Building Construction Safe and Civilised Standardisation Project in 2023	Municipal level
Jincheng Project	Autonomous Region Level Building Construction Safe Standardisation Demonstration Site	Provincial level
Jincheng Project	Yinchuan Building Construction Safe and Civilised Standardisation Project in 2023	Municipal level
Gorgeous Mansion Project	Yinchuan Building Construction Safe and Civilised Standardisation Project in 2023	Municipal level
Gorgeous Mansion Project	Yinchuan Green Construction Project in Building Field in 2023	Municipal level
Weinan Xue Fu Li Project	Provincial Civilised Construction Site	Provincial level
Gorgeous Mansion Project	Green Construction Demonstration Project	Municipal level
Honor Mainstays Project	Huai'an First Batch of Municipal Building Construction Safe Production Standardisation Civilised Site in 2023	Municipal level
Honor Mainstays Project	Jiangsu Province Second Batch of Excellent Projects of Data Dynamic Verification Results of Intelligent Construction Sites in 2023	Provincial level
Honor Mainstays Project	Jiangsu Province Building Construction Standardised Three-star Site	Provincial level
Lake City Mansion Project	Jiangsu Province Building Construction Standardised One-star Site	Provincial level

## Construction Safety Measures

The Group formulated the work manuals such as the *Correct Practices for Safe and Civilised Construction* and the *Guidelines for Safety Management in the Full Project Cycle*, which define the standards of safety protection measures for each project construction process and provide standardised safe working guidelines for site construction to effectively safeguard the safety of construction site employees and contractors.

**Production Equipment Safety**

Basic safety protection is provided to construction site personnel by selecting equipment with high safety performance, setting up protective facilities, and equipping employees and contractors with labour protection supplies that meet national safety standards.

**Key Process Specifications**

The safety critical process of the full cycle of the project is divided into 21 safety checkpoints. The self-inspection is carried out by the construction unit led by the supervision and management unit. The Engineer-in-charge of the project will review the inspection and confirm that it is correct, and then the Safety Supervisor will report it to the Company's Safety Officer.

**Dynamic On-site Management**

We set up the *Visualised Table of Dynamic On-site Safety Management* at the entry and exit of the project construction site and update the progress of the hazard rectification and reform on a regular basis.

**Emergency Accidents Response**

The *Guidelines on Safety Measures for Rainstorms and Typhoons Season* are drawn up to clarify construction safety guidelines for extreme weather emergencies. In accordance with the five stages of pre-control, early warning activation, pre-prevention control, incident reporting, and post-incident response, standard safety actions are formulated for each stage, guiding projects accurately determine the timing of emergency start-up, rapidly initiate emergency response, and timely recovery. The *Comprehensive Emergency Plan for Regional Company Production Safety Incidents* are drawn up to clarify the classification and disposal of production safety accidents, to prevent and minimise construction site contingencies, production safety related accidents and losses, and to safeguard the safety of life and property of employees and related parties.

Construction safety measures

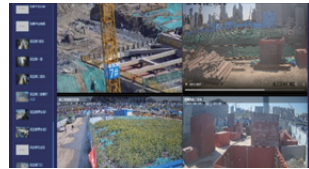
We use digital means to empower the efficiency enhancement of safety management and control. Through the intelligent monitoring of lift safety, tower crane safety monitoring, unloading platform monitoring, helmet capture, pit monitoring, high supporting mould monitoring and other safety monitoring, personnel management and monitoring and early warning functions of the intelligent site system, combined with back-end big data analysis, we can comprehensively and objectively monitor on-site construction safety, and realise the prevention of and timely response to safety accidents.





### Real Name System for Labour

Combined with face biometric identification technology, it can effectively realise the structure and attribution management of project teams and employees, accurately grasp employee information, strengthen the information management of labourers, enhance the management of special operators, and reduce the risk of employment.



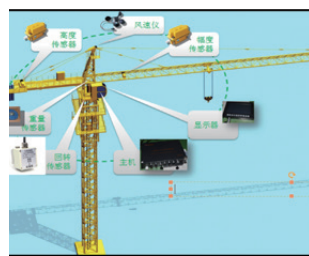
### General Video Surveillance

It consists of three parts: front-end equipment, image processing and transmission equipment, and network client. The front-end equipment consists of cameras, heads, translators, alarm detectors, pickups, etc. It is responsible for collecting video signals, audio signals and alarm signals. The project can collect on-site surveillance image data by installing fixed-point HD surveillance equipment in office areas, ring walls or tower cranes.



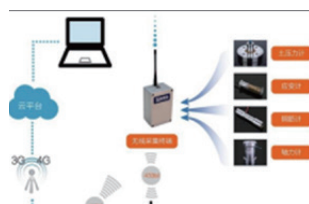
### Lift Safety Monitoring

The facial features or fingerprints of the licensed operator are recorded, and the machine can only be switched on after matching the fingerprints or facial features before operation, thus eliminating the phenomenon of switching on the machine without a license and ensuring that the machine is dedicated to a particular person. Height sensors monitor the lifting height and running speed of the car in real time, with anti-roofing function, and tilt sensors monitor the inclination of the car in real time, to ensure the safety of using the lift.



### Tower Safety Monitoring

Through real-time collection of running load, angle, height, wind speed and other safety indicators data, to achieve the tower group anti-collision \ area protection \ overweight moment monitoring warning, anti-overloading, anti-dumping, data black box, remote monitoring, lifting process analysis, operator identification and other functions. In the case of intermountain lifting and blind lifting, the lifting object can always be clearly presented on the display in the cockpit of the tower crane to guide the driver's lifting operation, which greatly improves the safety of the driver's operation. At the same time, the laser positioning of the vehicle can emit green laser, which can effectively alert the pedestrians underneath.



### Deep Foundation Pit Monitoring Alert

Automatic data collection equipment is used to collect data and store records 24 hours a day, realising comprehensive early warning and effectively preventing deep foundation pit collapse. Each monitoring point adopts three levels of early warning management, and after an abnormality occurs, it will be sent to the pre-set relevant responsible person by system push, SMS and telephone at the first time. In addition, the monitoring results will be displayed in real time, automatically generate monitoring graphic data package notification, and regularly push the report to the relevant responsible person.



### Environmental Monitoring and Alerting

The Automatic Spraying and Dust Reduction System uses environmental monitors to collect data such as PM2.5, PM10, etc., and conducts data analysis through the Environmental Monitoring System, so that when a certain area of the construction site exceeds the limit value, the system will automatically turn on the spraying and dust reduction facilities in the corresponding area to ensure that the air quality reaches the standard.

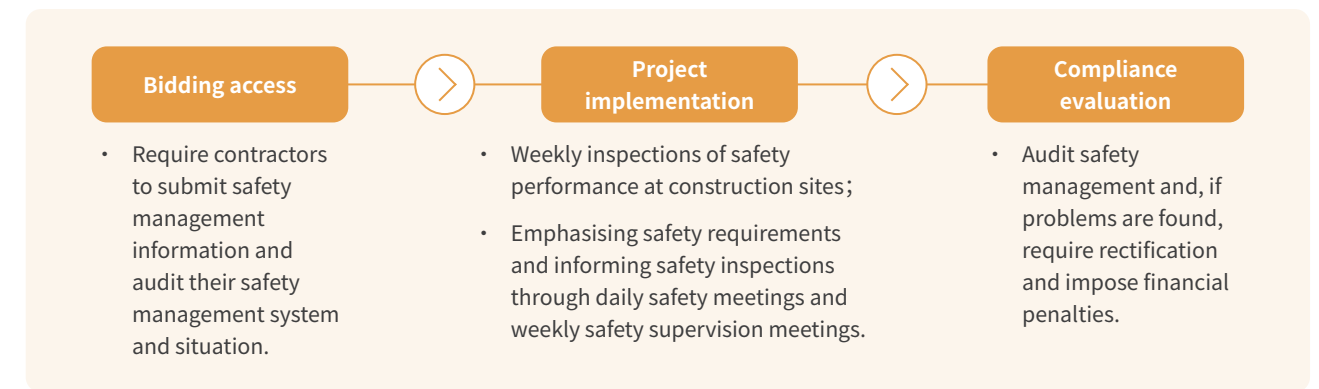


### Smart Helmet

Based on positioning, video and other monitoring methods, it realises real-time positioning and health status (risk) assessment of personnel, grasps the distribution of personnel during operation, facilitates evacuation of personnel from hazardous areas when danger occurs, and senses abnormalities in real time, effectively enhancing preventive management and response speed to safeguard the safety of the wearer.

Intelligent site system

In addition, we are responsible for the safety management of the entire project construction process for the contractors, ensuring that the contractors implement the Group's production safety requirements during the construction process.



Safety management measures for contractors

### Risk Prevention and Control and Safety Inspection

The Group focuses on the control and prevention of safety risks, continuously improve the safety assessment and inspection mechanism, conduct external risk assessment and internal safety inspection, so as to achieve effective prevention of safety risks and closed-loop rectification of safety hazards.

#### Categorised Management of Safety Risks

We require project supervisors, contractors and other construction participants to formulate the *Plan for Categorised Management of Safety Risks*. The project leader will urge the construction units to formulate specific risk prevention and control plans for projects identified as with higher safety risk level by the *Plan for Categorised Management of Safety Risks*.

#### Third-party Assessment and Examination

We invite third-party evaluation and consulting companies in the industry to conduct safety assessments on construction sites, project office areas and living areas on a yearly basis in accordance with schedule, and to engage professional monitoring bodies to detect and investigate the quality risks of large machinery equipment such as tower hangers and climbing stands. We carry out the "Gatekeeper Initiative" every year to conduct stringent assessment and specialised inspection to the construction pits, strictly control the key risk, and strengthen safety management for key aspects of the site. In 2023, we carried out two rounds of third-party safety unannounced inspection for the whole year, achieving full coverage of projects under construction, achieving comprehensive safety results in unannounced inspections of 81.78%, and achieving 3 consecutive years of growth, ranking in the top 10% of the industry TOP100 housing enterprises.

#### Safety Inspection and Hazard Detection

The headquarters dynamically monitors the safety operation of key projects, conducts comprehensive assessment of quality and safety in all phases of development three times a year, and conducts supervised rectification and correction to projects with significant safety risks. Regional companies organise safety inspections at least once a month, taking into account the actual conditions of the project, and conduct daily safety inspections and specialised safety inspections on an irregular basis. The Project Safety Management organises on-site safety inspections on a weekly basis, the Project Engineering manager organises on-site safety inspections on a weekly basis, and the Project Director organises comprehensive safety inspections at least once a month. In response to the safety hazards identified by the inspection, we require the inspected units to immediately implement rectification and reform. The inspection units should review the rectification progress and follow up and urge implementation, forming a closed-loop management.

Specialised Safety Inspections		
Organisation Unit	Inspection Name	Number of Inspections
Headquarters	Safety inspection led by Headquarters leaders	15
	Organised the third party to conduct safety inspection	1
	Post-earthquake specialised safety hazards inspection	2
	Large equipment specialised inspection	2
	Specialised rectification of fire safety hazards	1
	Specialised inspection before and after holidays	2
Regional company	Safety inspection led by responsible persons of the regional unit	30
	Monthly safety inspection of the regional company	3
	Fire safety specialised investigation and rectification	2
	Specialised inspection before and after holidays	2
	Weekly safety inspection by Project Development Department	16

Mechanism for specialised safety inspections



Headquarters leadership team led on-site safety inspections

## Occupational Health and Safety Training

In order to further deepen the safety awareness of employees and contractors, we have conducted various safety related training for different types of employees at different levels, covering over 18,000 person-times. For all frontline workers on the sites, we require that they be trained to enter the construction sites to achieve 100% coverage of pre-entry training for frontline workers. We fully integrate external and internal resources and invite external experts to conduct project-wide training on a quarterly basis. We also take advantage of several methods, such as the morning meetings on safety, requiring the direct leader in charge of a project to visit the construction site, and the product safety month, to deliver the requirements of laws and regulations related to production safety and the internal safety system standards of COGO to contractors and employees by the leaders and other employees of the Group. By doing so, we strive to effectively improve the safety awareness and professional competence of our employees and constructors. In 2023, we conducted 15 safety standardisation demonstration visits.

### For Management

- Focused on the key points of on-site control and management of high-risk projects, developed a targeted safety training course system and organised Registered Safety Engineer training, covering 1,036 person-times of participation of personnel in the engineering business line of COGO.
- The study of the *Work Safety Law of the People's Republic of China*, the "15 Tough Measures" and the "10 Resolutions for Safe Production" covered more than 972 person-times of participation.

### For frontline workers

- 63.4 thousand daily recitation before working were conducted, covering 368,000 person-times;
- 53 specialised training sessions for winter construction were held, covering 1,973 person-times;
- Specialised training sessions on safety of high-temperature construction in summer were carried out, covering 2,836 person-times;
- 173 specialised training sessions were provided, covering 5,736 person-times, including fire safety training, emergency drills, specialised training for specialised operators, specialised training for lifting safety, and entrance education;
- More than 3,800 participants were involved in fire accident safety alert education sessions;
- Safety production promotion and consultation activities covered around 720 person-times.

### Production Safety and Excellence Activities

In the fourth quarter, COGO organised **11** visits to sites of excellence, an increase of **7** visits compared with the third quarter. Among them, **3** were visits of "Safe and Civilised Demonstration Observation Sites". COGO was awarded the provincial "Safe Production Standardisation Site" honour in **8** cases.



# Training Development



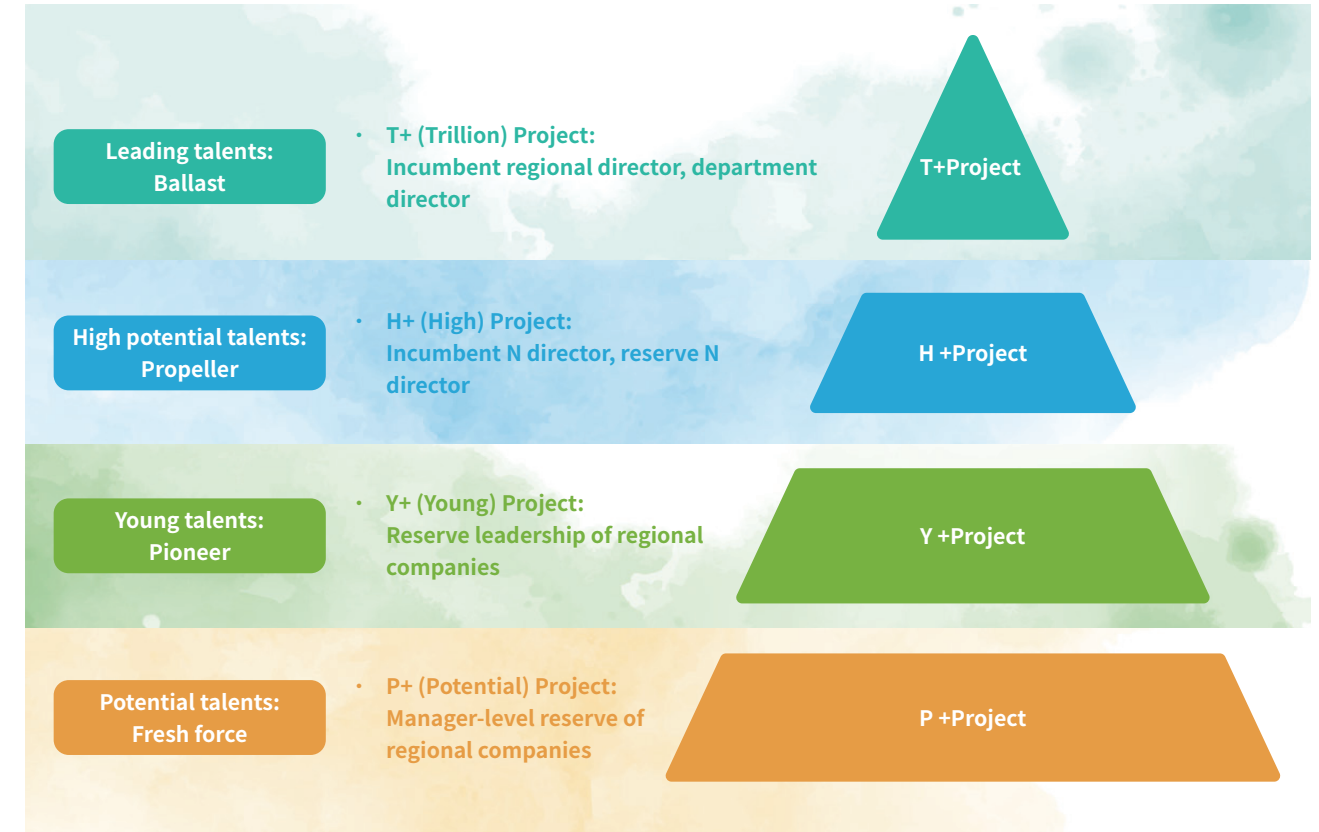
COGO attaches great importance to the training of talents, establishes a systematic staff training and development mechanism, provides employees with diversified training programs, and enriches staff knowledge and development. We develop professional skills of employees and build a rich system and standardised promotion path based on a variety of reasonable evaluation mechanisms, so as to provide a broad platform for the professional development and self-development of employees.

## Employee Training

The Group formulates and continuously optimises the *Staff Training Management Measures*, and makes clear provisions on the training system, training program management, fund management, curriculum management, teacher management, implementation and evaluation, mentorship system. We also conduct training to all the staff in an orderly manner and strive to build a comprehensive workforce featuring high quality and competitiveness. We have formulated multi-level talent training programs for different categories of employees, launched a series of activities including specific talent leadership development and career development plans for key employee groups and all employees, and provided professional competence building support for each employee. In addition, we continuously optimise our training programs in accordance with market trends and the Group's development needs, so that our employees can acquire cutting-edge knowledge and skills.

## Special Talent Leadership Training

In order to enrich the Group's cadre reserve, we have launched the "COGO Talent Training Project", which sets up business-close and practical-oriented training content in different layers, grades and stages, so as to help employees develop their own potential, leadership and innovation through rotation exchanges, mentoring and special training. In order to further improve the efficiency of the development of outstanding talent, senior leaders of the Group are deeply involved in all aspects of the training and inspect potential cadres during the training process. We collect and listen to the suggestions made by the participants in the course, and turn the excellent suggestions to practical solutions for promotion within the Group.



The COGO Talent Training Project

In addition, we have conducted special training on lean management for the Group's middle and senior managers. We have strengthened the special capabilities of the Group's middle and senior managers by inviting external management experts to teach, organising visits to outstanding enterprise factories and construction and research bases, and so on to continuously improve the Group's organisational management efficiency, so as to achieve lean transformation of the team.



### Conducting "Special Training on Lean Management"

On 2 June 2023 to 3 June 2023, the "Special Training on Lean Management" was successfully held. The theme of the training was "Focusing on the Refinement of Products". Company leaders, heads of headquarters departments and deputy directors of relevant departments or regional companies attended the training. Regional company leaders, senior managers and above participated on-line. In this training, we invited the experts in the field of lean management to deliver special lectures. Participants in the training are ready to use the QFD (Quality Function Deployment) and other lean real-world tools have conducted breakthrough goal discussions around fine decoration and standardisation. After the discussion, group reports are conducted to internalise the concept of lean management in the practices in light of the initial vision of the output target of the company's products. After the training, the participants submitted the lessons they learned and made recommendations for improving the Company's business in the light of their own expertise.

In addition, in order to experience the uniqueness of the lean production method in improving efficiency, we visited Vanke Dongguan Architecture Research Base for benchmarking and exchanging information on the construction of the production research base and the construction of the finishing system, as well as Haier Group for a visit and exchange. We also organised 33 trainees to go to the assembly workshop of Guangzhou Toyota and invited Toyota's internal guests to share their experience on Toyota's management system, introducing the lean management system from the aspects of "research and development, production, cost, finance, marketing and human resources", so as to enable the trainees to learn the lean management thinking from an internal perspective.

Through this training, the participants gain a deep understanding of the principles of lean management, reinforcing the concept of "success does not have to be attributed to me, but when it succeeds, it must involve me." By doing so, learners are flexible to apply these principles in the practical business operations of the group, thereby better leading their teams to achieve synergistic efforts and enhance teamwork efficiency.



COGO "Special Training on Lean Management"

## Enhancing the Professional Quality of Key Employees

We develop customised training programs to meet the professional needs of different groups of employees. We further deepen the talent development for the fresh graduates, set up a three-year training programme for the campus recruiting group, the "Sons of China Overseas Property", launched the "C+ Talent Training Project", and created a talented workforce with outstanding professional qualifications through special job rotation, and promoted innovative business development and organisational change. For the sales business line, we have launched the "Three Strong Training Program", which provides targeted training to new employees of the marketing team, new regional company general managers and project directors. For the project directors, we launch the "Craftsmanship Programme" to cultivate the overall "entrepreneurial thinking" of the project directors, and apply the general case reference manual during the training process.

### The "Sons of China Overseas" Rotation Training Program of COGO Lowcarbon Technology

On 27 December 2023, COGO held a special report on the business of COGO Lowcarbon Technology and a defence event for the termination of rotation. A total of 17 "Sons of China Overseas" campus recruiting staff from 12 regions were selected to form the COGO Lowcarbon Technology Carbon Inspection Camp through a rotational system within three years. They underwent short-term learning and training, as well as assessment exams, to quickly assume their positions. Their work achievements were highly recognised by the China Construction Group's Dual Carbon Office. This closing reply is both a test of the achievements of the six-month shift and a review of the business development of the COGO Lowcarbon Technology. In conjunction with this special rotation, the Group officially launched the "COGO C+ Talent Training Project", which aims to build up a contingent of talented people with outstanding professional qualifications, and to promote the development of innovative business and organisational changes.

Based on the low-carbon rotation training program of COGO, we have achieved external business breakthroughs in Mawei District of Fuzhou Province and Wuhan Hanxin Mansion, and provided new ideas and models for the subsequent cultivation of the "Sons of China Overseas". In the future, the Company will continue to iterate the internal talent development system closely around the Company's development strategy, realise the three-wheel drive of technology, talent and innovation, and contribute deterministic power to high-quality development.



The photo of the completion of "Sons of China Overseas" Rotation Training



## Shaping the Occupational Ability of All Employees

In order to improve the professional literacy and work abilities of all employees, we have conducted the "Three Speeches One Forum" training throughout the year, namely the "Creator Speech", the "Empowered Person Speech", the "Struggle Speech" and the "Innovation Workshop", in response to industry changes and the immediate needs of the Group's development, regularly conduct training on various topics covering employees at different levels in a variety of forms, and help the growth and improvement of employees.

In 2023, we improved the development of the digital curriculum platform "Cloud Classroom", and continued to add new courses, updating more functions such as live-broadcast courses and question-and-answer discussions to grasp the progress and needs of employees. As at the end of the reporting period, "Cloud Classroom" uploaded over 50 high-quality videos, covering cost contracts, marketing, law, design, cross-sharing of finance and other multi-functional lines, the monthly number of clicks on courses exceeded 2,000 person-times, and the first large-scale special training of the "Three Strong Training Program" of the marketing team has been uploaded to the platform for sharing. The "Cloud Classroom" is structured to provide strong support for the communication and output of the company's training content, and to provide a platform for employees to consolidate learning and share experience and knowledge.

## Promotion Mechanism

The Group adheres to the promotion principle of "One Demand, Two High and Three Excellent" and builds a comprehensive and objective staff assessment and evaluation mechanism in accordance with the *Measures for the Performance Management Assessment*, which provides the criteria and basis for the evaluation and promotion of employees' performance and ensures the transparency and fairness of the promotion mechanism.

We conduct a performance appraisal of all employees by departments and at different levels every six months, and adhere to the principle of "horizontal to edge and vertical to the end", conduct a comprehensive and three-dimensional assessment of employees from three dimensions of working status, personal ability and performance results, timely give feedback to the assessment results for employees and provide interview counselling, and set up a performance appeal channel mechanism for employees. It ensures that every employee can receive a thorough and fair evaluation and promotion proposal. In 2023, we launched the process of "Employee Assessment Result feedback and performance Counselling Table" to implement the work of performance result feedback and interview counselling, and provide a basis for employees to clarify the path of ability improvement.

We have formulated the *Personnel Appointment Management Methods*, which clearly define the qualifications and standards for each level of position. This ensures that every employee is well-informed about the promotion criteria. Through standardised procedures such as recommendation, deliberation, pre-appointment publicity, appointment interviews, and official appointment documents, we guarantee transparency in the personnel appointment process. The Group has established a well-functioned feedback channel and solving mechanism for publicity to listen extensively to the views of employees on the appointment of personnel and to strengthen their supervision on the appointment of personnel.

## Employee Communication



COGO respects employees' rights to information, expression, participation and supervision. We listen to employees' opinions, and we strive to optimise the employee experience based on employee feedback by creating a variety of communication channels with employees, answering employees' questions, and responding to employees' requests.

### Diverse employee communication forms:

- In conjunction with the "Working with enterprising employees, spreading happiness across the COGO" staff care activities, online general manager and other forums were held to conduct targeted communication with employees to enhance employees' understanding of management initiatives. In 2023, 11 events were held in each region, with a total of 200 person-times of participation;
- We set up a dedicated mailbox for employee complaints, collect employees' feedbacks in a timely manner, provided rectification and feedback on reasonable suggestions, and ensured that employees' claims and opinions are implemented;
- We iteratively optimised the function of the intelligent customer service robot "Octopus Xiaoba HR Consulting", expanded the coverage of response questions, supplement the latest policy consultation content such as personal pension, update the knowledge base and answer content of the company system, comprehensively, covering personnel procedures, attendance leave, five insurance and two supplementary medical insurance, administrative affairs, guidance for new people, corporate culture. In addition, the information service desk regularly pushes policies, notices, holiday care services to facilitate communication and participation of employees.



In order to deeply understand employee feelings and continuously improve employee satisfaction, we carry out employee satisfaction and engagement surveys by sending emails from a third party to fill in all employees anonymously, so as to understand employee opinions, locate management weaknesses and take targeted improvement measures. For the specific employee issues involved in the investigation, we promptly understand and solve the relevant personnel, and actively respond to the demands of employees. In 2023, COGO scored 87.5 for employee satisfaction, 92.7 for engagement, with a survey response rate of 92.01%, occupying a leading position in the industry.



# 5

## Join Hands to Create a Better Future

Upholding the principle of development, cooperation, and openness, COGO undertakes the mission of building a community with shared interest, responsibilities and future featuring mutual trust, integration. We set the path of shared opportunities, common development, and common prosperity through vivid practices. We have made full use of our strengths to promote sustainable supply chains, promote green development, and jointly address climate change. We extend the sharing of results to the farmers and the community, with a sustainable, self-recycling, replicable model to continue to supply the countryside, with the same heart, love and concern to help solve the problem, and protect the original intention of "creating a better life".

### ESG-related material topics responded in this chapter

Responsible supply chain management, public welfare and charity, communication and common prosperity and development

### SDGs-related topics responded in this chapter



#### Performance Highlights

The coverage rate of suppliers who signed the *Integrity Agreement* reached **100%**

The coverage rate of the publicity of the policies on announcement of prices and integrity of suppliers reached **100%**

We Launched the "Qingliu Plan" to build a green supply chain with the supply chain companies as the mainstay to lead the participation of **150** integrated and procurement suppliers

Conducted **49** carbon inventory training sessions for suppliers and contractors

The total number of employees participating in volunteer service was **586**, and the total number of employees participating in volunteer service was **3,448** hours

The total investment in public welfare and charity was RMB **606,265**



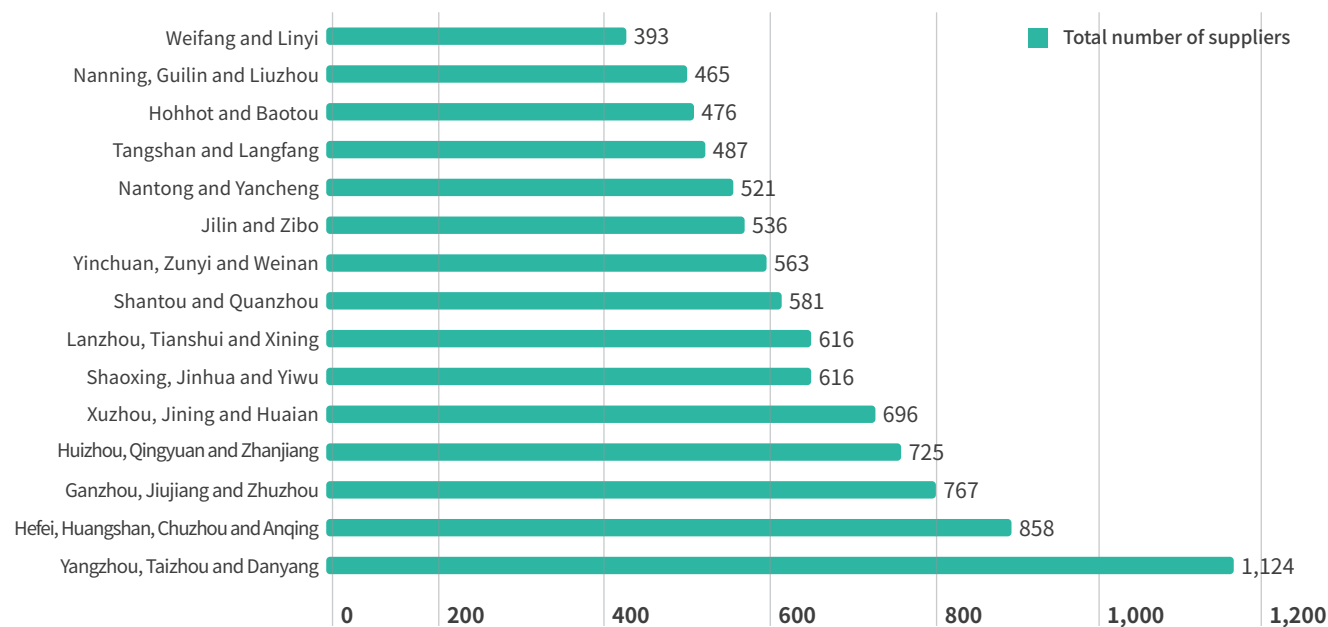


# Supply Chain Management



COGO follows the core values of integrity, honesty understanding, communication, improvement, and optimization when creating a stable and sustainable supply chain. We established a supplier life-cycle management mechanism to ensure the high-quality delivery of products and services. At the same time, with the focus on the development of sustainable supply chains, we raise the standards for suppliers in economic and environmental aspects and use digital technology to empower the green development of suppliers. By 31 December 2023, 6,991 suppliers (including contractors) has established cooperation with which the Group nationwide.

Suppliers and contractors distribution by region



## Suppliers Life-cycle Management

In compliance with the laws and regulations of the operation sites such as the Law of the *People's Republic of China on Tenders and Bids* and the *Government Procurement Law of the People's Republic of China*, COGO formulated and continuously optimized the management system including the *Administrative Measures for Materials*, the *Administrative Measures for Tender and Bids* and the *Administrative Measures for Engineering Contracts*, and specifies the management requirements for the whole life cycle from supplier admission, evaluation and evaluation to withdrawal. In addition, ESG factors are incorporated into the supplier management system, and on the basis of ensuring the efficient and orderly development of bidding and procurement, the supervision and management of sustainable development performance of suppliers are strengthened.

## Supplier Admission

When admitting suppliers, COGO gave priority to their ISO 14000 environmental management system certification, OASHS 18000 or other occupational health and safety management system certification, SA 8000 or other social accountability certification. The following measures are taken to comprehensively improve the supplier admission mechanism:

- Through enterprise information surveys and joint unannounced inspections, we conduct an on-site review of the supplier's qualifications for environmental protection, health and safety to ensure that the suppliers meet the national standards and the Group's development plans. By doing so, we aim to select qualified suppliers and carry out regular review, maintenance and updates.
- We formulated the *Open Letter to the Cooperative Partners of CO Property* as a part of the bidding document content, controlling the risks of suppliers in quality, environment, finance, integrity and compliance and other aspects at the source.

## Assessment and Evaluation of Suppliers

COGO formulated the *Form of Contract Fulfilment Evaluation for Constructor* to assess the suppliers in terms of contract fulfilment. We comprehensively evaluate our suppliers through third-party inspection, internal inspection, and self-inspection of suppliers and many other means, and take targeted follow-up measures based on the evaluation results, so as to reduce supply chain risks.

- Take into account of suppliers' performance in project completion in terms of project progress, delivery quality and contract fulfilment to ensure timely and high-quality delivery of projects.
- Evaluate suppliers' performance in environmental protection, construction quality, safety management, business ethics and other ESG dimensions. For excellent suppliers, we offer them long-term strategic partnership and other incentives. For suppliers that fail the evaluation, we require them to carry out regular rectification. Suppliers who still fail to meet the requirements after the rectification, or who fall far short of the requirements will be identified as unqualified suppliers.

## Supplier Exit

COGO regularly carries out a supplier roster cleaning every year, and clears unqualified suppliers who have violated safety management, engineering quality and business ethics, so as to continuously promote the optimization and upgrading of the supply chain.

## Promoting the Sustainable Development of the Supply Chain

COGO restrains itself and its partners with strict ethical standards, establishes a sincere and fair cooperation mode with suppliers, and underpin the green development of suppliers. With these efforts, we seek to create an open and transparent environment of cooperation and development philosophy of environmental protection together, thereby creating a sustainable supplier ecosystem.

### Developing Uncorrupted Procurement

COGO has formulated the *Supplier Code of Conduct*, which stipulates that all the partners shall not participate in corruption, bribery, fraud, collusion, money laundering, anti-competition, counterfeit, false announcement and other violations. All suppliers are required to sign the *Integrity Agreement* to regulate the integrity obligations through legal treaties, and to prevent any breach of business ethics during the cooperation. In addition, we conduct ethics training for suppliers, organize regular communications and discussions among suppliers, and strive to promote effective compliance with the requirements of suppliers' integrity management. In 2023, we signed a total of 839 *Integrity Agreement* with suppliers, with a signing rate of 100%.

### Leading Green Purchasing

In addition to the just, fair and open procurement, COGO incorporates green environmental protection requirements into the supplier management mechanism, improves the efficient use of resource, and empowers the supply chain with the advantages in technology and experience, so as to promote a green transformation of the industrial chain.

We set the standardized guidance on green low-carbon procurement to define the standards for qualified green suppliers. We attach great importance to the life value of our products, prioritize purchasing highly recyclable products to effectively prevent waste of resources. Through the "Qingliu Plan" Green Supply Chain Development Initiative, we have motivated 150 integrated and procurement suppliers to participate in, with the aim to promote the selection of products that are safe in quality and environmentally friendly. Meanwhile, we establish a database for the green supply chain to carry out intelligent supervision and regularly evaluate the suppliers' performance in environmental protection. In 2023, 100% of our suppliers have obtained ISO14001 environmental management system certification, and 50 suppliers have obtained ISO50001 energy management system, green factory, and green supply chain certification, accounting for 33%.

In order to assist the sustainable development capacity building of suppliers, we organize suppliers to carry out exchange activities and popularize the concept of sustainable development, clarify the environmental protection requirements of suppliers, popularize low-carbon knowledge, and promote the sharing of green practical experience of suppliers, and help build a healthy green supply chain. In addition, we provide support measures for qualified green suppliers with high carbon reduction willingness and potential to enhance their environmental efficiency and sustainable competitiveness. In 2023, we conducted 49 carbon inventory training sessions for contractors and suppliers, realized the transfer of carbon management knowledge to contractors and suppliers, helped contractors and suppliers clarify their own carbon emission data, and provided data analysis basis for ensuring the effectiveness and feasibility of carbon reduction actions in the supply chain.

In 2024, we will start to carry out supplier green certification work, planning the certification method, scope and quantity to promote our suppliers' compliance with green standards, and actively promote and implement programs such as upstream and downstream product carbon labelling pilot. In addition, we plan to complete the carbon footprint and green certification of 50% of supply chain products by 2025, and complete the carbon footprint and green certification of all supply chain products by 2026.

For more details on our purchase of green building materials, please refer to the *Report "03 Develop the Green Base of the City"*.

## Social Charity



COGO is committed to shouldering corporate social responsibility with focus on problems related to social development and giving back to society through diverse channels. Adhering to the philosophy of "Integrity, Innovation and Gratitude", we actively participate in public welfare activities, firmly implement the national strategy of rural revitalisation. Leveraging our business advantages, we keep improving living standards of people through consumption, education and public welfare activities, bring benefits to people and building a harmonious society.

### Key Performances

Total number of employees participating in volunteer service was **586**

Total number of employees participating in volunteer service was **3,448** hours

The total investment in public welfare and charity was RMB **606,265**

## Supporting the Rural Revitalization

COGO is deeply aware of the importance of "agriculture, rural areas, and farmers" to the national economy and people's livelihood. In response to the national strategy for rural revitalization, we have provided assistance to many counties and cities in Guangxi and Gansu provinces through material donations and condolence activities, providing support for the supply of resources in basic education and daily life in rural areas, and taking concrete actions to improve the living standards of local residents.

### "Jointly Providing Warmth and Care to Facilitate Rural Revitalization" --A Public Welfare Activity for Rural Revitalization

In January 2023, COGO Nanning Company, in association with the Nanning Housing Market Development Centre, Nanning Real Estate Brokerage Association and Real Estate Association, visited Launching Village, Nanxu Town, Long'an County, Nanning City for the Spring Festival. Senior party members and people in difficulty were visited and inquired health conditions, family status and difficulties encountered in their lives. During this condolence event, we sent the local residents with condolence provision and New Year's blessing and pledged to provide the local residents with all possible help and support in the future.



"Joint Construction of Warm Care and Help to Revitalize the Countryside"--A Public Welfare Activity for Rural Revitalization



Based on regional characteristics and based on the actual needs of poorer counties and cities in Gansu Province through diversified innovative measures, we continue to carry out a series of consumption supporting activities, called "COGO benefits for all", through procurement, help marketing, expand online sales channels and other ways, effectively activate the potential of local characteristic agricultural products industry and promote the vigorous development of local economy. We use the speciality produce we purchase for staff canteens and for customer and home owner visits and acknowledgements. We enhance communication with stakeholders, while further promoting the development of special agricultural products from poorer areas out of the mountains and into the perspective of more people. As at 31 December 2023, we had accumulated a total of RMB 850,000 in purchases of agricultural products.

"COGO benefits for all, Striving Rural Revitalization" - Special Action

In 2023, COGO Huizhou Company responded positively to the call of the special action of COHL's "COGO Benefits for All". We fully integrated internal and external resources, linked customer service, business, and labor unions to carry out a series of themed activities, held the Lantern Festival Joy Garden, owner satisfaction visit, canteen innovative dishes research and Zhuoni wood agaric tasting, COGO Life Club "Zhuoni" creative market and other activities, covering a total of more than 3,000 people. We actively practice corporate responsibility, continue to help rural revitalization, further expand the "COGO Benefits for All" public welfare IP and agricultural product marketing channels, shape our "trustworthy" good citizen image, through the promotion of special agricultural products, help marketing and other ways to generate income for Zhuoni County, to achieve a win-win situation of social and economic benefits.



Rural Revitalization Programs Special Campaign--"COGO Benefits for All"

## Bringing Together Love

### Education Inclusiveness

COGO has continued to pay attention to the issue of education equity. We are committed to helping needy children to solve the problem of school attendance and conduct education and welfare work in various parts within the country on a regular basis. Baring responsibility in mind, we carry out "Build a Dream Together and Manage Happiness" and other series of charity activities in a number of Hope Primary Schools to provide more opportunities for students with difficulties.

In 2023, the Group carried out the following targeted Hope Primary School assistance:

Region	Schools
Mengning Company	Jinfeng Primary School
Shaoxing Company	Majin Primary School
Ganzhou Company	Jiangkou Primary School
Lanzhou Company	Wenjiahe Primary School



Mengning Company and COHL Jinfeng Huimin Hope Primary School Carry Out "Celebrate Children's Day · Welcome the Company Celebration" Activities



## Social Charity

COGO actively participates in social welfare projects by donating charitable funds, organizing public welfare activities, and in the form of purchasing public goods. We make use of our own industrial advantages to solve the practical difficulties of the community masses, and promote more people to participate in community public welfare activities, and start with themselves, while promoting mutual help and respect for each other, thus contributing to the development of social civilization, harmony and health.

### "Don't Sigh Everyone, Let's Get Some Fresh Air by Green Walk" Bijia Green walk environmental protection line and 2023 full sprint activity

On December 2, 2023, COGO Lowcarbon Technology, a subsidiary of COGO, carried out the Green Walk Pen Rack environmental protection activity and 2023 full staff sprint action, organizing all employees to go to Bijia Mountain, through plogging (climbing hiking and picking up rubbish along the road), and actively promote the low-carbon concept of "reducing the generation of garbage is more important than cleaning garbage". In order to drive more leaders and colleagues to actively practice low-carbon, healthy and green lifestyle. In the activity, all staff of COGO Lowcarbon Technology clean up the key health areas along the mountaineering greenway, fully carry forward the spirit of not afraid of dirty, not afraid of fatigue, cooperate with each other, and work together to carefully pick up the waste such as paper scraps, bags, plastic bottles and other waste in the green belt, and use degradable garbage bags to classify them. Employees follow the principle of "leave the beauty, take away the garbage", strive to be the advocate, defender and practitioner of ecological environmental protection and green and low-carbon life, actively participate in environmental public welfare undertakings, and lead other mountaineering tourists to jointly clean up the garbage along the way, and improve the appearance of the city with practical actions.



Bijia Green Walk Environmental Protection Activities and 2023 Full Sprint Action

### Charity Action for Schools "Caring Children with Love and Creating Goodness"

On 24 June 2023, COGO Mengning Company, in collaboration with the property organisation, launched the "Caring Children with Love and Creating Goodness" charitable action. Through visiting and researching in Wenjiahe Village and paying visits to households, we understood the needs of local families in difficulty and left-behind children, and organised community owners to donate books, stationery, picture books and other school supplies to the children of Wenjiahe Hope Primary School, to write love message cards, and to record blessing videos, and so on. The event collected more than 350 books, stationery and sports supplies.



Charity Action for Schools "Caring Children with Love and Creating Goodness"

### Warm Winter Public Welfare Activity "Peaceful Settlement and Care in COGO"

On 8 December 2023, COGO Huizhou Company along with in conjunction with Huizhou Broadcasting Station, Huizhou Sanitation Department and China Pacific Insurance, carried out the warm winter public welfare activity of "Peaceful Settlement and Care in COGO". 200 medicine insurance were presented to Huizhou sanitation workers, with a risk coverage of up to RMB 480 million.



Warm Winter Public Welfare Activity "Peaceful Settlement and Care in COGO"

## Community Culture

We attach importance to the construction of community culture, and are committed to creating a safe and secure community atmosphere. We provide health and safety services for community groups such as owners, tenants and customers in the communities where we operate. We have formulated the *Customer Care Work Guidelines* to clearly list the benefits provided to customers. Such as health examination, children's interest classes, ball games, festival parties, etc., a number of measures to improve the quality of life of the owner, build a dream of a better home.

### Photography Event for Seniors in Chong Yang Festival

On the eve of Chong Yang Festival, COGO Nanning Company held a photography event for seniors at Yongcuifeng, which aims at taking commemorative pictures of the elderly couples and recorded the happy moments of the elderly owners.



Photography Event for Seniors in Chong Yang Festival



## Appendix: SEHK ESG Index



ESG Indicators	Corresponding Section
A disclosure of the Board's oversight of ESG issues	About Our Sustainability Strategy
The Board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer's businesses)	About Our Sustainability Strategy
How the Board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses	About Our Sustainability Strategy
A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change	About This Report
<b>A Environmental</b>	
<b>Aspect A1: Emissions</b>	
<b>A1 General Disclosure</b>	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.
	03 Develop the Green Base of the City
<b>A1.1</b>	The types of emissions and respective emissions data.
	03 Develop the Green Base of the City
<b>A1.2</b>	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).
	03 Develop the Green Base of the City Appendix: ESG Indicators Performance Table
<b>A1.3</b>	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).
	Appendix: ESG Indicators Performance Table
<b>A1.4</b>	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).
	Appendix: ESG Indicators Performance Table
<b>A1.5</b>	Description of emissions target(s) set and steps taken to achieve them.
	03 Develop the Green Base of the City
<b>A1.6</b>	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.
	03 Develop the Green Base of the City

ESG Indicators	Corresponding Section
<b>A Environmental</b>	
<b>Aspect A2: Use of Resources</b>	
<b>A2 General Disclosure</b>	Policies on the efficient use of resources, including energy, water and other raw materials.
	03 Develop the Green Base of the City
<b>A2.1</b>	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).
	03 Develop the Green Base of the City Appendix: ESG Indicators Performance Table
<b>A2.2</b>	Water consumption in total and intensity (e.g. per unit of production volume, per facility).
	Appendix: ESG Indicators Performance Table
<b>A2.3</b>	Description of energy use efficiency target(s) set and steps taken to achieve them.
	03 Develop the Green Base of the City
<b>A2.4</b>	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.
	03 Develop the Green Base of the City
<b>A2.5</b>	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.
	Not applicable, the Group is a real estate enterprise and does not involve the consumption of large amounts of packaging materials
<b>Aspect A3: The Environment and Natural Resources</b>	
<b>A3 General Disclosure</b>	Policies on minimising the issuer's significant impacts on the environment and natural resources.
	03 Develop the Green Base of the City
<b>A3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.
	03 Develop the Green Base of the City
<b>Aspect A4: Climate Change</b>	
<b>A4 General Disclosure</b>	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.
	03 Develop the Green Base of the City
<b>A4.1</b>	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.
	03 Develop the Green Base of the City
<b>B Social</b>	
<b>Aspect B1: Employment</b>	
<b>B1 General Disclosure</b>	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.
	04 Lead Staff to Create a Win-win Situation
<b>B1.1</b>	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.
	04 Lead Staff to Create a Win-win Situation Appendix: ESG Indicators Performance Table
<b>B1.2</b>	Employee turnover rate by gender, age group and geographical region.
	Appendix: ESG Indicators Performance Table

ESG Indicators		Corresponding Section
<b>B Social</b>		
<b>Aspect B2: Health and Safety</b>		
<b>B2 General Disclosure</b>	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	04 Lead Staff to Create a Win-win Situation
<b>B2.1</b>	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	04 Lead Staff to Create a Win-win Situation Appendix: ESG Indicators Performance Table
<b>B2.2</b>	Lost days due to work injury.	Appendix: ESG Indicators Performance Table
<b>B2.3</b>	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	04 Lead Staff to Create a Win-win Situation
<b>Aspect B3: Development and Training</b>		
<b>B3 General Disclosure</b>	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	04 Lead Staff to Create a Win-win Situation
<b>B3.1</b>	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix: ESG Indicators Performance Table
<b>B3.2</b>	The average training hours completed per employee by gender and employee category.	Appendix: ESG Indicators Performance Table
<b>Aspect B4: Labor Standards</b>		
<b>B4 General Disclosure</b>	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	04 Lead Staff to Create a Win-win Situation
<b>B4.1</b>	Description of measures to review employment practices to avoid child and forced labor.	04 Lead Staff to Create a Win-win Situation
<b>B4.2</b>	Description of steps taken to eliminate such practices when discovered.	04 Lead Staff to Create a Win-win Situation
<b>Aspect B5: Supply Chain Management</b>		
<b>B5 General Disclosure</b>	Policies on managing environmental and social risks of the supply chain.	05 Join Hands to Create a Better Future
<b>B5.1</b>	Number of suppliers by geographical region.	05 Join Hands to Create a Better Future
<b>B5.2</b>	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	05 Join Hands to Create a Better Future
<b>B5.3</b>	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	05 Join Hands to Create a Better Future
<b>B5.4</b>	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	05 Join Hands to Create a Better Future

ESG Indicators		Corresponding Section
<b>B Social</b>		
<b>Aspect B6: Product Responsibility</b>		
<b>B6 General Disclosure</b>	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	02 Ensure Happiness and Peaceful Living for People
<b>B6.1</b>	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable, the Group is a real estate enterprise and does not involve product recycling issues
<b>B6.2</b>	Number of products and service related complaints received and how they are dealt with.	02 Ensure Happiness and Peaceful Living for People
<b>B6.3</b>	Description of practices relating to observing and protecting intellectual property rights.	02 Ensure Happiness and Peaceful Living for People
<b>B6.4</b>	Description of quality assurance process and recall procedures.	02 Ensure Happiness and Peaceful Living for People
<b>B6.5</b>	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	02 Ensure Happiness and Peaceful Living for People
<b>Aspect B7: Anti-corruption</b>		
<b>B7 General Disclosure</b>	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	01 Strengthen the Foundation of Governance Responsibility
<b>B7.1</b>	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	01 Strengthen the Foundation of Governance Responsibility Appendix: ESG Indicators Performance Table
<b>B7.2</b>	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	01 Strengthen the Foundation of Governance Responsibility
<b>B7.3</b>	Description of anti-corruption training provided to directors and staff.	01 Strengthen the Foundation of Governance Responsibility Appendix: ESG Indicators Performance Table
<b>Aspect B8: Community Investment</b>		
<b>B8 General Disclosure</b>	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	05 Join Hands to Create a Better Future
<b>B8.1</b>	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	05 Join Hands to Create a Better Future Appendix: ESG Indicators Performance Table
<b>B8.2</b>	Resources contributed (e.g. money or time) to the focus area.	05 Join Hands to Create a Better Future Appendix: ESG Indicators Performance Table



# Appendix: List of Laws, Regulations and Policies



ESG Indicator	Major Laws and Regulations	Policies and Management Regulations of COGO
<b>Environment</b>	Environmental Protection Law of the People's Republic of China	Environmental Policy
	Law of the People's Republic of China on Environmental Impact Assessment	Special Treatment Plan for Ecological Environment
	Law of the People's Republic of China on the Prevention and Control of Environment Pollution by Solid Wastes	China Overseas Grand Oceans Commercial Green Environment Convention
	Water Pollution Prevention and Control Law of the People's Republic of China	China Overseas Grand Oceans Business Office Green Environment Convention
	Atmospheric Pollution Prevention and Control Law of the People's Republic of China	Design Standard for Energy Efficiency of Passive Ultra-low Energy Green and Residential Buildings
	Soil Pollution Prevention and Control Law of the People's Republic of China	Design Standard of Healthy Buildings
	Law of the People's Republic of China on Noise Pollution Prevention and Control	Guidelines for Design of Precast Concrete Buildings
	Energy Conservation Law of the People's Republic of China	Rewards and Punishments Measures for Engineering Ecological and Environmental Protection
	Land Administration Law of the People's Republic of China	Operational Guidelines for Ecological Environmental Protection at Construction Sites
	Regulations of the People's Republic of China on Nature Reserves	Administrative and Logistic Management Measures of China Overseas Grand Oceans Group Ltd.
	Urban and Rural Planning Law of the People's Republic of China	Management Measures for Employee Performance Benefits and Business Expense of China Overseas Grand Oceans Group Ltd.
	Regulations on the Administration of Construction Project Environmental Protection	Guidelines on Safety Precautions during Rainstorm and Typhoon Seasons
	Administrative Measures for the Prevention and Control of Environmental Pollution by Electronic Waste	Emergency Measures for Emergency Response to Sudden Events

ESG Indicator	Major Laws and Regulations	Policies and Management Regulations of COGO
<b>Employment</b>	Labour Law of the People's Republic of China	Recruitment Management Regulations
	Labour Contract Law of the People's Republic of China	Employee Relations Management Methods
	Employment Promotion Law of the People's Republic of China	Employee Handbook
	Social Insurance Law of the People's Republic of China	Employee Salary Management Methods
	Provisions on the Prohibition of Using Child Labour	Employees' Code of Conducts
	Law of the People's Republic of China on the Protection of Minors	Employee Benefits Management Methods
	Company Law of the People's Republic of China	
	Provisions on Minimum Wages	
	Provisions on the Democratic Management of Enterprises	
	Employment Ordinance (Hong Kong)	
<b>Health and Safety</b>	Labour Law of the People's Republic of China	Construction Safety Management Policy
	Fire Protection Law of the People's Republic of China	Construction Safety Management Reward and Punishment Rules
	Work Safety Law of the People's Republic of China	Project Safety Management Scheme
	Law of the People's Republic of China on the Prevention and Control of Occupational Diseases	Occupational Health and Safety Policies
	Regulation on Work-Related Injury Insurance	Self-checking Standards of Office Environment Management
	Emergency Response Law of the People's Republic of China	Production Safety Management Manual
	Labour Dispute Mediation and Arbitration Law of the People's Republic of China	List of Safety Responsibilities
	Provisions on the Administration of Occupational Health at Workplaces	Annual Safety Target Liability Letter
	Regulations on the Reporting, Investigation and Handling of Production Safety Accidents	Safety Management Agreement
	Interim Provision on the Screening, Identification and Control of Work Safety Accident Hazards	Correct Practices for Safe and Civilised Construction
	Guidelines for Safety Management in the Full Project Cycle	
	Guidelines on Safety Measures for Rainstorms and Typhoons Season	

ESG Indicator	Major Laws and Regulations	Policies and Management Regulations of COGO
<b>Health and Safety</b>	Provisions on the Negotiation and Mediation of Enterprise Labour Disputes	Comprehensive Emergency Plan for Regional Company Production Safety Incidents
	Administrative Regulations on the Work Safety of Construction Projects	Plan for Categorized Management of Safety Risks
	Standard for Construction Safety Inspection	
<b>Development and Training</b>	/	Staff Training Management Measures
		Personnel Appointment Management Methods
		Measures for the Performance Management Assessment
<b>Labour Standards</b>	International Bill of Human Rights	Human Rights Policy
	Universal Declaration of Human Rights	Recruitment Management Regulations
	Labour Law of the People's Republic of China	Employee Relations Management Methods
	Labour Contract Law of the People's Republic of China	
	Regulation on Public Holidays for National Annual Festivals and Memorial Days	
	Implementation Measures for Paid Annual Leave for Employees of Enterprises	
	Regulations on the Medical Treatment Period of Sickness or Non-Work-Related Injury of Enterprise Employees	
<b>Supply Chain Management</b>	Civil Code of the People's Republic of China	Administrative Measures for Tender and Bid
	The Bidding Law of the People's Republic of China	Administrative Measures for Engineering Contracts
	Government Procurement Law of the People's Republic of China	Supplier Code of Conduct
		Administrative Measures for Materials
		Open Letter to the Cooperative Partners of CO Property
<b>Product Responsibility</b>	Civil Code of the People's Republic of China	Information Management Measures
	Product Quality Law of the People's Republic of China	Administrative Measures of COGO for Project Marketing
	Construction Law of the People's Republic of China	Stopping Point Inspection System
	Advertising Law of the People's Republic of China	Measures for Project Quality Management
	Cybersecurity Law of the People's Republic of China	Property Handover Inspection Standards
	Data Security Law of the People's Republic of China	Customer Satisfaction Work Guideline
	Guidelines for Customer Care (China Overseas Club)	

ESG Indicator	Major Laws and Regulations	Policies and Management Regulations of COGO
<b>Product Responsibility</b>	Personal Information Protection Law of the People's Republic of China	Customer Service Management System
	Law of the People's Republic of China on the Protection of Consumers' Rights and Interests	Home-coming Work Guideline
	Trademark Law of the People's Republic of China	Customer Return Visit Work Guideline
	Copyright Law of the People's Republic of China	Customer Complaint and Claims Management Methods
	Patent Law of the People's Republic of China	Guidelines on the Control of Advertising Risk in COGO
	Information Security Technology Guidelines for the Security of Personal Information ( Draft for Public Consultation )	Guidelines for Compliance Inspection of Marketing Sales Site Publicity and Advertising Inspection List
	Regulatory Measures on the Sale of Commercial Houses	Whole-process Customer Risk Control Guideline
	Regulation on the Quality Management of Construction Projects	
<b>Anti-Corruption</b>	Company Law of the People's Republic of China	Complaint Management Methods
	Securities Law of the People's Republic of China	Anti-Corruption Policy
	Anti-Money Laundering Law of the People's Republic of China	Intendance and Audit System
	Anti-monopoly Law of the People's Republic of China	Tendering Management Methods
	Anti-Unfair Competition Law of the People's Republic of China	Guidelines on Internal Audit Work
	Prevention of Bribery Ordinance	Guidelines on Collection of Standard Materials
	Competition Ordinance (Hong Kong)	Discipline Inspection and Inspection Work System
		Audit and Management System
<b>Community Investment</b>		Management Measures for Integrity Conversations
		Management Measures for the Reception of Gifts by Employees
		Reporting of Individual Conflicts of Interests by Employees and the Management of Integrity Files
		Reporting Policy
		Statement of Integrity Commitment
		Integrity Agreement
<b>Community Investment</b>	Charity Law of the People's Republic of China	Customer Care Work Guidelines
	Measures for the Information Disclosure of Charitable Organisations	



# Appendix:ESG Indicators Performance Table



Environmental		
Indicator	Unit	2023 <sup>(1)(2)</sup> Total
<b>Exhaust Emissions<sup>(3)</sup></b>		
NOx emissions	kg	334.98
SOx emissions	kg	4.20
Particulate matter	kg	26.77
<b>GHG Emissions<sup>(3)(4)</sup></b>		
Total GHG emissions (Scope 1 + Scope 2)	tonne CO <sub>2</sub> e	32,958.40
GHG emissions intensity <sup>(8)</sup> (Scope 1 + Scope 2)	tonne CO <sub>2</sub> e/'0000 sq.m.	556.93
Direct (Scope 1) GHG emissions	tonne CO <sub>2</sub> e	1,679.90
Indirect (Scope 2) GHG emissions	tonne CO <sub>2</sub> e	31,278.50
Other GHG emissions (Scope 3)	tonne CO <sub>2</sub> e	1,318.93
<b>Waste Management</b>		
<b>Hazardous Waste Generated</b>		
Total volume of hazardous waste generated <sup>(5)</sup>	tonne	1.87
Intensity of hazardous waste <sup>(8)</sup>	tonne/'0000 sq.m.	0.03
<b>By Hazardous Waste Category</b>		
Waste batteries	tonne	0.63
Waste toner cartridges	tonne	0.46
Waste ink cartridges	tonne	0.79

Environmental		
Indicator	Unit	2023 <sup>(1)(2)</sup> Total
<b>Non-hazardous Waste Generated</b>		
Total volume of non-hazardous waste generated <sup>(6)</sup>	tonne	262.15
Intensity of non-hazardous waste <sup>(8)</sup>	tonne/'0000 sq.m.	4.43
<b>By Non-hazardous Waste Category</b>		
General office waste	tonne	25.81
Food waste	tonne	233.07
Other non-hazardous waste	tonne	3.28
<b>Energy consumption<sup>(3)</sup></b>		
Total energy consumption (excluding renewable energy consumption)	MWh	65,049.30
Energy intensity <sup>(8)</sup>	MWh/'0000 sq.m.	1,099.20
<b>Direct Energy Consumption</b>		
<b>Non-renewable Energy Consumption</b>		
Direct energy Consumption (excluding renewable energy consumption)	MWh	7,081.71
Direct energy intensity <sup>(8)</sup>	MWh/'0000 sq.m.	119.67
Diesel	MWh	147.41
Gasoline	MWh	2,611.51
Compressed/pipeline natural gas	MWh	2,894.27
LNG	MWh	608.83
LPG	MWh	819.69

Environmental		
Indicator	Unit	2023 <sup>(1)(2)</sup> Total
Renewable energy consumption		
Biofuel	Litre	14,200.00
Indirect Energy Consumption		
Indirect energy consumption	MWh	57,967.59
Indirect energy intensity <sup>(8)</sup>	MWh/'0000 sq.m.	979.54
Purchased electricity	MWh	47,752.93
Purchased heat	MWh	10,214.66
Water Resources Management		
Total water consumption <sup>(7)</sup>	cu.m.	739,206.33
Water consumption intensity <sup>(8)</sup>	cu.m./'0000 sq.m.	12,491.13
Packaging material		
Total packaging material	tonne	50.89
Packaging material intensity <sup>(8)</sup>	tonne/'0000 sq.m.	0.86
Paper bag	tonne	1.89
Paper	tonne	46.78
Gift box	tonne	0.05
Plastic tape	tonne	2.16

Green Building		
Indicator	Unit	Data for 2023
Number of projects that had met green building standards	/	205
Area of projects that had met green building standards	'0000 sq.m.	4,329
Proportion of the number of projects that had met green building standards	%	94%
Proportion of total area of commercial real estate projects in operation that have obtained green building certification <sup>(9)</sup>	%	51%

Description of environmental key performance indicators:

<sup>(1)</sup> The time horizon for environmental key performance indicators covers January 1, 2023 to December 31, 2023.

<sup>(2)</sup> The environmental KPIs cover the Company's headquarters and 14 regional companies, 39 city companies and 2 professional companies (including COGO Commercial Company and COGO Lowcarbon Technology) operating in Chinese Mainland and Hong Kong, including self-constructed self-used and leased office buildings, self-owned employee canteens, self-operated project sites, commercial project public area and other areas and means of transport such as official vehicles that are under operational control and incurring the relevant expenses, and excluding the Group's leased out office buildings, outsourced employee canteens and construction site areas. Compared with 2022, the statistical scope is increased in 2023 due to the division of the operational control of commercial projects under the COGO Commercial Company from China Overseas Land & Investment Limited to China Overseas Grand Oceans Group Limited.

<sup>(3)</sup> Sources of calculation factors: ① When calculating emissions, the emission factors of pipelines natural gas and liquefied natural gas refer to the Manual of Accounting Methods and Coefficient of Emissions from Statistical Survey of Emission Sources issued by the Ministry of Ecology and Environment of China. For other reference, refer to the Reporting Guidance on Environmental KPIs issued by SEHK. ② When calculating greenhouse gas emissions, the emission factors of natural gas, liquefied natural gas and thermal energy refer to the Guidelines for Accounting and Reporting Greenhouse Gas Emissions China Public Building Operation Enterprises issued by the National Development and Reform Commission of China. The emission factor of electricity is referred to the Notice on the Management of Greenhouse Gas Emission Reporting of Enterprises in Power Generation Industry from 2023 to 2025 issued by the Ministry of Ecology and Environment of China. The emission factor of aviation business travel is referred to the *Greenhouse gas reporting: conversion factors 2023* issued by the British government. The emission factors of other energy sources refer to the Reporting Guidance on Environmental KPIs issued by SEHK. ③ The conversion coefficients of calorific value of various energy consumption refer to the Guidelines for Accounting and Reporting Greenhouse Gas Emissions China Public Building Operation Enterprises issued by the National Development and Reform Commission of China.

<sup>(4)</sup> In 2023, greenhouse gas emissions (Scope 1) are from pipeline natural gas, liquefied natural gas, liquefied petroleum gas, fixed source diesel, vehicle gasoline, vehicle diesel direct combustion emissions. GHG emissions (Scope 2) are from purchased electricity and heat. Greenhouse gas emissions (Scope 3) are from greenhouse gas emissions generated by business air travel.

<sup>(5)</sup> Hazardous waste includes waste batteries, waste toner cartridges and waste ink cartridge.

<sup>(6)</sup> Non-hazardous waste includes general office waste generated by administrative offices, food waste generated by non-outsourced staff cantons and other non-hazardous waste.

<sup>(7)</sup> Water consumption comes from municipal water supply.

<sup>(8)</sup> GHG emissions intensity, intensity of hazardous waste, intensity of non-hazardous waste, energy intensity, water consumption intensity and packaging material intensity is calculated using the Group's area under management in 2023 (unit: '0000 sq.m.) as the denominator. The Group's area under management is the area under the operational control, including office space, employee canteens, self-operated project sites, commercial project public area.

<sup>(9)</sup> For the environmental key performance data, we have conducted verification according to AA1000 Assurance Standard to enhance the integrity and reliability of data.



Employment		
Indicator	Unit	Data for 2023
Number of Employees		
Total number of employees	Person	2,586
By Gender		
Number of females	Person	1,051
Proportion of females	%	40.64%
Number of males	Person	1,535
Proportion of males	%	59.36%
By Age		
Number of employees aged 30 or below	Person	548
Proportion of employees aged 30 or below	%	21.19%
Number of employees aged 30 to 50	Person	1,990
Proportion of employees aged 30 to 50	%	76.95%
Number of employees aged 50 or above	Person	48
Proportion of employees aged 50 or above	%	1.86%
By Employee Category		
Number of senior management	Person	33
Proportion of senior management	%	1.28%
Number of middle management	Person	100
Proportion of middle management	%	3.87%
Number of general employees	Person	2,453
Proportion of general employees	%	94.86%

Employment		
Indicator	Unit	Data for 2023
By Type of Employment Contracts		
Number of full-time employees	Person	2,586
Proportion of full-time employees	%	100%
Number of part-time employees	Person	0
Proportion of part-time employees	%	0%
By Geographical Region		
Number of employees in the Chinese Mainland	Person	2,575
Proportion of employees in the Chinese Mainland	%	99.57%
Number of employees in Hong Kong	Person	11
Proportion of employees in Hong Kong	%	0.43%
Composition of Senior Management (including Board members)		
By Gender		
Female	Person	1
Male	Person	32
By Age		
Aged 30 or below	Person	0
Aged 30 to 50	Person	24
Aged 50 or above	Person	9
By Geographical Region		
Chinese Mainland	Person	33
Hong Kong	Person	0

Employment		
Indicator	Unit	Data for 2023
<b>Employee Turnover</b>		
Employee turnover rate <sup>1</sup>	%	32.33%
<b>By Gender</b>		
Number of females	Person	349
Proportion of females	%	33.21%
Number of males	Person	487
Proportion of males	%	31.73%
<b>By Age</b>		
Number of employees aged 30 or below	Person	256
Proportion of employees aged 30 or below	%	46.72%
Number of employees aged 30 to 50	Person	569
Proportion of employees aged 30 to 50	%	28.59%
Number of employees aged 50 or above	Person	11
Proportion of employees aged 50 or above	%	22.92%
<b>By Geographical Region</b>		
Number of employees in the Chinese Mainland	Person	836
Proportion of employees in the Chinese Mainland	%	32.47%
Number of employees in Hong Kong	Person	0
Proportion of employees in Hong Kong	%	0%
<b>Employee Satisfaction</b>		
Employee satisfaction	Score	87.50
Employee engagement	Score	92.70
Number of employees covered by the third-party employee satisfaction questionnaire	Person	2,545
Number of responses to individual questionnaires	Person	2,383
Survey response rates provided by the third-party	%	92.15%

Occupational Health and Safety		
Indicator	Unit	Data for 2023
Number of work-related fatalities	Person	0
Proportion of work-related fatalities	%	0%
Lost days due to work-related injuries	Day	172
Number of work-related injuries	/	3
Number of work-related fatality cases	/	0
Number of employees receiving health and safety training	Person	2,586
Proportion of employees receiving health and safety training	%	100%

Development and Training		
Indicator	Unit	Data for 2023
<b>Employees Receiving Training <sup>2</sup></b>		
<b>By Gender</b>		
Number of females	Person	1,051
Proportion of females	%	40.64%
Number of males	Person	1,535
Proportion of males	%	59.36%

<sup>1</sup> Employee turnover rate = Number of separated employees by type / Number of permanent full-time employees by type

<sup>2</sup> Proportion of employees receiving training = Number of employees receiving training by type / Number of permanent full-time employees by type



Development and Training		
Indicator	Unit	Data for 2023
By Employee Category		
Number of senior management	Person	33
Proportion of senior management	%	1.28%
Number of middle management	Person	100
Proportion of middle management	%	3.87%
Number of general employees	Person	2,453
Proportion of general employees	%	94.86%
Total number of employees receiving training	Person	2,586
Proportion of employees receiving training	%	100%
Training Hours for Employees		
By Gender		
Training hours for female employees	Hour	27,611
Average training hours per female employee	Hour	26.27
Training hours for male employees	Hour	45,183
Average training hours per male employee	Hour	29.44
By Employee Category		
Training hours for senior management	Hour	2,720
Average training hours per senior management	Hour	82.42
Training hours for middle management	Hour	9,037
Average training hours per middle management	Hour	90.73
Training hours for general employees	Hour	61,001
Average training hours per general employee	Hour	24.87
Total training hours for employees	Hour	72,794
Average training hours per employee	Hour	28.15

Supply Chain Management		
Indicator	Unit	Data for 2023
Suppliers and contractors distribution by region		
Hohhot and Baotou	/	476
Jilin and Zibo	/	536
Yinchuan, Zunyi and Weinan	/	563
Hefei, Changzhou, Huangshan, Chuzhou and Anqing	/	858
Shaoxing, Jinhua and Yiwu	/	616
Lanzhou, Tianshui and Xining	/	616
Nanning, Guilin and Liuzhou	/	465
Ganzhou, Jiujiang and Zhuzhou	/	767
Yangzhou, Taizhou and Danyang	/	1,124
Nantong and Yancheng	/	521
Shantou and Quanzhou	/	581
Weifang and Linyi	/	393
Huizhou, Qingyuan and Zhanjiang	/	725
Tangshan and Langfang	/	487
Xuzhou, Jining and Huaian	/	696
Total number of suppliers	/	6,991
Occupational Health and Safety of Contractors		
Number of work-related injuries of contractors	/	0
Number of work-related fatalities of contractors	/	0
Lost days due to work-related injuries	Day	0

Product Responsibility		
Indicator	Unit	Data for 2023
<b>Product Quality and Safety</b>		
Percentage of total products sold or shipped subject to recalls for safety and health reasons	%	Not applicable
Number of open construction site activities	/	23
Number of cities hold open construction site activities	/	19
Third party quality test scores	Score	91.17
Proportion of contractors receiving health and safety training	%	100%
<b>Customer Relationship</b>		
Customer satisfaction score for maintenance service of COGO	Score	87.28
Average customer satisfaction score for maintenance service of the industry	Score	54
Customer satisfaction score for house quality of COGO	Score	87.25
Average customer satisfaction score for house quality of the industry	Score	62
Customer satisfaction score for delivery of COGO	Score	91.11
Average customer satisfaction score for delivery of the industry	Score	65
Customer satisfaction score of COGO	Score	90.25
Average customer satisfaction score of the industry	Score	68
Customer loyalty score of COGO	Score	81.53
Average customer loyalty score of the industry	Score	53
Number of customer complaints cases	/	295
Number of resolved customer complaints cases	/	295
Customer complaint resolution rate	%	100%

Product Responsibility		
Indicator	Unit	Data for 2023
<b>Tenant satisfaction</b>		
Number of tenants who received the third-party tenant satisfaction survey	/	323
Number of tenants in portfolio	/	733
Percentage of tenants covered by the third-party survey	%	44.07%
Number of survey responses received	/	323
Total number of tenant covered by the third party survey	/	347
Response rate for tenant third-party survey	%	93.08%
<b>Intellectual Property Rights</b>		
Number of green building technology patents	/	10
Number of invention patents	/	5
Number of practical new-type patents	/	7
Number of software copyrights	/	13
Number of registered trademark	/	6
Number of journal papers	/	3
Total number of intellectual property	/	41



Anti-corruption		
Indicator	Unit	Data for 2023
<b>Legal Cases</b>		
Number of cases regarding corruption	/	0
Number of cases regarding anti-competition	/	0
Number of cases in which employees were fired or disciplined for corruption	/	0
Number of cases in which contracts with business partners were terminated or not renewed	/	0
Number of cases of corruption or bribery received through the reporting channel	/	0
Total number of concluded legal cases brought against the Company or its employees	/	0
<b>Training on Anti-corruption</b>		
Number of anti-corruption training courses	/	8
Number of anti-corruption training sessions	/	12
Number of employees who received anti-corruption training	Person	1,504
Number of employees who received anti-corruption training	Person-times	2,800
Number of training hours on anti-corruption	Hour	4,477
Number of clean culture construction activities	/	245
Participation of clean culture construction activities (including COGO directors, full-time employees, part-time employees and suppliers)	Person-times	20,011
Average number of clean culture construction activities hours per person (including COGO directors, full-time employees, part-time employees and suppliers)	Hour	10
Coverage rate of the employees who signed the <i>Statement of Integrity Commitment</i>	%	100%
Coverage rate of the bid-winning units that signed the <i>Integrity Agreement</i>	%	100%
Coverage rate of major contract on integrity agreements	%	100%
Coverage rate of price publicity and clean policy publicity	%	100%

Anti-corruption		
Indicator	Unit	Data for 2023
<b>Training on Ethical Conduct and Conflict of Interest for Employees</b>		
Number of training courses on ethical conduct and conflict of interest for employees	/	8
Number of training sessions on ethical conduct and conflict of interest for employees	/	16
Number of employees who received training on ethical conduct and conflict of interest	Person	3,000
Number of employee who received training on ethical conduct and conflict of interest	Person-times	6,000
Number of training hours on ethical conduct and conflict of interest for employees	Hour	8,900

Community Investment		
Indicator	Unit	Data for 2023
<b>Community investment and public welfare activities</b>		
Total investment in public welfare and charity	RMB	606,265
Number of employees participating in volunteer service	Person	586
Number of volunteer hours of employees	Hour	3,448
<b>Affordable commercial properties</b>		
Number of concessions districts for affordable commercial properties	/	9
Number of concessions projects for affordable commercial properties	/	14
Total amount of affordable commercial properties exemption	RMB'0000	2,222