



中國海外發展有限公司  
CHINA OVERSEAS LAND & INVESTMENT LTD.

(Incorporated in Hong Kong with limited liability)

Stock Code: 00688



中國海外集團有限公司

# 2023

## Environmental, Social and Governance Report

Join Hands for a Brighter Future  
With Your Trusted Partner

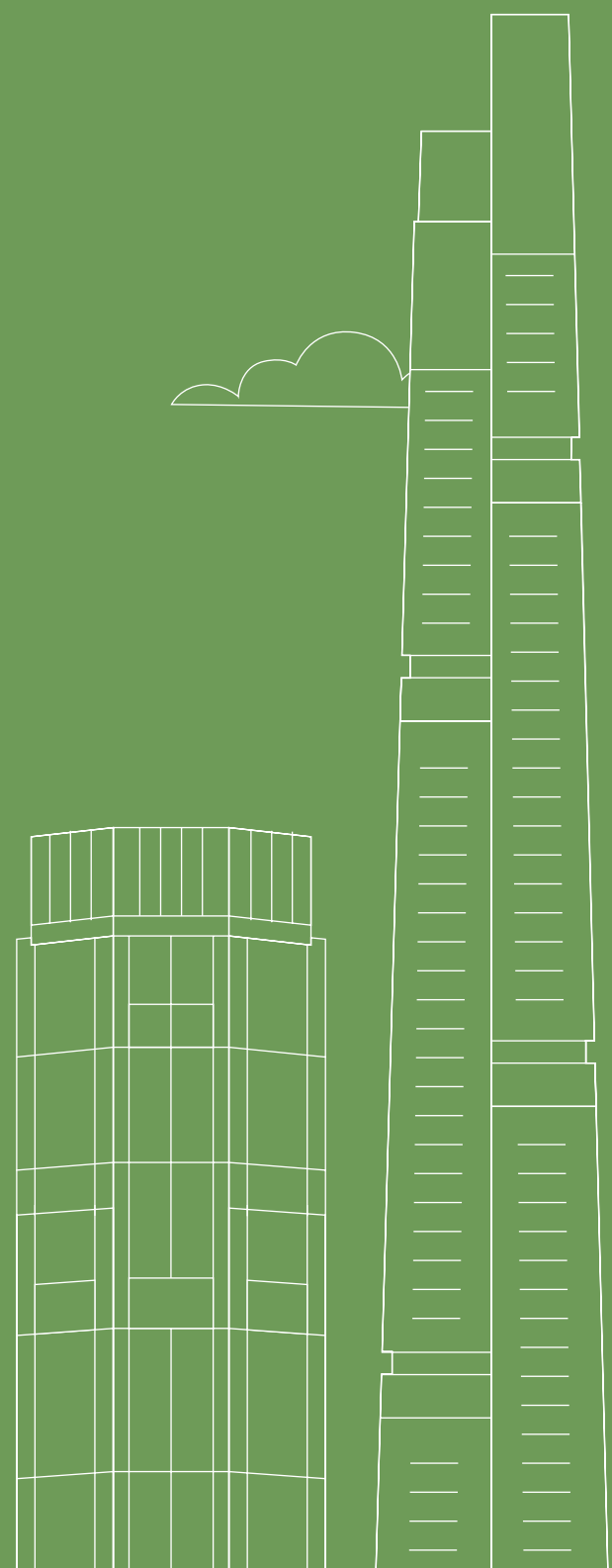
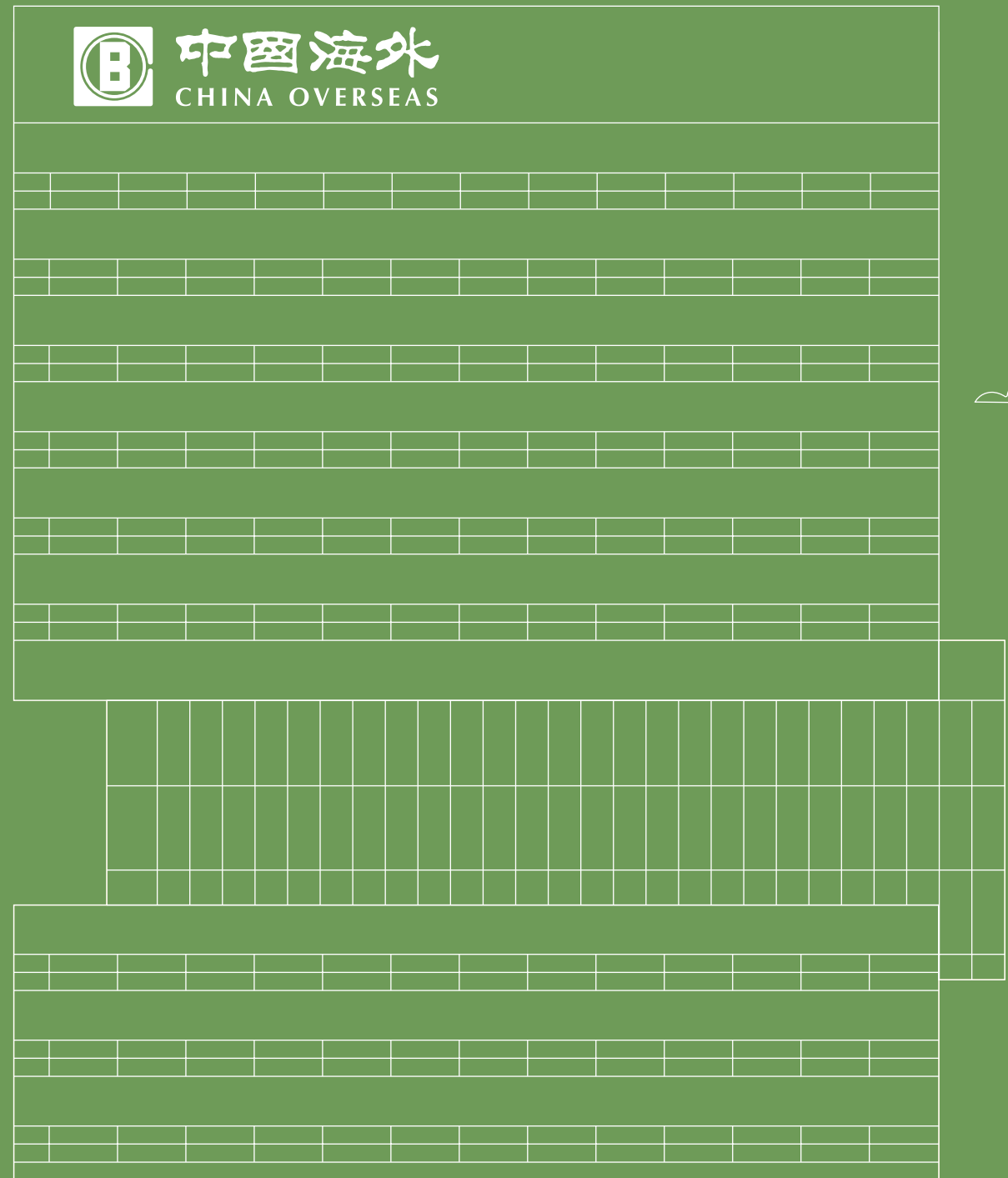


# CONTENTS

## Contents

| 01                               | 02                       | Feature on Responsibility                                 | 03   | 04  | 05  | 06  | 07   | 08                                     | 09   | 10   | APPENDIX                                      |
|----------------------------------|--------------------------|---|--|---|---|---|--|--|--|--|---|
| <b>Message from the Chairman</b> | <b>About This Report</b> | <b>Steady Progress for a Brighter Shared Future</b>       | <b>Leading the Trend to Create Excellent Results</b> | <b>Taking Responsibility to Achieve Sustainable Development</b> | <b>Good Governance and Compliance Management to Improve Effectiveness</b> | <b>Environmental Protection and Green Development</b> | <b>Quality and Customer-oriented Buildings</b> | <b>Cooperation for Win-Win Results</b> | <b>Centring on People and Growing with Employees</b> | <b>Engaging in Charity Activities to Create a Harmonious Society</b> | Report Content Index                          |
|                                  | Definitions              | Good Products: Creating Enjoyable Space                   | Business Strength                                    | Board Statement   | Corporate Governance  | Sound Environmental Management Policies and System    | Sound Quality Management System                | Supplier Lifecycle Management          | Employment and Labour Rights and Interests           | Improving People's Well-being  | Summary of KPIs                               |
|                                  | Reporting Standards      | Good Services: Full-cycle Customer Service Philosophy     | Value System   | Sustainable Development Policy                                  | Risk Management and Internal Control                                      | Resources Utilisation                                 | Sincere Cooperation with Suppliers             | Sustainable Supply Chain               | Diversity and Inclusiveness                          | Improving Economic Development                                       | List of Laws, Regulations and Policies        |
|                                  | Reporting Scope          | Good Citizen: People and Environment in Symbiotic Harmony | Highlights of the Year                               | Sustainability Roadmap  | Information Security and Business Continuity                              | Pollution Prevention and Control                      | Refined Planning and Design                    | Industrial Common Prosperity           | Training and Development                             | List of new certified green buildings in 2023                        | List of new certified green buildings in 2023 |
|                                  | Reporting Principles     | Good Effectiveness: Creating Shared Value                 | Awards and Honours                                   | Stakeholder Engagement  | Intellectual Property Rights Protection                                   | Biodiversity Protection                               | Construction Attending to the Details          | Health and Safety                      | Independent Assurance Opinion Statement              | Independent Assurance Opinion Statement                              | Independent Assurance Opinion Statement       |
|                                  | Data Sources             |   |  | Materiality Assessment  |   | Response to Climate Change                            | Delivery with Excellent Quality                |  |  |  |   |
|                                  | Accessing the Report     |   |  |   |   | Green Building  | Refined Sales Promotion                        |  |  |  |   |
|                                  |                          |   |  |   |   | Concerted Efforts for Green Development               | Meticulous Customer Service                    |  |  |  |   |
| 3-6                              | 7-12                     | 13-26   | 27-36  | 37-54   | 55-72   | 73-104  | 105-124  | 125-140                                | 141-162  | 163-182  | 183-220                                       |





# 01

## Message from the Chairman



## Message from the Chairman

China Overseas Land & Investment Ltd. ("COLI") has been established for 45 years, and has unswervingly adhered to the belief of "Creating a Better Life Together". We closely keep abreast of national development policies and urban construction developments to meet people's living needs. Our resilient and sustainable operations enable us to navigate through the ups and downs of the economy and the industry with ease. With new commercial property gross sales decreased 6.5% nationwide from the previous year, the real estate market continued the downward trend in 2023. Amid the ongoing market downturn, we have continued to forge ahead against market headwinds – our market share continues to raise and our industry position has been further enhanced. In 2023, contracted property sales reached RMB309.81 billion, up 5.1% year on year. Our operating efficiency increased gradually, and the attributable sales rose to the second highest in the industry. We maintains a solid financial position with some of the lowest debt ratios in the industry. COLI stands at the leading edge of sustainable development across the industry, both in terms of finance and operations.

Since 2019, COLI has established "a Company of Four Excellences", namely "Good Products, Good Services, Good Effectiveness and Good Citizen", as our sustainability strategy. This strategy, along with a series of sustainable development goals, has charted the way towards sustainable development and demonstrated our strong ESG proposition. Over the past five years, we have achieved a number of goals, including the study on the green and low-carbon technology system, completion of the [Implementation Plan for Carbon Dioxide Peak of COLI](#), and 100% signing rate of the COOC green leasing cooperation plan by new office tenants. As a result, our ESG governance framework has become more robust, our policy system has been improved, and our engagement with stakeholders has been more effective. Meanwhile, we have steadily promoted and even pioneered many ESG practices with COLI characteristics and social significance. With a pioneering and enterprising spirit, down-to-earth attitude and absolute sincerity, we work with like-minded people to write a promising chapter of sustainable development in the real estate industry.

► **Good corporate governance – We keep polishing our brand by placing emphasis on strengthening risk prevention and control, and closely monitoring ethical business practices. In compliance with laws and regulations, we ensure integrity within COLI.** We have established the five components constituting the brand of integrity culture: ethic, laws, rules, emotion and publicity. In 2023, we launched 600 activities concerning "Leading with Integrity, Clean COLI" nationwide, making the concept of integrity deeply rooted in our hearts. In terms of system construction, we have incorporated ESG risks, including climate change risks, into the corporate risk management process. During the year, we updated internal management systems such as the [Compliance Management Measures](#) and the [Risk Management Measures](#), which set more detailed requirements for our business. We also appointed a new female independent non-executive director to ensure the effective functioning of the Board and strengthen the spirit of corporate governance.

► **High quality delivery – We build quality products in all aspects. We strive to achieve excellence in processes and construct high-quality buildings, aiming at creating a better life for customers with wholehearted services.** During the year of uncertainty, we delivered over 94,000 houses, with a 100% on-time delivery rate, fulfilling the promise of "Reliable COLI". We have kept exploring the integration of quality, innovation and resources aggregation. We have fully empowered our products with a lean, collaborative, international, intelligent and green modern supply chain. This year, many projects won the Platinum Award of the International Design Award, WELL Gold Certification, and other honours. Meanwhile, we saw customer satisfaction as an important measure of good products and services. We pioneered the industry's perfect delivery evaluation model and the VOC system, and first upgraded the service hotline to a shortcut number starting with 95, which is available 24 hours a day, 365 days a year. During the year, we published the "Ten Criteria for Good Customer Services", so as to make the best efforts to satisfy our customers.

► **Practise green development – We vigorously promote energy-saving technological transformation, set clear carbon reduction targets and action plans. As a result, we are making further progress toward the "3060 Decarbonisation targets" set by China.** In November 2023, we published the [Carbon Neutrality White Paper](#), first proposing medium-to-long-term decarbonisation targets of reducing at least 30% Scope 1 and 2 carbon emissions intensity by 2030 and achieving carbon neutrality by 2060. We launched the [Implementation Plan for Carbon Peak of COLI](#) to deliver the carbon reduction plan in phases. We have refined energy management as part of the accelerated transition to the green development. In 2017, we established a national energy management platform. It now covers all our own commercial projects. During the year, we completed the first phase of energy-saving renovation project for lighting and air-conditioning systems in these projects. We have also successfully established a number of industry benchmarks for green

buildings, all of which have a leading demonstration effect. Beijing China Overseas Finance Centre is designed to achieve energy saving and carbon reduction throughout the construction process. It becomes the first zero-carbon commercial office building in Beijing, and a demonstration plan for the integration of Photovoltaics, Energy Storage, Direct Current and Flexibility (PEDF) technology. The newly completed Shenzhen China Overseas Building is the first Grade 5A high-rise office building in China with nearly zero-energy consumption in its operating stage. As of the end of 2023, COLI had a total of 636 green certified projects with a certified area of around 110 million square metres. All of these "green achievements" demonstrate COLI's vitality and innovation in the context of the new era.

► **Promote employee care – We always pursue the philosophy that values inclusion and puts people first. We strive to create a caring and inclusive work environment that nurtures personal growth and prioritises employee safety.** People are the foundation of joint creation, and we always consider the health and development of our employees as the top management priority. We have included the occupational health and safety of contractors in our safety management work. During the year, we updated the [Measures for the Investigation of Work Safety Accidents](#), the [Safety Management Handbook](#) and other important management regulations, focusing more on safety management responsibility and prevention. In June 2023, we conducted safety production month activities throughout the country to strengthen safety education among employees. We continued to build a diverse and inclusive team, with over 400 ethnic minority employees. 83 subsidiaries have formed trade unions. We supported the dreams and development of employees and protected their legitimate rights and interests through projects such as strategic talent reserve plan, namely, "Son of the Sea" and systematic talent development plan, namely, "Set sail", "Sailor", "Voyage" and "Headsail". Employees were encouraged to innovate in an inclusive work environment and under the guidance of the leading spirit. We believe in mutual growth, and employees are encouraged to pursue personal development, which in turn contributes to corporate success.

► **Building and sharing together – We have accelerated the construction of housing, elderly care and childcare facilities. We shoulder our responsibilities as a responsible corporate citizen to fully support rural revitalisation in industry, education, and technology.** Since 2018, we have been actively involved in targeted assistance projects in Shanxi, Gansu, Chongqing and other provinces and delivered paired assistance to multiple counties. This year, we invested more than RMB 6 million in rural revitalisation and consumption support of three counties in Gansu Province, and helped Zhuoni County create the "Zhuoni Black Fungus" brand. Since 2018, the total revenue of various agricultural products through consumption support has exceeded RMB 25 million, helping local farmers increase their income. Every year, COLI builds indemnificatory housing for talents and urban low-income residents, so that people can have a decent place to live. In 2023, more than 330,000 square metres of various types of indemnificatory housing were constructed and delivered. In 2023, with the support of the Hong Kong Special Administrative Region Government and people from all walks of life, we officially launched the first phase of "Manage Happiness in a Concerted Effort – Bidding Farewell to Subdivided Housing" to help residents improve their living environment. So far, we have invested more than RMB200 million in disaster-stricken areas, donations to assist underprivileged students and public welfare in the Chinese Mainland, Hong Kong, and Macau. These efforts have contributed to promoting regional development and supporting public charity endeavours.

Those who recognise the trend are wise and those who ride the trend will win. In 2023, when opportunities and challenges were intertwined, COLI seized opportunities with prudent operations and embarked on a new phase of sustainable development, composing the chapter of the times. Looking ahead, we are confident that we will continue to strengthen our readiness to shoulder responsibilities in the changing times. We will steadily take every step of development and construction, meticulously build every inch of land, and conscientiously protect people's life under each roof. Together with all parties involved, we strive to create a better future and lead the way forward.

Yan Jianguo

*Chairman and Executive Director*

China Overseas Land & Investment Ltd.



# 02

## About this Report

This report is the ninth independent Environmental, Social and Governance Report of China Overseas Land & Investment Limited (Stock code: 00688.HK). The last report was published in April 2023. China Overseas Land & Investment Limited has disclosed our governance, strategies, goals, practices and performance in the three dimensions of sustainability, including environmental, social and governance, annually through an independent report since 2015.





## 2.1 Definitions

|  |           |  |
|--|-----------|--|
| ▶ "China Overseas", "COLI", or "We"          | refers to | China Overseas Land & Investment Limited and its subsidiaries  |
| ▶ "The Company"                              | refers to | China Overseas Land & Investment Limited   |
| ▶ "China Overseas Property"                  | refers to | one of the real estate brands under China State Construction Engineering Corporation, including the Company and China Overseas Grand Oceans Group Limited (Stock code: 00081.HK) |
| ▶ "CSCEC"                                    | refers to | China State Construction Engineering Corporation, the ultimate holding company of the Company  |
| ▶ "COHL"                                     | refers to | China Overseas Holdings Limited, the controlling shareholder of the Company  |
| ▶ "COCP"                                     | refers to | China Overseas Commercial Properties Company Limited, an indirect wholly-owned subsidiary of the Company   |
| ▶ "Technology Company of COLI"               | refers to | Haizhichuang Technology Company Limited, an indirect wholly-owned subsidiary of the Company  |
| ▶ "Lingchao Supply Chain Management Company" | refers to | Shenzhen Lingchao Supply Chain Management Company Limited, an indirect wholly-owned subsidiary of the Company  |
| ▶ "China State Grand Wealth"                 | refers to | China State Grand Wealth Investment Limited, an indirect wholly-owned subsidiary of the Company  |
| ▶ "Hua Yi"                                   | refers to | Hua Yi Design Consultants Limited, an indirect wholly-owned subsidiary of the Company  |
| ▶ "Tian Shan Company"                        | refers to | Tian Shan Metal Materials and Products Company Limited, an indirect wholly-owned subsidiary of the Company   |



## 2.2 Reporting Standards

This report was prepared in accordance with the [Environmental, Social and Governance Reporting Guide](#) (the "Guide") set out in Appendix C2 to the Main Board Listing Rules on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and complies with the "comply or explain" disclosure requirements therein. This report is aligned to several sustainability reporting standards, frameworks and initiatives, including the Global Reporting Initiative (GRI) Sustainability Reporting Standards ("GRI Standards"), the United Nations' [Guide for Business Action on the Sustainable Development Goals \(SDGs\)](#), the Standards of Sustainability Accounting Standards Board (SASB) ("SASB Standards") and the [Recommendations of the Task Force on Climate-related Financial Disclosures \(TCFD\)](#) ("TCFD Recommendations"). More transparent disclosures are included in the ESG report to address the demands of the stakeholders for relevant information.

This report's [Appendix: REPORT CONTENT INDEX](#) provides a detailed index of the main issues and indicators of the Guide, GRI Standards, and SASB Standards that we address in this report for quick reference.

## 2.3 Reporting Scope

This report is published on an annual basis and covers the period from January 1, 2023 to December 31, 2023 ("reporting period"). To enhance the comparability and completeness of the report, some content may include information from adjacent periods.

The general disclosures, material issues, financial KPIs and social KPIs in this report cover the same entities as those in the Company's [2023 Annual Report](#), excluding the associates and joint ventures of the Company. The businesses covered include property development<sup>1</sup>, commercial property operations<sup>2</sup> and other businesses<sup>3</sup> of COLI. The environmental KPIs disclosed cover the office premises, project sales centres, and employee canteens of the Company and the subsidiaries under our control of operations, excluding projects of COCP that had been in operation for less than 12 months during the year. The projects covered include 218 property development projects, 48 commercial property operations projects and 14 other businesses projects. If otherwise specified, the special statements regarding the scope of certain information shall prevail. The scoping of the report as described above is intended to accurately reflect the effectiveness of the implementation of ESG policies by the Company and our subsidiaries. The scope cover the same business segments as those in the Annual Report, so that users of the report can make a meaningful comparison and understanding of our ESG performance with our financial performance.

Amounts in this report are in RMB unless otherwise stated.

<sup>1</sup> Property development – property development and sales.

<sup>2</sup> Commercial property operations – property rentals, hotel and other commercial property operations.

<sup>3</sup> Other businesses – material procurement and supply chain management services, provision of construction and building design consultancy services and others.



## 2.4 Reporting Principles

This report follows the reporting principles of the [Guide](#), including:

- ▶ **Materiality:** With inputs from the materiality assessment, this report focuses on disclosing the issues that may have a significant impact on stakeholders and the business of COLI.
- ▶ **Quantitative:** This report provides quantitative information on KPIs and the standards, methods, assumptions and calculation tools used, together with explanations. These are intended to help users of the report evaluate and verify the performance of COLI's ESG policies and management system.
- ▶ **Balance:** This report is fact-based. Relying on reliable sources and statistical methods, this report discloses COLI's ESG performance comprehensively, avoiding expressions or presentation formats that may inappropriately influence the decisions or judgments of the report users.
- ▶ **Consistency:** Unless otherwise stated, the disclosure and statistical methods used in this report are consistent with prior years to ensure comparability of information.

Meanwhile, this report follows the reporting principles of the GRI Standards, including:

- ▶ **Accuracy:** Report information that is correct and sufficiently detailed to allow readers to assess COLI's impacts.
- ▶ **Balance:** Report information in an unbiased way and provide a fair representation of COLI's negative and positive impacts.
- ▶ **Clarity:** Present information in a way that is accessible and understandable.
- ▶ **Comparability:** Select, compile, and report information in a reasonable manner to enable readers to analyse the changes in COLI's impacts over time and to analyse these impacts relative to those of other organisations.
- ▶ **Completeness:** Provide reasonable and sufficient information to enable readers to assess COLI's impacts during the reporting period.
- ▶ **Sustainability context:** Report information about COLI's impacts in the wider context of sustainability.
- ▶ **Timeliness:** Publish ESG report annually and make it available in time for readers to make decisions.
- ▶ **Verifiability:** Gather, record, compile, and analyse information in such a way that the information can be examined to establish its quality.

## 2.5 Data Sources

All data and materials in this report are derived from the Company's official documents, statistical reports, third-party survey results, etc. The Board of COLI is committed to monitoring the report content and ensuring that it does not contain false records, misleading statements or material omissions, and is responsible for the truthfulness, accuracy and completeness of its content.








This report was approved by the Board for publication on March 28, 2024.

## 2.6 Accessing the Report

The electronic version of this report is available for reading and downloading on the Company's website ([www.coli688.com/csr/csr-reports/](http://www.coli688.com/csr/csr-reports/), [www.coli.com.hk/esg/report/](http://www.coli.com.hk/esg/report/)) or the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)). This report has been prepared in traditional Chinese and English versions for readers' reference. Should there be any inconsistency between the traditional Chinese and English versions, the traditional Chinese version shall prevail.

### Contact us

COLI believes that valuable opinions of stakeholders will facilitate our continuous improvement. If you have any suggestions or enquiries on this report's content or our sustainable development work, please contact the Company's Corporate Communications Department through the following means:

-  Address: 10/F, Three Pacific Place, 1 Queen's Road East, Hong Kong
-  Tel: 852-2988 0666 /0755-8282 6666
-  E-mail: [coli\\_esg@cohl.com](mailto:coli_esg@cohl.com)
-  Official website: [www.coli.com.hk](http://www.coli.com.hk)
-  Brand website: [www.coli688.com](http://www.coli688.com)
-  WeChat account: COLI\_688
-  LinkedIn: China Overseas Land & Investment Ltd.



## Feature on Responsibility: Steady Progress for a Brighter Shared Future

Every individual's pursuit of living is a vivid embodiment of people's longing for a better life. Today, great efforts are being made across China to build cities into high-quality living spaces that are more suitable for working, living, leisure, and tourism. After more than 30 years of development, China's real estate market has created historic opportunities for urban growth while preserving unique life memories for individuals. Nowadays, people have higher expectations for urban life, yearning to live in an environment that is more diverse, healthier, safer, and closer to nature. As a witness and participant in this journey, COLI has left its mark across China, and has always been devoted to building classical Chinese architecture, aligning with core Chinese values. By innovating and revitalising Chinese living standards, COLI creates the product credibility that is deeply rooted in the hearts and minds of the community.



"Good Products, Good Services, Good Effectiveness, Good Citizen" is the business philosophy that COLI has been insisting on for more than 40 years, which is not only our unwavering commitment to sustainable development but also the cornerstone of building a "trustworthy" reputation in the industry. As one of the most experienced real estate developers in China, COLI has over 40 years of development history and has been listed for over 30 years. Along the way, we have stayed true to our mission of "We Manage Happiness" and kept our original commitment intact. Amidst the ups and downs of the industry, we have made concrete efforts, led the trend, and marched firmly ahead on the path of sustainability.

Enriching a Better Life

Unleashing Endless Possibilities for a Better Life

## Good Products: Creating Enjoyable Space



Vision

Adhere to the principle of "Each and Every Detail of Each and Every Project" to create new communities integrating functional, healthy and humanistic elements based on modern living and working patterns

Striving for each project to manifest the spirit of "Integrity and Excellence for Eternal Quality", COLI focuses on creating classic buildings of the highest quality to embody contemporary happy life. Over the years, we have developed and launched five generations of boutique premium residences featuring "Enjoyable Space, Smart Connectivity, Green Technology, and Healthy Living+", which have earned us a good reputation for "Craftsmanship" in the industry.

58

Tien-yow Jeme Civil Engineering Prizes  
Excellent Residential District

18

International Property Awards

8

China Construction  
Engineering Luban Prizes

## Quality Construction

As a pioneer and leader in residential development in China, COLI meticulously crafts each high-end boutique project, with the principle of "Each and Every Detail of Each and Every Project".

### COLI · One Sino Residences – Building Exemplary Residences with Craftsmanship

COLI · One Sino Residences, a modern-style high-rise flat, is a top luxury residence in the inner city of Beijing joint built by COLI and three world-renowned design firms, namely AECOM (San Francisco), CCD (Hong Kong) and HZS (the USA). COLI demonstrates the utmost precision and craftsmanship in the One Sino Residences project:

- Conduct hundreds of ground splicing experiments to achieve precise enclosures of aluminum panels;
- Overcome traditional technological constraints for meticulous polishing of double-sided marble textures;
- Replace thick walls with extensive glass curtain walls so that the discreetly framed slender lines give the design a sense of lightness and ethereality.

As a strong testament to COLI's artisan spirit, these exquisite and unique techniques and designs enable static buildings to have different appearances with the seasons and day-night cycles. As such, residents can experience the comfort of a finely crafted living environment.



COLI · One Sino Residences



## Integration of Nature and Culture

Safety, green, health, and comfort are COLI's vision and mission to create outstanding buildings. With superb technology and a nature-friendly design philosophy, COLI is dedicated to creating a beautiful living space where humans and the environment can coexist in harmony.

### COLI · Time Villa and Renaissance Mansion – Creating the Beauty of Nature and Humanity

With respect for nature, "Good Products" can contribute to creating a relaxed and comfortable lifestyle in the city.

- In Beijing, COLI has upgraded its Time Villa project, blending traditional oriental aesthetics with international design concepts in the exclusive international gardens. Through three artistic techniques, the Company aims to create a comfortable experience of being "immersed in nature" and "playing in the sun", balancing ecology and art, and creating an aesthetic harmony between humanity and nature.
- In Ningbo, Zhejiang Province, the Renaissance Mansion project, leveraging its riverside geographical advantages, introduces elements of the river, exploring the relationship between architecture and space. While creating a unique ambiance of watching the tides and waves, the project reflects the essence of human-oriented living and achieves intimate interaction between nature and human beings.



COLI · Time Villa

### COLI · Kimpton Bamboo Grove Suzhou – Reviving Classical Beauty of Nature

The cultural and natural charm of cities is the inspiration for COLI to create "Good Products". In the renovation project of COLI · Kimpton Bamboo Grove Suzhou located in the heart of Suzhou's Gusu District, COLI draws inspiration from Suzhou gardens and recreates the elegant gatherings of the Wumen Painting School of seven hundred years ago.

The Kimpton Bamboo Grove Suzhou renovation project, integrating natural landscapes with contemporary living, has received several awards, including the Excellent Survey and Design First Prize in Suzhou, Gold Award of the Muse Creative Awards, and Silver Award of the ADA International Design Competition, as well as other 20-odd awards in the hotel industry.



Renovation Project of COLI · Kimpton Bamboo Grove Suzhou

## Smart Living

COLI makes active efforts to promote the industry to be "green, healthy, intelligent and industrialised". Using innovative and intelligent means, we aim to enhance product quality and homeowners' living experience and design a healthy lifestyle with technology.

### COLI · Time River – Integrating Intelligence and Technology into Comfortable Living

In comparison to traditional construction techniques, the use of modern intelligent technology is crucial to ensuring residential quality. In the Time River project, while using traditional techniques for the architectural skeleton, COLI innovatively integrates advanced intelligence to shape the building mechanism. By installing an intelligent control system and a three-dimensional silent system for "constant temperature, humidity, and oxygen", the Company provides owners with a healthier and warmer living environment.



COLI · Time River

## Good Services: Full-cycle Customer Service Philosophy



Vision

Continuously improve customer satisfaction and strive to become the industry leader in customer relationship management

Throughout its growth alongside cities, COLI has remained customer-oriented. From 6 dimensions of "quality, health, safety, comfort, convenience, and social engagement", we aim to create beautiful living spaces and deliver a better life for our owners. With a philosophy of excellent service and refined design, we seek to cultivate harmonious relationships within neighbourhoods and families, so as to foster a better, harmonious, and convenient community.





## Creating Harmonious Communities

### Building Intimate Relationships among People

Customer-oriented, COLI is dedicated to creating neighbourhoods with warmth and a sense of happiness, balancing healthy and inclusive living. We aim to create public space that meets residents' needs for living and socialising, thereby facilitating connections among people.

- In the commercial collaboration on COLI · Canal (Hangzhou) with COUPE, COLI integrates food markets, sports and fitness facilities, cultural activity stations, elderly care services, and health service stations, adding vibrancy and warmth to urban life.
- COLI equips Jade Lane (Jinan) with a dedicated fitness club spanning approximately 600 square metres, featuring spaces like gyms, yoga areas, a reading lounge, and shower facilities, which ensures that owners can enjoy both active pursuits from running and sports and moments of tranquility from yoga.
- In COLI · The U World (Wuhan), innovative spaces like meeting rooms and fitness areas are crafted on the stilt floor. Additionally, this project includes barrier-free pathways and corridors, creating a "wandering park" for convenient social interactions.



COLI · Canal (Hangzhou)



COLI · Jade Lane (Jinan)



The U World (Wuhan)

## Shared Services for All Ages

### COLI · Cloud Club – Creating an All-Age-Friendly Community

All communities of COLI are designed for every family. With fitness rooms, after-school classrooms, children's theaters, and senior activity centres on the stilt floor, the project promotes a truly age-friendly environment. In the outdoor space, the project is equipped with a flight-themed "Children's Paradise" and a playground sandbox, providing children with ample opportunities for play and enjoyment. Additionally, the entire community adopts a design philosophy of no-steps, barrier-free accessibility. Apart from having a washbasin in the entrance hall of each unit, the community has also planned parking spaces for children's vehicles, truly achieving all-age friendliness.



COLI · Cloud Club (Hangzhou)

## Flexible Space Layout

### COLI · Private Mansion (Xi'an) – Planning Full Lifecycle Apartment Layout for Owners

Considering that homeowners' spatial functional needs will vary with changes in family life, COLI endeavors to explore and plan "growable housing spaces". In the Private Mansion Project, COLI plans full lifecycle apartment layouts from the actual needs of customers. Specifically tailored to the varying needs of children's learning and growth, the apartments are designed as adaptable spaces. In this way, parents can create comfortable and free learning environments for their children at home. The variety of layouts also offers homeowners more possibilities in their daily lives.



COLI · Private Mansion (Xi'an)



# Good Citizen: People and Environment in Symbiotic Harmony



Prioritise environmental and social benefits in product design, services offering, and business management to support sustainable development and address climate change challenges at a national and societal level.

As a responsible corporate citizen, COLI has demonstrated its responsibility as a state-owned enterprise with practical actions, contributing tremendous strength to social welfare and rural revitalisation. In the face of the national trend of sustainable development, COLI actively fulfills its social responsibilities, making significant contributions to the development of China's green and low-carbon economy. In the future, COLI will shoulder the responsibility to respond to the challenges of sustainable development and climate change.

|   |  |  |
|---|--|--|
| <p><b>Green Building Innovation</b></p> <p>Widely apply green and low-carbon technologies to create "zero-carbon buildings" for green, healthy, smart, and high-tech residential and commercial spaces</p> <p>Cumulative area of green building certification reached</p> <p><b>110 million square metres</b></p> | <p><b>Rural Revitalisation</b></p> <p>Through the "Sea of Hope" poverty alleviation scheme to support the development of distinctive agricultural product brands in Shanxi, Chongqing, Gansu, etc., to promote rural revitalisation</p> <p>Products sold to</p> <p><b>90+ cities</b></p> | <p><b>Dream Education</b></p> <p>Donates money to build schools with top-notch hardware and software facilities in China</p> <p>The number of Chnia Overseas Hope Primary Schools donated was</p> <p><b>16</b></p> |
| <p><b>Disaster Relief and Reconstruction</b></p> <p>Actively involved in relief efforts for disasters such as earthquakes, super typhoons, and floods</p> <p>Cumulative donations of</p> <p><b>RMB200 million</b></p>   | <p><b>Decarbonisation Planning</b></p> <p>Practice the national strategy by incorporating "peak carbon and carbon neutrality" into the overall development plan</p> <p><b>Achieve carbon neutrality by 2060</b></p>  | <p><b>Green Procurement</b></p> <p>Purchase building materials with energy-saving, low-emission, safe, convenient, and recyclable characteristics</p> <p>Certified green supplier of</p> <p><b>100%</b></p>        |

"Good Citizen" COLI's Efforts in Tune with the Trend of the Times

## Carbon Neutrality White Paper – Leading "Green" Development

In November 2023, COLI, as a carbon neutrality pioneer, issued the inaugural Carbon Neutrality White Paper. In alignment with global energy transition trends, national planning, industry trends, and the in-depth study of carbon emissions in COLI, the Company pledges to achieve carbon neutrality by 2060. Therefore, COLI develops a phased carbon reduction plan based on the three core directions of "full-process carbon reduction, leading demonstration, and promoting development."

In green building practices, COLI remains focused on creating sustainability benchmark projects. By December 31, 2023, we had 636 green building certification projects covering an area exceeding 100 million square metres. Among them, the Beijing COLI Financial Centre passed the evaluation by an expert panel this September, which is the first zero-carbon commercial office building in Beijing, achieving energy-saving and carbon reduction throughout the entire construction process. This project provides technical integration, innovation, and application demonstrations for promoting nearly zero-emission buildings (NZEB), zero-carbon buildings, and PEDF in cold regions.

In the future, we will make greater efforts to advance the low-carbon development of ourselves and our industry value chain, striving to achieve a qualitative transformation in economic development.



Carbon Neutrality White Paper

## COLI · Hanyangshu Park – Protecting Cultural "Foundation" to Create a City-Card of Wuhan

In product development, COLI places great emphasis on the preservation of urban history and cultural characteristics.

In August 2023, Hanyangshu Park in Wuhan, a landmark urban history "museum" created by us, was officially opened. During the park's construction, based on the concept of "the river of time reshaping the memory of time and space" and the principle of "minimal excavation", we protected the more than 540-year-old Hanyang tree, showcasing the Hanyang tree and surrounding cultural relics "hidden" in the city to the general public. As such, we have created an urban cultural business card of Wuhan to the world that can continue to witness the next generation.



Hanyangshu Park in Wuhan



## Love in COLI, Walking Together with Guizhou – Helping Farmers Increase Income

COLI's public welfare activities, such as the "Love in COLI, Walking Together with Guizhou" plan, have entered the mountains and fields from Yunnan and Guizhou provinces, leaving behind footprints of kindness.

In August 2023, we went into Lumaotang Village in Guizhou's Gui'an New District and had in-depth conversations with local crystal grape growers. Not only did we personally procure on site, but we also successfully mobilised over 200 homeowners to purchase the delicious crystal grapes.

In September, we once again visited Guizhou's Xiuwen County to boost the sales of kiwi fruits and organised owner representatives to visit Fangmaping Village for on-the-ground purchases. By doing so, we created more sales opportunities and income sources for local farmers.

With fruitful results from public welfare activities, we will continue our efforts in this regard. In October 2023, COLI, together with homeowners and partners, went to Moyang Village in Guiyang to learn about the unique features and advantages of the dragon fruit industry. We enjoyed the picturesque rural scenery there and picked and transported fresh dragon fruits to aid in agricultural sales with sincerity.



Visits to Guizhou's Xiuwen County to Boost the Sales of Kiwi Fruits

## Good Effectiveness: Creating Shared Value



Vision

Expand internal and external collaboration, promote value creation capabilities, and accelerate sustainable development by integrating current societal needs with the Company's competitive advantages.

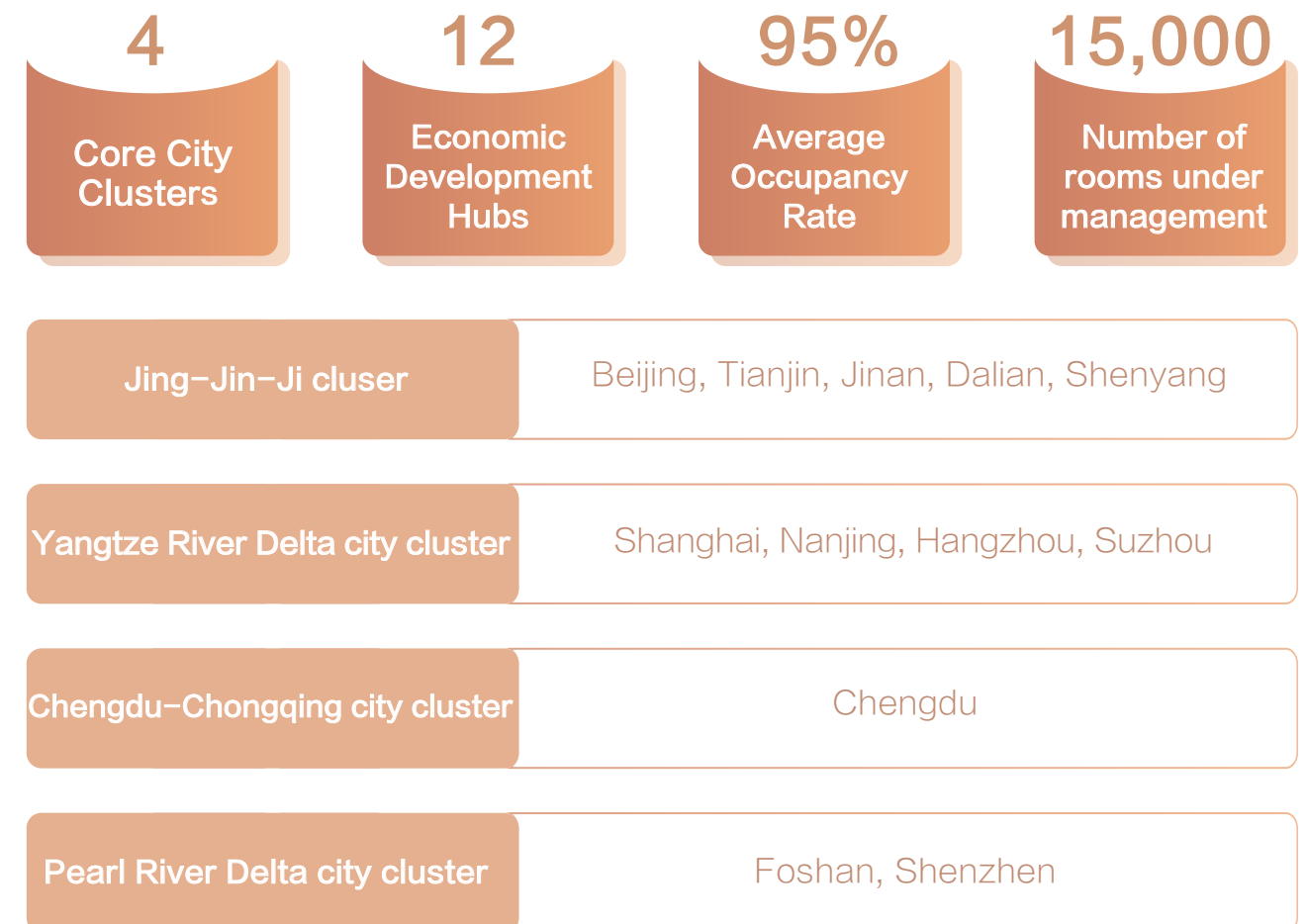
In the real estate market over the past decade, COLI has been able to ride the wave during the peaks and maintain steady growth during downturns, consistently demonstrating growth. With excellent corporate management and operational capabilities, COLI has smoothed out significant market fluctuations and achieved steady growth and outstanding performance. To this end, we have been regarded as a benchmark in the industry for stable development.

In 2023, facing deep industry adjustments, COLI surged ahead, with contracted property sales in 2023 exceeding RMB 309 billion, with a year-on-year increase of 5.1%. COLI's annual investment in land acquisition exceeded RMB 100 billion, maintaining one of the industry's most stable financial positions and abundant cash reserves, and continuing to maintain its "green qualification".

## Trustworthy

While achieving steady development and effective asset management, COLI's long-term leased apartments further consolidate the advantage of asset management efficiency around "Good Products" and "Good Services", realising long-term quality rental guarantees and valuable space creation. As of December 31, 2023, COLI's long-term leased departments have more than twenty core assets and benchmark projects in operation, with an average occupancy rate of over 95% for projects open for more than a year. We have cooperated with over 270 well-known enterprises and our operational performance continues to improve. Besides, we actively participate in and practice social responsibility as a central enterprise in an era of people-oriented new urbanisation, having thus formed our business characteristics and operational highlights.

### Nationwide Distribution of COLI's Long-Term Leased Apartments



Also, COLI's long-term leased apartments continue to deepen the overall management capabilities of professional rental housing. With steady operational performance, finely crafted products, and a professional brand image, we have won industry awards such as "Top 10 Comprehensive Strength in China's Housing Rental Enterprises", "Top 5 Service Apartments in China", "Top 5 High-end Service Apartments in China", "MBI Commercial Value Brand", and "Low-carbon Practice Model Enterprise" within the year, gaining extensive recognition from the industry and the market.



## Pursuing Common Development

On the journey ahead, COLI hopes to make greater achievements with its partners. Having driven over 15,000 upstream and downstream enterprises to develop together, COLI is committed to becoming a good partner in building a healthy ecosystem for the real estate industry.

### Annual Signing Ceremony with Strategic Suppliers - Working Together for a Brighter Future

In October 2023, the annual signing ceremony for strategic cooperation arrived as scheduled, with 28 suppliers participating this year. COLI celebrated together with both new and old friends joining the ranks of strategic partners.

We always maintain a healthy interaction with our partners, continuously improve our quality management system, optimise interface management and decision-making, and construction rhythm to improve quality and efficiency, hoping that all partners can keep pace. Facing a period of deep industry adjustment, COLI has achieved steady and high-quality development. With annual investment efforts and the goal of deep cooperation with strategic partners remaining unchanged, we hope that all partners will travel the same path with us.



COLI Strategic Cooperation Signing Ceremony in 2023



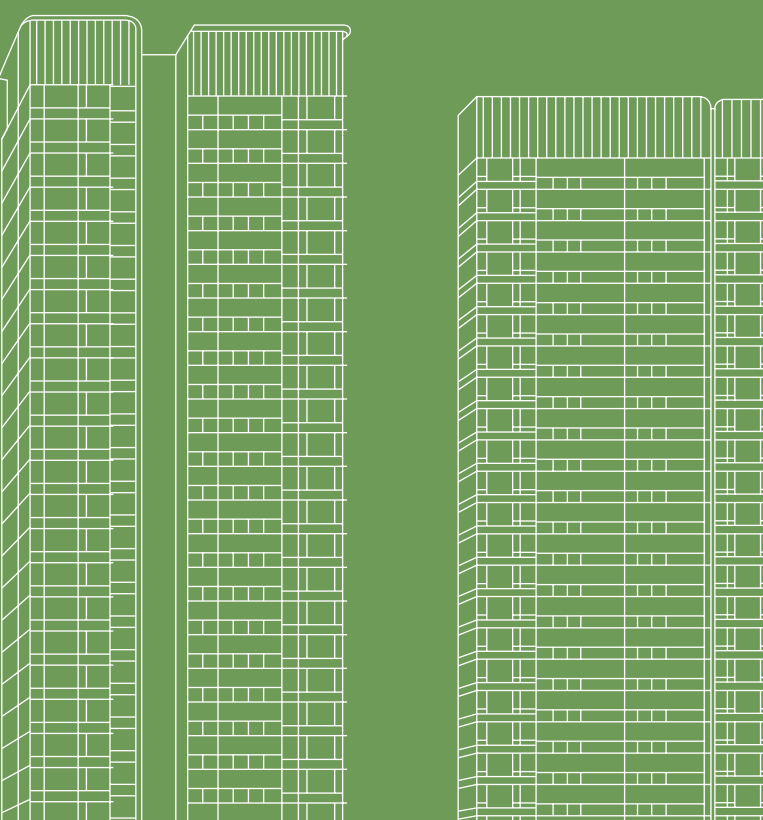
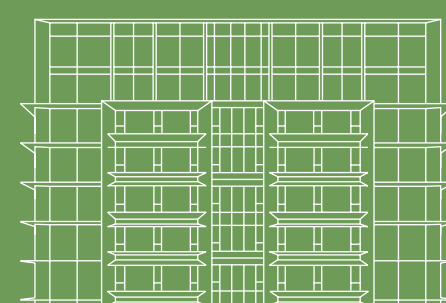
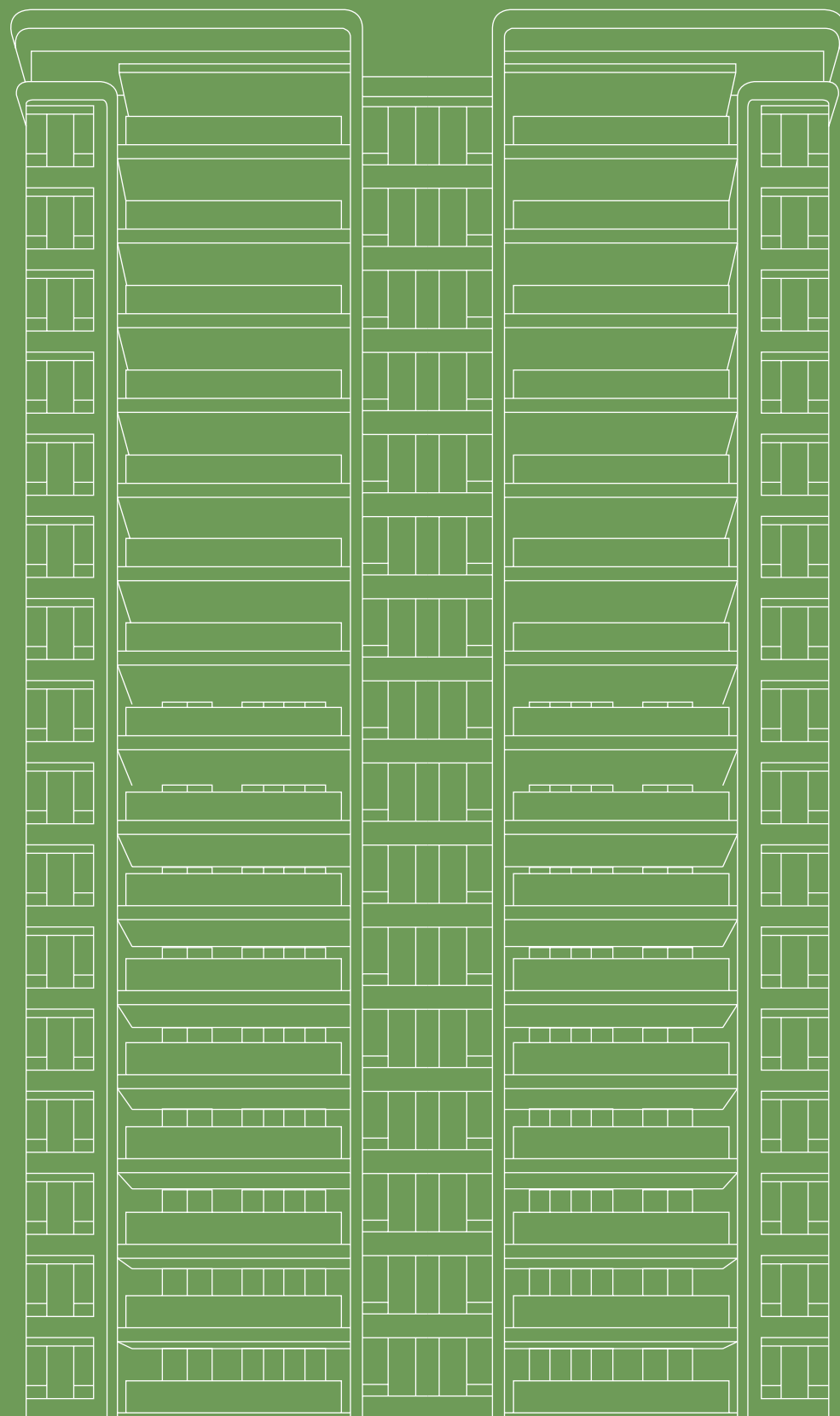


# 03

## Leading the Trend to Create Excellent Results

Adhering to the mission of managing happiness, COLI has grown into a pioneer and leader of China's real estate industry in the capital market and an example of the stable, constant and high-quality development of China's real estate by keeping to the strategies, robust operations and long-term success. In the future, COLI will endeavour to uphold the support of governments, the trust of customers as well as the devotion of employees and partners to lead the industry towards excellence.

GRI Standards  
2-1, 2-6

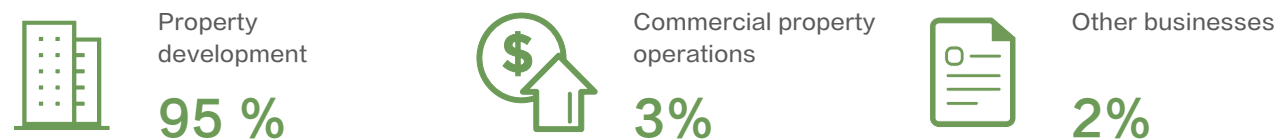


## 3.1 Business Strength

China Overseas Land & Investment Limited is a member of China State Construction Engineering Corporation. The Company was founded in Hong Kong in 1979, listed on The Stock Exchange of Hong Kong Limited in 1992, and selected as one of the Hang Seng Index Constituents in 2007. The Company has over 40 years of real estate development and property operation management experience, developing business in Hong Kong, Macau and over 80 cities in Chinese Mainland, as well as in countries and regions such as the UK, Australia and Singapore.

As the largest single-ownership office developer and operator in Chinese Mainland, we are capable of leading the industry in design, development, construction, operation and property services. Hua Yi, a wholly-owned subsidiary of us, ranked as one of the top 100 design institutes in China. Another subsidiary, China State Grand Wealth, has obtained the special-grade qualification as main contractor for construction. With decades of progress, we have established a business structure comprising property development business, commercial property operations business and other businesses to enrich the scenarios of good living.

### Revenue Breakdown of the Three Major Businesses of COLI in 2023



### 3.1.1 Property Development

Back in the early 1980s, COLI entered the residential development business in Hong Kong and was a pioneer as well as a leader in the real estate industry in Chinese Mainland. Since establishment, we have been customer-centric, focusing on and gaining insights into the customer experience, and continuing to develop excellent products and maintain delivery capabilities. We have developed and launched five generations of exquisite residences and have accumulated more than 1,900 development projects in Chinese Mainland, Hong Kong, Macau, Sydney and Singapore. The completed development and construction area has exceeded 200 million square metres, which has earned us the industrial reputation of high standard and reliable quality.

In order to cater for the demands of customer groups in the new era, we take green health, intellectualisation and industrialisation as the three major directions, continue to strengthen product innovation by meeting customers' needs and digitally empowering them, with a focus on "green and low-carbon" and "smart health". We develop differentiated product competitiveness and deliver high-quality products. In close partnership with technological companies including Huawei, we maintained our leading position in the development and application of smart communities and smart homes, building the world's first 5G community, ZhenRu Mansion, in Shanghai; we participated in compiling several national construction standards such as "Smart Community Construction Code", "Smart Building Design Standard" and "Technical Standard for Zero Carbon Buildings".

In line with the development trend of residential industrialisation, we actively promote the construction of prefabricated residential and the practice of residential industrialisation. Together with China State Hailong Construction Technology

Company Limited, also known as "National Housing Industrialisation Base" and "National High-tech Enterprise", we develop and construct over one million square metres of prefabricated residential projects in Hong Kong, Macau, and Chinese Mainland.

### 3.1.2 Commercial Property Operations

COLI is deeply involved in promoting urbanisation in China and constructing a comprehensive urban operational ecology. We are dedicated to the establishment of an integrated urban operation and service platform with office buildings and shopping malls as its core, and long-term leased apartments, hotels, logistics and industrial parks, and more as other elements. The Group consistently adheres to international asset management standards to create value for cities.

We are committed to meet people's longing for a better life by improving urban functions and the quality of cities. As the largest single-ownership office developer and operator in China, we own and operate 80 Grade A office buildings & OfficeZIP flexible offices (including 15 asset-light buildings) with an operating total gross floor area of 6.32 million square metres (including 760,000 square metres of asset-light buildings). In addition, we invest and operate 31 shopping malls, 14 star-rated hotels and brand long-term leased apartments in cities such as Beijing, Shanghai, Shenzhen, and Hangzhou.

We keep exploring new economies, developing industrial parks and logistics properties and building environmentally-friendly, green and low-carbon parks. We already operate and manage logistics parks of over 400,000 square metres in Tianjin and Hefei, and collaborate with local governments and research institutes to build featured service platforms to continuously improve the quality of the parks.

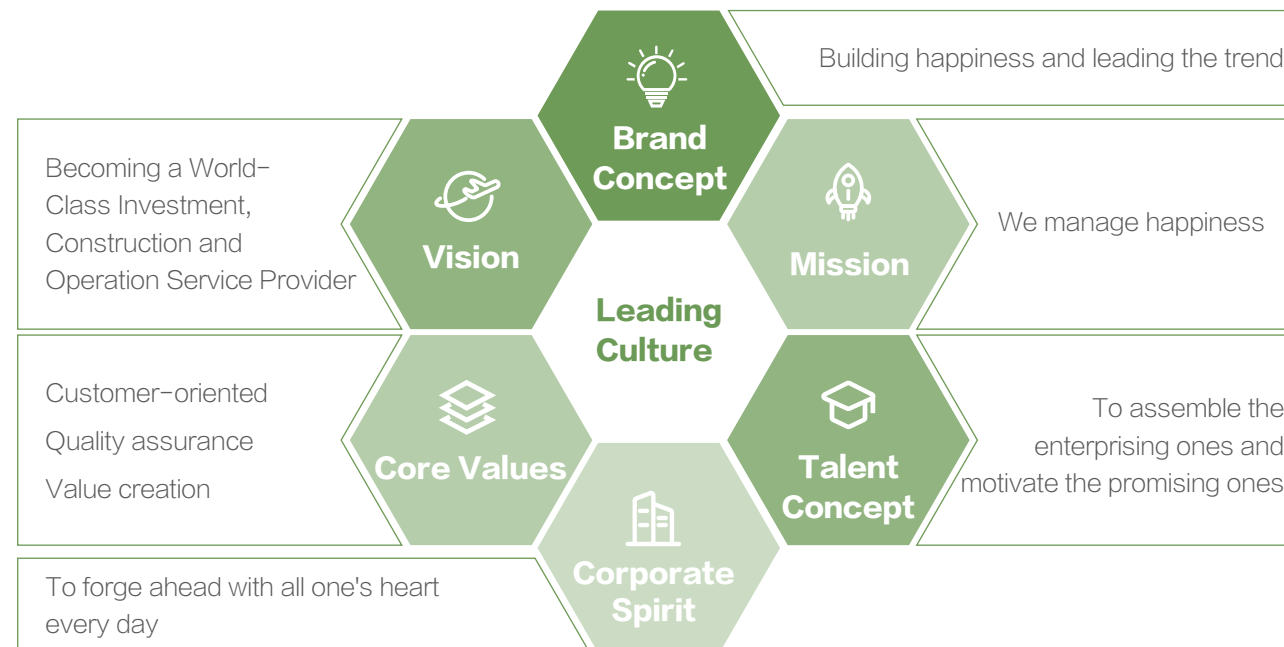
### 3.1.3 Other Businesses

Based on our more than 40 years of profound experience in the supply chain management of finishing building materials, Lingchao Supply Chain Management Company has spared no effort in continuous innovation in building materials supply chain management, and has built the largest, top-tier B2B public online trading platform for manufacturers in the building materials industry. Through a self-operated model, it has established an open and transparent, high-quality and affordable, credit-healthy, convenient and highly efficient building materials supply chain trading ecosystem.

We proactively develop architectural planning and designing businesses. Hua Yi, COLI's subsidiary, is a "National High-tech Enterprise" which attained "Grade A Architectural Design Qualification" and "Grade A Urban Planning Qualification", ranking as one of the top 100 design institutes in China. Hua Yi has attained good industrial reputation with professional and excellent designing and strives to expand the design market in the Guangdong-Hong Kong-Macau Greater Bay Area, facilitating the integrated development of Shenzhen and Hong Kong.

With strong resource allocation capabilities, we proactively participate in the senior living and elderly care business. We focus on the development of senior living and elderly care communities and associated operations, innovate a new Chinese-style senior living, build a China Overseas Jinnian 101 elderly care service system, to provide a premium service centred on senior living and elderly care institutions and extend its services to neighbouring communities and homes. We continue to enhance our operational capabilities and actively promote asset expansion. We have planned and constructed a number of senior care projects in Jinan, Tianjin, Qingdao, Wuxi and Beijing. In terms of asset-light management services, we continued to expand the senior living and elderly care complex projects at Hejia Building in Wuxi and the Guoshou Jiayuan, senior care community project in Xiamen, and ported its pre-planning consultancy and design consultancy services to its partners.

## 3.2 Value System



## 3.3 Ratings and Honours

COLI has been firmly adhering to its "Four Excellences" philosophy. We have maintained favourable investment grade credit ratings and sustainability performance ratings and obtained a number of industry awards and recognition with excellent products and services, leading performance and open market communication in all aspects.

As of December 31, 2023, three major international rating agencies have assigned COLI the highest credit rating in China's real estate industry.

· Fitch A-

· S&P Global BBB+

· United Rating AAA

· In terms of our performance in sustainability management, we are also highly recognised by international authorities and major ESG rating organisations in China.

· Constituent of the FTSE4Good Index (for 7 consecutive years)

· Hang Seng Corporate Sustainability Index Series (for 14 consecutive years)

· Constituent of the Hang Seng ESG 50 Index (for 4 consecutive years), Sustainability Index Rating A

· London Stock Exchange Group (LSEG, formerly known as Refinitiv) ESG score ranked No.1 out of 502 property companies worldwide

· Sustainalytics Lowest Risk among China's property companies

· Global Real Estate Sustainability Benchmark (GRESB) upgraded to 3-star level

· MSCI ESG rating remains BBB

· Leading in the Chinese Mainland in terms of the S&P Global Corporate Sustainability Assessment (CSA)

· Quantdata AA

· Wind ESG AA

· SynTao Green Finance A-



We were recognised by the authoritative financial magazine *Institutional Investor* as the "Most Honoured Company" in the Asia-Pacific property sector and was ranked TOP 3 in six categories, including "Best CEO", "Best CFO", "Best Investor Relations Company", "Best Investor Relations Program", "Best Environmental, Social, and Governance" and the newly added "Best Board of Directors" in 2023.



COLI has been recognised as a "Valued Sustainable Blue Chip" for 20 consecutive years



COLI ranked the first out of the 2023 Top 500 China Real Estate Developers



COLI ranked No.1 in Top 30 Listed China Real Estate Companies of Excellence 2023 (Property G30+) by *Guandian*

## Major Awards and Honours Received in 2023

- Leading Brand of China's Real Estate Industry (for 20 consecutive years)
- Caring Company Logo (for 15 consecutive years)
- Guandian Index Academy Top 10 Excellent ESG Performance of Real Estate Companies (for 3 consecutive years)
- Hang Seng University of Hong Kong 12th Junzi Corporation Award (for 2 consecutive years)
- 2023 Guandian Index Academy Investment Value of Real Estate Enterprises
- 2023 Guandian Index Academy Influential Property Developers
- 2023 Guandian Index Academy Influential Companies for ESG Development
- 2023 BCI Asia Awards - Hong Kong Top 10 Developer
- Outstanding IR Team of the Year (Large Market Cap) at the "Jinge Award"
- Ranking first in the Industry in Terms of China Real Estate Developers Brand Value in 2023, with a brand value of RMB140 billion
- 2023 Top 50 China's State-owned Real Estate Developers (Ranking No.1)
- 2023 Top 10 of Performance of China Real Estate Developers (Ranking No.1)
- 2023 Top 10 Real Estate Development Enterprises regarding Robust Operations (Ranking No.1)
- 2023 Top 10 Comprehensive Decoration Enterprises in China (Ranking No.1)
- 2023 Outstanding Brand of Product Competitiveness
- 2023 Real Estate Enterprise with Excellent Products
- 2023 Industry's Top 3 regarding Customer Satisfaction
- 2023 Top 3 of Service Capacity of Chinese Real Estate Enterprises
- 2023 China Leading Real Estate Brands regarding Customer Satisfaction
- 2023 Enterprises with Leading Delivery Capabilities
- 2023 Top 10 China Real Estate Enterprises with Excellent Delivery Capabilities
- 2023 Top 50 of Service Capacity of Chinese Real Estate Enterprises
- 2023 Top 20 Digital China Real Estate Enterprises
- 2023 Top 30 Enterprises Included in China Green and Low Carbon Real Estate Index (Ranking No.1)
- 2023 Top 10 State-owned Enterprises Included in China Green Low Carbon Real Estate Index (Ranking No.1)
- 2023 Top 10 Green and Low-carbon Real Estate Developers (Commercial) in China
- 2023 Top 10 Green and Low-carbon Real Estate Developers (Operation) in China
- 2023 Top 10 Green and Low-carbon Real Estate Developers (Residential) in China (Ranking No.2)
- 2023 Top 10 Green and Low-carbon Properties in China
- 2023 Top 3 in the Real Estate Construction Industry in "Carbon Rating Report of China's 100 Overseas Listed Companies"
- 2023 Top 10 Enterprises of Prefabricated Building in China
- 2023 GBA The CRECCHKI Real Estate ESG Outstanding Performance Silver Award (Green Building)
- 2023 GBA The CRECCHKI Real Estate ESG Outstanding Performance Bronze Award (Green Design)
- 2023 GoldenBee CSR China - ESG Competitiveness · Carbon Peak & Neutrality Pioneer Award
- 2023 Award for Enterprises Contributing to Revitalisation
- 2023 China Exemplary Enterprises in Rural Revitalisation
- 2023 Forbes China ESG Innovative Enterprise
- 2023 Forbes China Inspiration Case of the Year
- 2023 Bloomberg Businessweek (Chinese Edition) ESG Leading Enterprise
- The 14th Securities Times Pegasus Award for Investor Relations of Hong Kong Listed Companies
- 2023 "ESG Pioneer 60" Award of Corporate Governance of the Year
- 2023 Selected Cases of High-Quality Development of State-owned Enterprises
- 2023 China Sustainability Tribune GoldenKey · SDG Forerunner
- 2023 The Asset ESG Corporate Awards-Platinum Award
- 2023 China Property of Supreme Excellence Award
- 2023 Corporate Governance and ESG Excellence Awards Honourable Mention for ESG Excellence
- The 8th Hong Kong Business Sustainability Index - Achiever

## 3.4 Highlights of the Year

### Good Products

#### Our Inputs

All major operations acquired **ISO 9001 : 2015**

Quality training coverage for employees and major suppliers (including contractors) **100%**

Cumulative number of patents on green building technologies **99**

Coverage of new office tenants signing up the COOC Green Leasing Cooperation Plan **100%**

### Good Services

Responsible marketing training coverage for different levels of marketing personnel and suppliers **100%**

Customer data centres cover business location **100%**

Published **COLI Ten Criteria for Good Customer Services**

#### Our Values

Contracted property sales area (million square metres) **13.36**

Percentage of projects with third-party quality and safety assessment grade B and above **> 85%**

Number of quality and safety honours and awards received **70**

On-time delivery rate **100%**

Cumulative proportion of certified green building area **74%**

Customer satisfaction score (industry quartile) **95**

Customer satisfaction of top 20 real estate enterprises by sales **TOP3**

Repair service satisfaction score (industry quartile) **95**

Customer data centre satisfaction score **98%**

Number of complaints on customer privacy issues **0**

### Good Effectiveness

Equity attributable to shareholders (RMB billion) **373**

Net assets (RMB billion) **392.9**

Land reserve (million square metres) **54.03**

Completion area ( million square metres ) **16.43**

Employee costs ( RMB billion ) **2.5**

Revenue (RMB billion) **202.5**

Operating profit ( RMB billion ) **40.5**

Gross margin **20.3%**

Net profit margin attributable to shareholders **12.6%**

Average training hours per employee **89**

### Good Citizen

China Overseas headquarters, Lingchao Supply Chain Management Company and all commercial projects obtained **ISO 14001**

Coverage of environmental risk and impact assessment for newly acquired sites **100%**

Commitment to reduce  $\geq$  **30%** Scope 1 and 2 carbon emissions intensity per unit area by 2030 (2019 baseline year)

Proportion of suppliers adopting green procurement standards **65%**

Several projects adopt renewable energy, and the utilisation ratio of renewable energy reached **68%**

Cumulative donations (RMB million) **> 200**

Accumulation of indemnificatory housing construction and completion (million square metres) **13.69**

2018 to date, the cumulative consumption support of nation's various types of agricultural products (RMB million) **> 25**

Cumulative donations for the construction of China Overseas Hope Primary Schools (number of schools) **16**

## Taking Responsibility to Achieve Sustainable Development

Know responsibility in the heart, fulfill responsibility in the action. Adhering to the mission of "We manage happiness", China Overseas works hard to reinforce management with sound governance, sticks to the people-oriented principle for creating a happy society, and leads in green development for ecological conservation. We have always shouldered the responsibility as a state-owned enterprise, and continuously enhanced our capability in creating comprehensive value for the economy, society and environment, writing a new chapter in the era of sustainable development.

Targets and indicators responded in this chapter  
UN SDGs



Guide  
Governance structure 13

GRI Standards  
2-12, 2-13, 2-14, 2-16, 2-17, 2-18  
2-22, 2-26, 2-29, 3-1, 3-2, 3-3

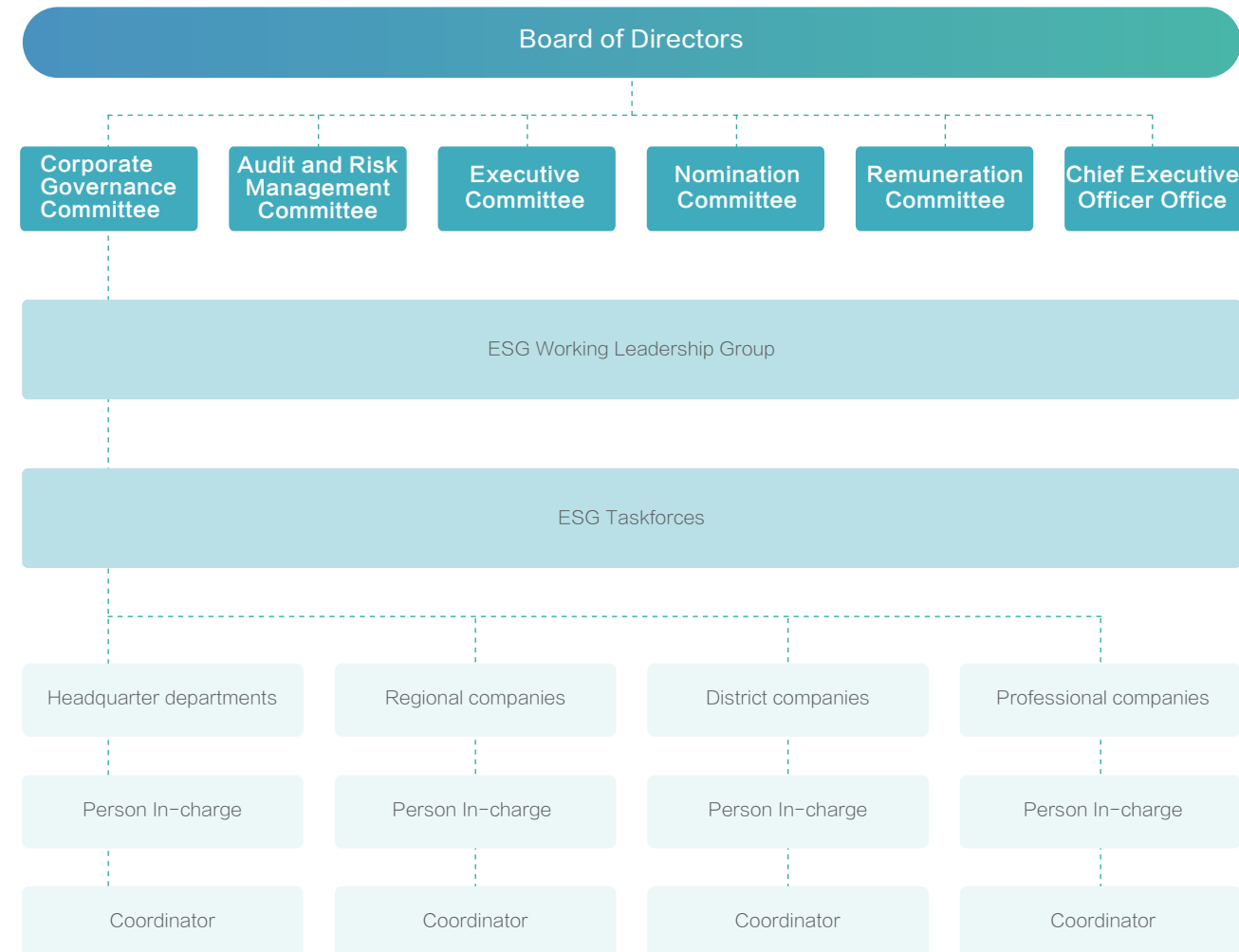




## 4.1 Board Statement

COLI is devoted to leading excellent management practices with a sound management structure, thus becoming a faithful forerunner and practitioner in sustainable development. The Board of Directors of COLI is responsible for maintaining effective corporate governance and overseeing ESG matters. At the Board level, the Corporate Governance Committee is responsible for setting long-term direction and strategy on ESG matters, identifying ESG risks, reviewing the latest progress on ESG targets at least twice a year, and reviewing and monitoring the management's implementation of ESG initiatives. To support the work of the Corporate Governance Committee, we have set up ESG Working Leadership and ESG Taskforce to implement the Measures for Environment, Social and Governance Management. The roles and responsibilities of ESG matters and the reporting mechanism are clearly defined to further enhance the effectiveness of management.

### COLI's Sustainability Management Structure



#### Board of Directors

- To take overall responsibility for COLI's ESG issues
- To assess and identify ESG risks and opportunities associated with COLI's business
- To ensure that appropriate and effective ESG risk management and internal control system is in place, including the supervision of business ethics review
- To formulate COLI's ESG management policies, strategies, priorities and goals
- To review the performance of COLI on a regular basis
- To approve the disclosure information in the COLI's ESG report

#### Corporate Governance Committee

- As appointed by the Board:
- To conduct research on ESG risks and opportunities associated with COLI's business
  - To review the adequacy and effectiveness of ESG risk management and internal control system
  - To review and approve management's proposals in light of the ESG management policies, strategies, priorities, and goals developed by the Board
  - To report to the Board and make recommendations on any matters requiring action or improvement

#### ESG Working Leadership Group

- An inter-departmental body with the Chief Executive Officer as the team leader and the Vice Chairman of the Board and the Vice President as deputy team leaders. Its duties are:
- To develop annual targets based on COLI's sustainability targets
  - To develop the total budget and annual budget for ESG work
  - To formulate the ESG annual work schedule and action plan
  - To continuously monitor the COLI's overall sustainability performance and risks concerning material issues
  - To conduct research, discuss and make decisions on specific sustainability topics
  - To arrange preparation of the ESG report
  - To supervise ESG performance of subordinate units
  - To review its working mechanism and terms of reference each year
  - To report to and advise the Board and Corporate Governance Committee on the above matters
  - To notify the the Board and the Corporate Governance Committee of any major cases in which the Company may potentially violate ESG-related laws and regulations

#### ESG Taskforces

- Formulate and implement specific ESG work plans at all levels in accordance with COLI's ESG management policies and objectives
- Timely follow up and comply with the requirements of national policies and the rules and guidelines of the Stock Exchange on ESG practises
- Co-ordinate the collection of annual ESG data and information, and complete the preparation of ESG reports
- Completing domestic and international ESG ratings and awards, including selection of ESG rating agencies, filing of rating information, communication with rating agencies, internal feedback and supervision of improvements
- Communicate and promote ESG-related work to relevant stakeholders such as clients, shareholders, employees, investment institutions, government agencies and the public
- Responsible for internal ESG promotion and training
- Other duties as delegated by the ESG Working Leadership Group

## 4.2 Sustainable Development Policies

To regulate and promote sustainable development, China Overseas has formulated a series of sustainable development policies and rules, which are all approved by the Board of Directors. Under the supervision of the ESG Working Leadership Group, the ESG Taskforce is responsible for coordinating and implementing the policies. At the same time, we also place greater emphasis on strengthening the supervision mechanism of ESG violations. The Legal and Compliance Department continuously records, analyses such violations and implements compliance procedures. The Audit Department is responsible for internal control and audit. Thus, our operations are ensured to always comply with ESG principles.

In 2023, we revised 7 sustainable development policies and rules, and added 3 important new policies, including the [Community Management Policy](#), the [Tax Code of Conduct](#), and the [Anti-Corruption Code of Conduct](#). This is to further clarify our position and principles and enhance information transparency.

### COLI's Sustainable Development Policy

| Classification   | Policy   |
|------------------|--|
| Overall policies | <a href="#">Sustainable Development Policy</a>   |
| Environment      | <a href="#">Environmental Policy</a><br><a href="#">Sustainable Finance Framework</a><br><a href="#">Responding to Climate Change Policy</a>   |
| Society          | <a href="#">Corporate Code of Conduct</a><br><a href="#">Code of Responsible Marketing</a><br><a href="#">Occupational Safety and Health Policy</a><br><a href="#">Labour Rights and Interests Policy</a><br><a href="#">Supplier Code of Conduct</a><br><a href="#">Sustainable Procurement Policy</a><br><a href="#">Community Management Policy</a> |
| Governance       | <a href="#">Shareholders' Communication Policy</a><br><a href="#">Inside Information Disclosure Policy</a><br><a href="#">Board Diversity Policy</a><br><a href="#">Anti-Corruption Code of Conduct</a><br><a href="#">Whistleblower Policy</a><br><a href="#">Director and Employee Remuneration Policy</a><br><a href="#">Tax Code of Conduct</a>    |

## 4.3 Sustainability Roadmap

### 4.3.1 Sustainability Strategy

"Good Products, Good Services, Good Effectiveness, Good Citizen" is the development concept of China Overseas, and also the four key areas of our sustainable development strategy. China Overseas is committed to conscientiously abide by the Ten Basic Principles of the UN Global Compact, the Fundamental Conventions of the International Labour Organisation (ILO) and other international principles to improve our sustainable development strategy. We are committed to improving the resilience of our business, consolidating our competitiveness across the entire chain, and enhancing our brand reputation. While pursuing long-term stable earnings, we also seek to bring sustainable value to our stakeholders.

We incorporate ESG elements into the performance appraisal and compensation structure of the Board, the management, and employees, so as to incentivise all to work together to achieve sustainable development and fulfill social responsibility.

### COLI's "Four Excellences" Sustainability Strategy

| Area               | Policy   | Strategy  |
|--------------------|--|---|
| Good Products      | Adhere to the principle of "Each and Every Detail of Each and Every Project" to create communities integrating functional, healthy and humanistic elements based on modern living and working patterns including: <ul style="list-style-type: none"> <li>· Create a an enjoyable space and a healthy life</li> <li>· Study customers' pursuit of a quality life in depth and integrate sustainability into the strategic positioning of products</li> </ul>      | <ul style="list-style-type: none"> <li>· Integrate customer needs into architectural design and facility planning</li> <li>· Actively explore product and business innovations</li> <li>· Conduct strict supply chain management and construction quality control</li> </ul>  |
| Good Services      | Continuously improve customer satisfaction and strive to become the industry leader in customer relationship management. Including: <ul style="list-style-type: none"> <li>· Implement full-cycle customer service</li> <li>· Conduct analysis on and listen and respond to the needs of different customers to build long-term trust and support</li> </ul>   | <ul style="list-style-type: none"> <li>· Proactively listen and respond to customer needs, including customer communication, satisfaction surveys and inter-departmental collaboration at all stages of the project life cycle</li> <li>· Apply various industry-leading periodic warnings, service quality scales, and subdivided evaluation standards</li> </ul>  |
| Good Effectiveness | Expand internal and external collaboration, promote value creation capabilities, and accelerate sustainable development by integrating current societal needs with COLI's competitive advantages. Including: <ul style="list-style-type: none"> <li>· Create shared value</li> <li>· Balance the long-term interests of stakeholders and strive to create a fairer and sustainable industry and society</li> </ul>   | <ul style="list-style-type: none"> <li>· Improve corporate governance</li> <li>· Establish efficient teams, improve the employment and training development mechanisms and pay attention to employee satisfaction</li> <li>· Promote cross-industry cooperation</li> <li>· Create a corporate culture that values sustainable development and enhance partners' recognition of COLI values and code of conduct</li> </ul> |
| Good Citizen       | Prioritise environmental and social benefits in product design, services offering, and business management to support sustainable development and address climate change challenges at a national and societal level. Including: <ul style="list-style-type: none"> <li>· Sustainable architectural design and construction</li> <li>· Adopt a business development model that is harmless to the environment and the interests of future generations</li> </ul> | <ul style="list-style-type: none"> <li>· Explore environmental issues and social development needs, leverage our own advantages, resources and influence to manage environmental and social factors throughout the cycle of business activities, and take an active part in community building</li> </ul>   |

## 4.3.2 Sustainability Targets

To implement COLI's "Four Excellences" sustainability strategy, we set sustainability targets with 2019 as the benchmark year and 2023 and 2030 as the target years. The ESG Working Leadership will formulate action proposals and detailed plans at the beginning of each year to further improve sustainability management and performance, report to the Corporate Governance Committee to seek guidance, support and approval. During the year, the ESG Working Leadership Group held quarterly working meetings to review the target progressions and the results achieved during the year.

| Area  | UN SDGs   | Sustainability Issues        | 2023 at a Glance  |  |
|---|---|------------------------------|---|--|
| Good Products   |        | Product quality and safety   | <h3>Targets in 2023</h3> <ul style="list-style-type: none"> <li>The proportion of projects obtained grade B and above through third-party quality and safety comprehensive assessment is <math>\geq 85\%</math></li> </ul>  | <h3>Achievements in 2023</h3> <ul style="list-style-type: none"> <li>The proportion of projects obtained grade B and above through third-party quality and safety comprehensive assessment was <math>&gt;85\%</math></li> </ul>  |
|   |   | Green building opportunities | <h3>Targets in 2023</h3> <ul style="list-style-type: none"> <li>90% of newly built office buildings and shopping malls projects obtain green building certification</li> <li>No less than one new hotel project obtains the national green building 2-star or above certification</li> <li>Obtain WELL certification for 11 projects under construction and in operation cumulatively</li> <li>Obtain LEED certification for 15 projects cumulatively</li> <li>100% of the new office building tenants sign up for <a href="#">COOC Green Leasing Cooperation Plan</a></li> </ul> | <h3>Achievements in 2023</h3> <ul style="list-style-type: none"> <li>90% of newly built office buildings and shopping malls projects obtained green building certification</li> <li>The COLI Hotel Jinan obtained 2-star national green building certification</li> <li>Obtained WELL certification for 11 projects under construction and in operation cumulatively</li> <li>Obtained LEED certification for 19 projects cumulatively</li> <li>100% of the new office building tenants signed up for <a href="#">COOC Green Leasing Cooperation Plan</a></li> </ul> |
| <h3>Summary of 2023</h3> <ul style="list-style-type: none"> <li>Quality training covered 100% of COLI employees and major engineering construction labours of contractors</li> <li>13 subsidiaries or professional companies of the Group obtained the ISO 9001:2015 Quality Management System Certificates, including our Harbin Company, Hua Yi, Technology Company, China State Grand Wealth, Tian Shan Company, Lingchao Supply Chain Management Company and "China Overseas Jinnian" senior living project of Qingdao Company, covering the entire major operations of COLI</li> </ul> |   |                              |   |  |

| Area                     | UN SDGs   | Sustainability Issues   | 2023 at a Glance  |   |
|--------------------------|---|---|---|---|
| Good Products (continue) |        | Green building opportunities (continue)   | <h3>Targets in 2030</h3> <ul style="list-style-type: none"> <li>95% of newly built office buildings and shopping malls projects obtain green building certification</li> <li>90% of self-owned projects in operation obtain green building certification</li> <li>95% office building projects set up low-carbon account</li> <li>100% contracted construction projects obtain green civilised construction sites where it operates</li> <li>Proportion of prefabricated buildings in newly built urban buildings in the year <math>\geq 50\%</math></li> <li>Achieve one or more energy-saving and carbon reduction demonstration projects every two years, and reach more than five projects totally</li> <li>Complete at least one net zero carbon building with a floor area of no less than 3,000 square metres</li> </ul> | <h3>Achievements in 2023</h3> <ul style="list-style-type: none"> <li>85% office building projects set up low-carbon account</li> <li>In the construction projects where COLI as the contractor, the construction sites met 100% territorial requirements in installation of dust and noise monitoring, connecting to the government platform to continue to promote green civilised construction sites</li> </ul> |
|                          |   | <h3>Summary of 2023</h3> <ul style="list-style-type: none"> <li>Completed the construction of COLI healthy residential properties system</li> <li>Completed the pilot project of the whole process of healthy and refined decoration for China Overseas Building, and ensured that the air quality is not below the current national standard and COLI standard.</li> <li>Completed research and pilot project of healthy kitchen module</li> <li>Achieved a total of 636 green building certified projects (accounting for 65.77%) with a certified area of approximately 110 million square metres (accounting for 74.23%)</li> </ul> |   |   |



| Area                     | UN SDGs  | Sustainability Issues     | 2023 at a Glance   |  |
|--------------------------|--|---------------------------|--|--|
| Good Products (continue) |  <br> <br> <br> | Sustainable supply chains | <h3>Targets in 2023</h3> <ul style="list-style-type: none"> <li>Procurement ratio of green standard supplier <math>\geq</math> 65%</li> <li>Life cycle-assessment of 15% of building materials complied with ISO14025, 14040/14044, EN 15804 or ISO 21931, or life-cycle assessment complies with ISO14044 Environmental Product Declaration (EPD) or Health Product Declaration (HPD)</li> </ul> <h3>Targets in 2030</h3> <ul style="list-style-type: none"> <li>Procurement ratio of green standard supplier <math>\geq</math> 80%</li> <li>Life cycle-assessment of 80% of building materials complies with ISO14025, 14040/14044, EN 15804 or 21931, or life-cycle assessment complies with ISO14044 Environmental Product Declaration (EPD) or Health Product Declaration (HPD) <math>\geq</math> 80%</li> </ul> <h3>Summary of 2023</h3> <ul style="list-style-type: none"> <li>Held an annual green supplier training conference</li> </ul> | <h3>Achievements in 2023</h3> <ul style="list-style-type: none"> <li>Procurement ratio of green standard supplier <math>\geq</math> 65%</li> <li>Life cycle-assessment of 16% of building materials complied with ISO 14025</li> </ul> |

| Area          | UN SDGs   | Sustainability Issues         | 2023 at a Glance   |  |
|---------------|---|-------------------------------|--|--|
| Good Services |   | Customer rights and interests | <h3>Targets in 2023</h3> <ul style="list-style-type: none"> <li>Residential sales sites' customer satisfaction score <math>\geq</math> 90%</li> <li>Residential projects' customer satisfaction score <math>\geq</math> 70%</li> <li>The customer satisfaction of residential project suppliers (including contractors) remains the industry leader</li> <li>Apartments' customer satisfaction score <math>\geq</math> 80%</li> <li>Office buildings' customer satisfaction score <math>\geq</math> 88%</li> <li>Shopping malls' customer satisfaction score <math>\geq</math> 80%</li> <li>The 30-minute response rate of projects in operation for customer reports <math>\geq</math> 95%</li> </ul> <h3>Targets in 2030</h3> <ul style="list-style-type: none"> <li>Industry-leading in incident reporting, responsiveness, efficiency, effectiveness and speed of claims processing</li> </ul> <h3>Summary of 2023</h3> <ul style="list-style-type: none"> <li>The coverage rate of responsible marketing training for all-level marketing staff and suppliers was up to 100%</li> </ul> | <h3>Achievements in 2023</h3> <ul style="list-style-type: none"> <li>Residential projects' customer satisfaction score reached 90 points, leading 95% in the industry</li> <li>Apartments' customer satisfaction score <math>\geq</math> 80%</li> <li>Office buildings' customer satisfaction score <math>\geq</math> 90%</li> <li>Shopping malls' customer satisfaction score <math>\geq</math> 93%</li> <li>The 30-minute response rate of projects in operation for customer reports <math>\geq</math> 98%</li> </ul> |

| Area               | UN SDGs   | Sustainability Issues               | 2023 at a Glance   |  |
|--------------------|---|-------------------------------------|--|--|
| Good Effectiveness |        | Business ethics and anti-corruption | <h3>Summary of 2023</h3> <ul style="list-style-type: none"> <li>100% of COLI's management and employees signed the <u>Work Integrity Responsibility Statement</u></li> <li>100% partners (including suppliers and contractors) signed the <u>Integrity Agreement</u> and their corporate credit and integrity records were checked during the procurement process</li> <li>100% employees of COLI and subsidiaries, associates and joint ventures received anti-corruption training</li> </ul>   |  |
|                    |   | Occupational health and safety      | <h3>Targets in 2023</h3> <p>COLI employees and major contractor labours of contractors:</p> <ul style="list-style-type: none"> <li>Zero work-related injuries</li> <li>Zero work-related fatalities</li> <li>Accident rate of serious injury and above <math>\leq 0.0035</math> / RMB100 million revenue</li> <li>Ensure the incidence rate of large and above grade safety production accidents to be zero</li> <li>Minor injuries &lt; 1%</li> <li>Working days lost due to work-related injuries &lt; 50</li> </ul>   | <h3>Achievements in 2023</h3> <p>COLI employees:</p> <ul style="list-style-type: none"> <li>Work-related injuries were zero</li> <li>Work-related fatalities were zero</li> <li>Contractor labours for COLI projects under construction:               <ul style="list-style-type: none"> <li>Work-related injuries were zero</li> <li>Work-related fatalities were one</li> </ul> </li> </ul> |
|                    |   |                                     | <h3>Summary of 2023</h3> <ul style="list-style-type: none"> <li>Safety production training covered 100% of contractors and construction labours</li> <li>Multiple subsidiaries or operating places of COLI such as Lingchao Supply Chain Management Company, Technology Company of COLI, China State Grand Wealth and the regional company in Chengdu have obtained the certification of ISO 45001 Occupational Health and Safety Management System, including real estate development, EPC or other construction general contracting projects, and design, production and sales of construction materials.</li> </ul> |  |
|                    |   | Training and development            | <ul style="list-style-type: none"> <li>1,389 training activities were conducted, covering 100% of employees with 53,067 participations. The total training time was 325,028 hours, and the per capita training time was 89 hours</li> </ul>  |  |
|                    |   | Diversity, equity and inclusiveness | <h3>Targets in 2030</h3> <ul style="list-style-type: none"> <li>Ratio of male-to-female employees <math>\leq 2.8:1</math></li> <li>Ratio of new employee male-to-female ratio is approaching 2:1</li> <li>Employee satisfaction score 84</li> <li>Employee dedication score 92</li> </ul>  | <h3>Achievements in 2023</h3> <ul style="list-style-type: none"> <li>Ratio of male-to-female employees was 2.7:1</li> <li>Employee satisfaction score 84</li> <li>Employee dedication score 92</li> </ul>  |

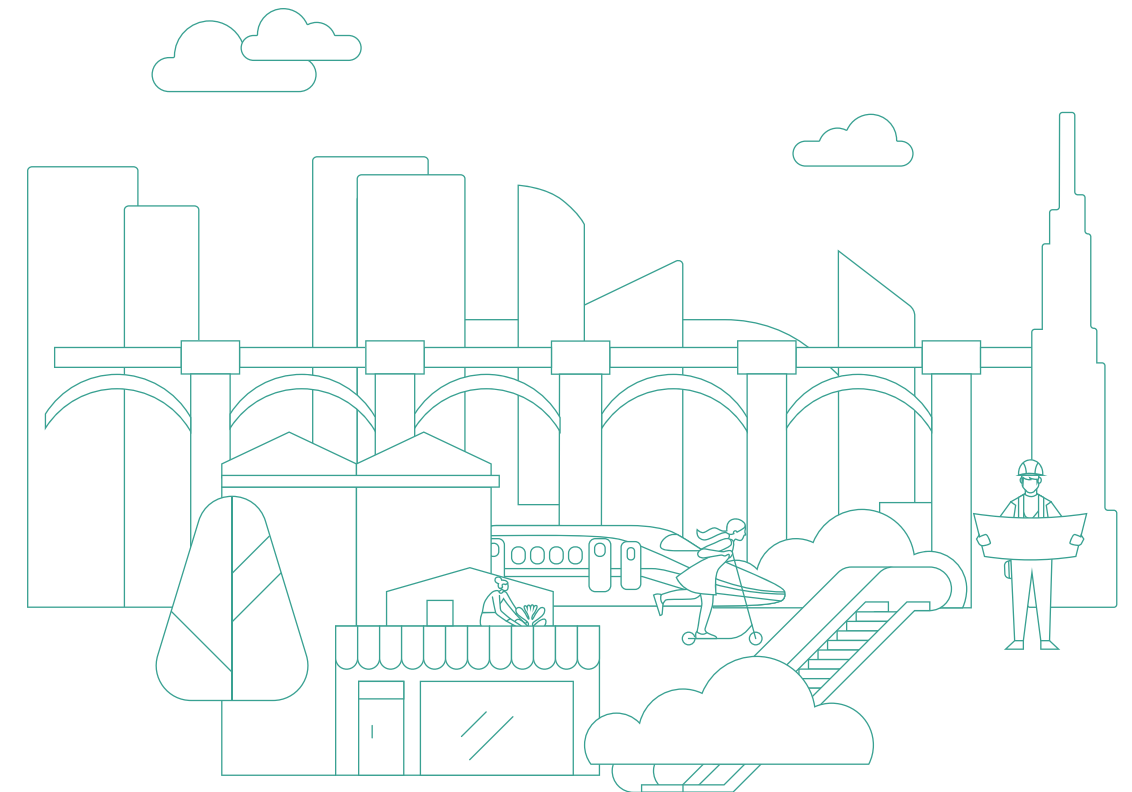
| Area         | UN SDGs  | Sustainability Issues        | 2023 at a Glance   |  |
|--------------|--|------------------------------|--|--|
| Good Citizen |              | Community construction       | <h3>Targets in 2023</h3> <ul style="list-style-type: none"> <li>Build a total of 5 million square metres of indemnificatory housing</li> </ul>   | <h3>Achievements in 2023</h3> <ul style="list-style-type: none"> <li>The GFA of indemnificatory housing projects constructed and completed reached 13.69 million square metres</li> <li>Set up baby care rooms in 100% of shopping malls in operation</li> <li>Set up baby care rooms in 80% of newly developed hotel projects</li> </ul>                                  |
|              |  |                              |  | <h3>Targets in 2030</h3> <ul style="list-style-type: none"> <li>Set up baby care rooms in 100% of shopping malls projects</li> <li>Set up baby care rooms in 80% of newly developed hotel projects</li> <li>More than 5,000 households are provided care service</li> <li>Sustainable living community of innovative project publicity covers 20,000 households</li> </ul> |
|              |  |                              | <h3>Summary of 2023</h3> <ul style="list-style-type: none"> <li>Promoted the work of rural revitalisation, responded to the relevant requirements and task indicators of the state on rural revitalisation targeted assistance, and continuously supported rural revitalisation for three counties in Gansu, focusing on the development of Zhuoni County by selecting local quality black fungus to create a distinctive agricultural product brand and promote it nationwide</li> <li>Actively participated in urban renewal projects in Shijingshan District of Beijing, Licheng District of Jinan, Longgang District of Shenzhen and Hongqi Village of Shanghai.</li> <li>Beijing Beixin'an Project, Shanghai East Jianguo Road Project and Beijing CITIC Town Project, etc. adopted design proposals that can preserve local history and culture</li> </ul> |  |
|              |  | Responding to climate change | <h3>Summary of 2023</h3> <ul style="list-style-type: none"> <li>Climate change scenario analysis was completed by assessing climate risk exposure by eight city groups and proposing climate adaptation measures for 24 representative buildings based on assumptions of specific climate risks and two scenarios (RCP8.5 and 4.5)</li> </ul>  |  |

| Area                    | UN SDGs | Sustainability Issues | 2023 at a Glance   |  |
|-------------------------|---------|-----------------------|--|--|
| Good Citizen (continue) |         | Energy management     | <b>Targets in 2030</b> <ul style="list-style-type: none"> <li>Renewable energy consumption in operating buildings account for 3%</li> <li>60% of new land projects is designed to use renewable energy such as solar and air energy where local conditions permit</li> </ul> | <b>Achievements in 2023</b> <ul style="list-style-type: none"> <li>The ground-source heat pump system is in trialoperation in Beijing China Overseas Finance Centre, with a renewable energy Utilisation rate of 68%.</li> <li>58% of new land projects is designed to use renewable energy such as solar and air energy where local conditions permit.</li> </ul> |
|                         |         | Biodiversity          | <b>Targets in 2030</b> <ul style="list-style-type: none"> <li>Check the risks of 100% of the land lots for projects before acquisition</li> <li>Ensure that 100% of the land has an environmental impact assessment report (including contractors)</li> </ul>                | <b>Achievements in 2023</b> <ul style="list-style-type: none"> <li>Checked the risks of 100% of the land lots for projects before acquisition</li> <li>100% land acquired from auction had an environmental impact assessment report (including contractors)</li> </ul>  |

### 4.3.3 Sustainability Training

To realise sustainability targets with high quality, we have actively carried out a series of sustainable development training and publicity activities. By organising safety training, quality training and anti-corruption training, we consciously integrate the ESG concept into our daily activities for business development.

In 2023, we organised 15 training sessions for ESG specialists across all business lines and regional companies in the form of thematic training, publicity activities and forums, lasting for 1,166 hours with more than 1,143 participants attending.





## 4.4 Stakeholder Engagement

COLI identifies internal and external stakeholders based on the impact of or on business operations, and takes their expectations as an important consideration in formulating ESG development strategies. Through internal and external diversified and regular communication mechanisms, we comprehensively collect and understand the opinions of stakeholders and actively responds to their requirements so as to achieve positive interactions with all parties. In addition, we evaluate the impact of our decisions and adjust the strategic direction in a timely manner, promoting the implementation of the ESG work.

COLI is committed to continuously improving the stakeholder participation mechanism, ensuring that their voices and interests are adequately reflected and protected in our decision-making process through regular review, active communication and effective improvement. We hope to work with all stakeholders to promote the sustainable development of the Company. COLI has identified the following key stakeholder categories and their main concerns and communicated with stakeholders through various channels during the year.



| Stakeholders | Focus  | Main Communication Channel   |
|--------------|--|--|
| Employees    | Diversity, equity and inclusiveness<br>Employment practice<br>Occupational health and safety<br>Training and development | <ul style="list-style-type: none"> <li>Employee satisfaction surveys</li> <li>Employee seminars and regular meetings</li> <li>General manager/president luncheons</li> <li>Chairman's mailbox</li> <li>Management meetings</li> <li>Union activities</li> <li>Employee gatherings</li> <li>OA intranet system</li> <li>China Overseas Magazine</li> </ul>                                  |
| Labour       | Occupational health and safety<br>Employment practice<br>Labour rights and interests                                     | <ul style="list-style-type: none"> <li>Project safety assessment and training</li> <li>Safe and Disciplined Production Month campaign</li> <li>Proposals to Partners and other daily communication channels</li> </ul>   |
| Customers    | Information security<br>Product quality and safety<br>Customer rights and interests<br>Responsible marketing             | <ul style="list-style-type: none"> <li>Customer satisfaction surveys</li> <li>"Knock-Knock" homeowner visits</li> <li>China Overseas Property Club ("COPC") customer platform, customer service hotline and mailbox</li> <li>CRM system and customer App</li> <li>Official WeChat</li> <li>School-parent meetings</li> <li>LED display in lobbies</li> <li>LED display in lifts</li> </ul> |

| Stakeholders            | Focus  | Main Communication Channel   |
|-------------------------|--|--|
| Business partners       | Business ethics and anti-corruption<br>sustainable supply chains   | <ul style="list-style-type: none"> <li>Project meetings</li> <li>Supplier training</li> <li>Centralised Procurement Communication Month activity</li> <li>Centralised procurement suppliers' conferences</li> <li>Contractor conferences</li> </ul>  |
| Government              | Compliance with the law<br>Paying taxes in accordance with the law<br>New urban development  | <ul style="list-style-type: none"> <li>Participation in governmental projects</li> <li>Meetings and interviews</li> <li>Project site visits</li> </ul>   |
| Shareholders/Investors  | Information transparency<br>Return on investment<br>Protection of rights and interests<br>Business ethics and anti-corruption<br>Compliance operation<br>Risk management | <ul style="list-style-type: none"> <li>Results announcements</li> <li>Roadshows</li> <li>Investor and analyst meetings</li> <li>Corporate interviews</li> <li>Project site visits</li> <li>Hong Kong Stock Exchange website</li> <li>Investor relations webpage</li> <li>Annual general meeting</li> </ul> |
| Community and the media | Public welfare<br>Community construction   | <ul style="list-style-type: none"> <li>Sea of Hope poverty alleviation scheme</li> <li>Donations and visits to Hope Primary Schools</li> <li>Employee volunteering</li> <li>Official WeChat</li> <li>News centre of the Company's website</li> </ul>   |

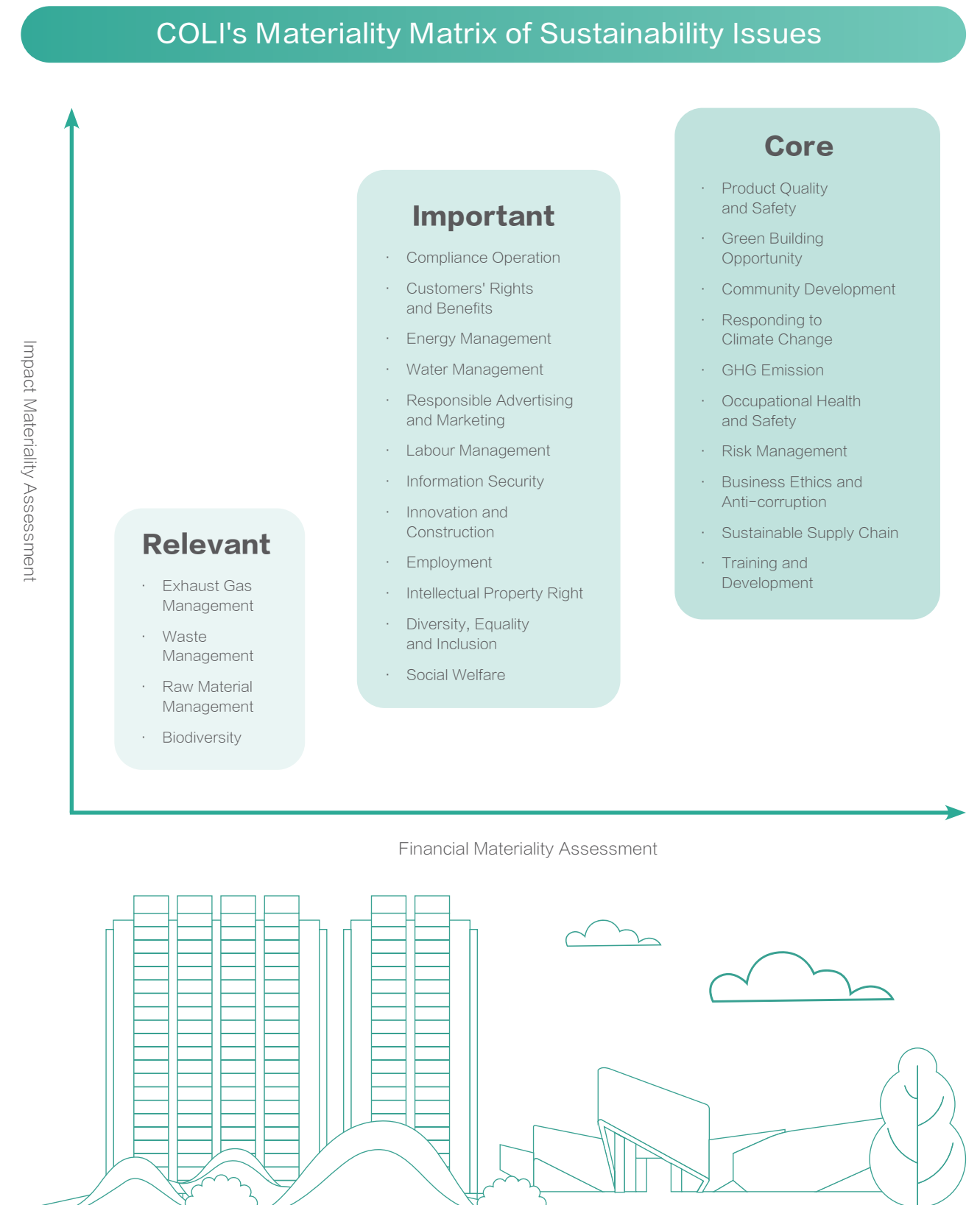
## 4.5 Materiality Assessment

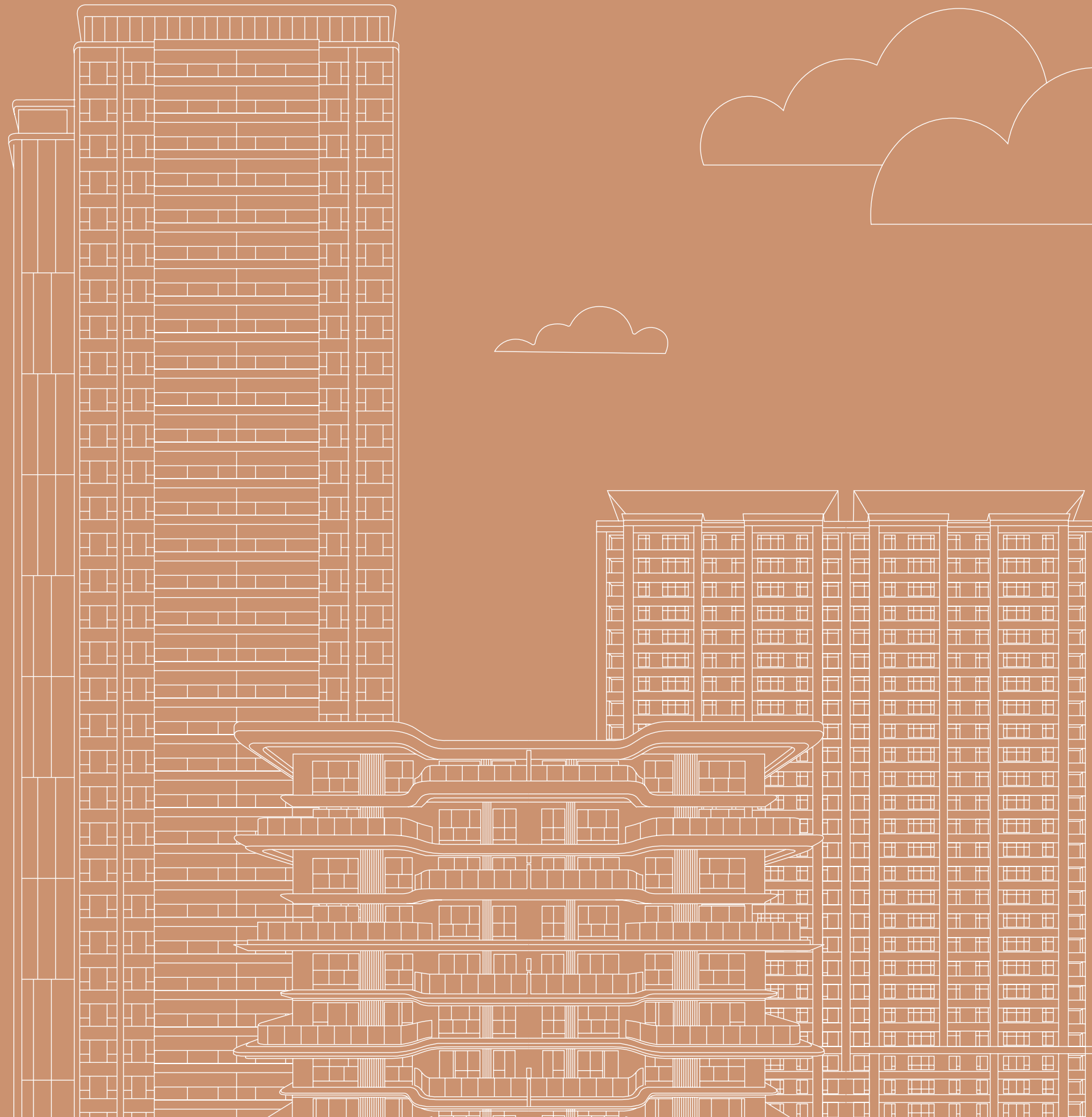
Following ESG trends, COLI regularly analyses and evaluates major sustainability issues, and integrates them into our risk management process. In this way, we can ensure that our policies can effectively respond to changes and maintain high resilience.

During the year, we commissioned an independent consultant to conduct industry analysis and carried out research with internal and external stakeholders through questionnaires and ESG group meetings. A double materiality assessment based on impact and financial materiality was also adopted to re-examine the impact of our sustainability policies and performance on ESG and its financial implications for COLI. As such, we could prioritise the materiality issues for this report. The specific assessment steps are as follows:



The results of COLI's ESG Materiality Assessment process for 2023 have been reviewed and approved by the Board of Directors and senior management and verified by a professional third-party agency. It has been assessed that the following issues have varying degrees of impact on the operating costs, revenues and risks of COLI.





# 05

## Good Governance and Compliance Management to Improve Effectiveness

Adhering to long-term development is COLI's most basic goal. While pursuing economic performance and business development, COLI always regards good governance as the approach to business and development. We strive to establish a risk control system, foster an atmosphere of integrity and self-discipline and strengthen the foundation of an honest culture while chasing performance growth. In this way, we endeavour to set a good corporate image and create long-term and sustainable value for all parties.

Goals and indicators addressed:

UN SDGs



Guidelines

GD-B1, KPI-B1.1, GD-B6, KPI-B6.3, KPI-B6.5  
GD-B7, KPI-B7.1, KPI-B7.2, KPI-B7.3

GRI Standards

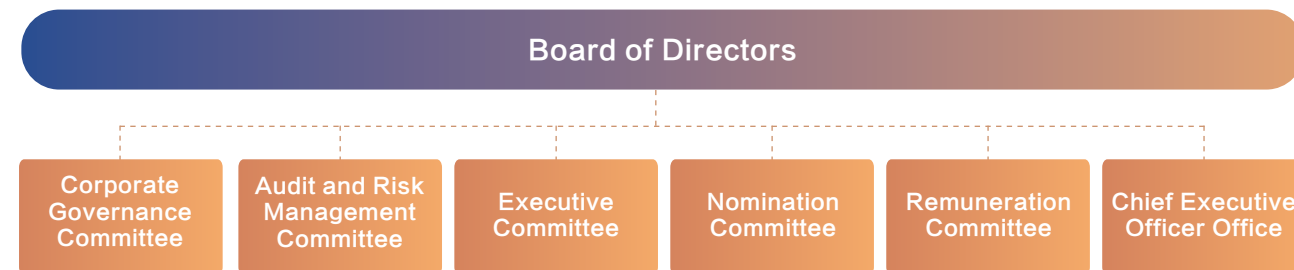
2-9, 2-10, 2-20, 2-23, 2-24, 2-26, 3-3  
205-1, 205-2, 205-3, 206-1, 405-1



## 5.1 Corporate Governance

The Board of COLI is responsible for the overall strategic leadership and management of the Group. Specifically, the Board deliberates and approves operating strategy, budget, significant investments, mergers and acquisitions and other matters in the best interests of the Company and its shareholders. Specific responsibilities have been delegated to 5 Board Committees, including the Executive Committee, the Audit and Risk Management Committee, the Corporate Governance Committee, the Nomination Committee and the Remuneration Committee to take charge of internal supervision and control. Mr. Yan Jianguo, serving as the Chairman and the Executive Director, has approximately 34 years of experience in investment and property management of construction and real estate enterprises.

### Governance Structure of COLI



We determine the remuneration of each director based on industry salary level, business performance, director's duties and performance.

### 5.1.1 Board Diversity

Diversified Board composition can bring more comprehensive thoughts and insights to the decision-making process and enhance governance efficiency of the business. We have formulated the [Board Diversity Policy](#), which takes into account gender, age, educational background, professional experience, knowledge, culture, term of service and other aspects in selecting directors.

In accordance with the Articles of Association of COLI, one-third of the directors must retire by rotation at the Annual General Meeting (AGM) and can be reappointed only after re-election by shareholders. Each director is subject to retirement by rotation once every three years. New directors shall be re-elected by shareholders at the AGM held following their appointment. Non-executive directors (including all other directors) with no specific term of service prescribed in the service contract or appointment letter shall also be subject to retirement by rotation every three years and re-election. We closely monitor the diversity indicator for the Board, with the Nomination Committee selecting, nominating and reviewing director candidates from a broad and diverse range of backgrounds, reviewing their qualifications, and conducting due diligence investigations on candidates on the final list.

As of December 31, 2023, there were 9 directors in the Company including 1 female director. There are 3 directors aged 50 and below, and 6 directors aged 50 and above. The directors come from a wide range of professional backgrounds including real estate, law, insurance, technology, finance and other fields.

### 5.1.2 Board Review

The Board understands the importance and benefits of regular review of its performance to ensure efficiency. Since 2022, the Board has adopted a structured process to review the performance of the Board and Board Committees every two years, including their directorship, responsibilities, skills and composition, the meetings of the Board and its committees, the provision of information, culture, Board behaviour and areas for improvement. The results of review in 2023 indicate that the Board and its committees continue to operate effectively and that the committees have performed within the scope of their responsibilities, and overall ratings ranged from "effective" to "very effective".

## 5.2 Risk Management and Internal Control

To effectively manage risks related to employees, COLI has implemented a comprehensive risk management mechanism. We provide orientation training on risk management for new hires and reinforce training effect after their joining. In addition, we also set a whistleblowing mechanism to help employees promptly report and identify potential risks. With these measures, we are committed to improving employees' risk awareness and response ability to ensure stable business operations.



Wulin Downtown, Hangzhou

## 5.2.1 Risk Management System

Based on the concept of combining prevention and control with dynamic management, COLI has established a corporate risk management system to control corporate risks in all aspects. With a four-tier risk management structure, we continuously conduct risk evaluations and implement internal controls on all segments.

### Risk Management Organisation Structure of COLI



The Board of COLI is responsible for the highest decision-making and supervision of risk management issues, giving full play to the functions of "developing strategy, making decisions and preventing risks". In addition, the Board also delegates relevant authorities to the Audit and Risk Management Committee to supervise the risk management and internal control system.

We have established a Compliance and Risk Management Committee, with the Chief Executive Officer as the director and the Legal and Compliance Department as secretary department, to lead management of relevant issues.

### Consolidating Risk Management Capability of the Board

#### Professional Background

The Audit and Risk Management Committee consists of 3 Independent Non-executive Directors with profound backgrounds in corporate management, corporate strategy and risk, finance, economy and law, which can ensure that the existing and emerging risks and opportunities can be effectively addressed.

#### Risk Management Training

The Company provides each newly appointed director with training materials on his or her duties as a director, particularly in relation to risk management and ESG. All Directors shall participate in professional training every year and submit training records to the Company, including reference data of participating in workshops and lectures, delivering a speech in the workshop and reading about the role and responsibilities of a director.

### Risk Management Capability of the Board of COLI

In 2023, COLI updated the Risk Management Measures to explicitly integrate ESG risks including climate change risks into the Company's risk management framework and incorporate climate risk and transition risk into the annual material risk assessment system. We monitor and manage ESG risks by setting risk indicators. Furthermore, we continuously complete the "three lines of defense" for risk management to ensure effective risk management. We regard ESG risk as one of the most important strategic, planning and positioning risks for the Company. As such, all departments are required to make more specific and stringent risk evaluations on business management, disclosure compliance and market rating to ensure the effectiveness of risk control measures. During the year, we have identified ESG risks, including policy risk, operational risk, performance risk and group complaint risk, and implemented measures across departments to ensure the overall risks are controlled at an acceptable level for the Company's production and operations.

### COLI Risk Management Structure

|  |  |
|--|--|
| <b>Board of Directors</b>                  | The Board has the overall responsibility for establishing and maintaining appropriate and effective risk management and internal control systems.  |
| <b>Audit and Risk Management Committee</b> | The Audit and Risk Management Committee is delegated with the authority from the Board to oversee the risk management and internal control systems at the Board level.   |
| <b>Third Line of Defence</b>               | The Audit Department assists the Audit and Risk Management Committee in assessing the risk management and internal control systems.  |
| <b>Second Line of Defence</b>              | Compliance and Risk Management Committee is chaired by the Chief Executive Officer and made up of members from the senior management. Major Risk Control Team is under the leadership of the Legal Department. |
| <b>First Line of Defence</b>               | Business and functional units act as the risk owners.  |

For more details on the Company's risk management, please refer to [2023 Annual Report](#).



## 5.2.2 Internal Control

We have established an internal control system to define the responsibilities and authorities for decision-making, execution, and supervision. In this way, we form a scientific division of labour and establish a balance mechanism to ensure compliance and authenticity of financial reports and improve operating efficiency. In addition to implementing comprehensive budget management to standardise budgeting, budget examination and budget enforcement, we have also adopted information technology to strengthen internal monitoring while developing an information system compatible with our operations. The Audit Department is responsible for conducting internal audits of COLI, COLI's subsidiaries and entities under joint control, assisting the Audit and Risk Management Committee and the Board in performing independent reviews of risk management and internal control, continuously monitoring the effectiveness of the internal control, and overseeing the management to formulate and implement the improvement plan.

For more details on the Company's internal control, please refer to [2023 Annual Report](#).

## 5.2.3 Compliance Operation

Compliance operation is the foundation for COLI to realise long-term sustainable and healthy development. Adhering to the philosophy of compliance and integrity, we have made constant efforts to complete our compliance management system. By establishing a compliance structure and developing policies and guidelines, we strive to attach equal importance to internal code of conduct and cultural education and maintain continuous high-quality development of compliant operations. We continuously carry out project and special risk inspections. For compliance risks identified in our direct operations and business partners, we have formulated risk control measures to reduce the probability and impact of such risks, thus ensuring compliant operations.

In terms of policy development, in 2023, we prepared and released the [Compliance Management Measures](#) to clearly define the organisational structure of compliance management. As the fundamental standard for compliance management, the [Measures](#) was implemented to strengthen the foundation of COLI's compliance management system. We have established the "three lines of defence" for compliance management. The functional departments at the headquarters and subsidiaries, as the responsible bodies of compliance management in their own functional areas and the Company, perform duties of the "first line of defense". The Legal and Compliance Department, as the leader of compliance management, performs duties of the "second line of defence". The Supervision and Audit Department, as the supervision departments of compliance management, perform duties of the "third line of defence".

In terms of external compliance, we developed a list of applicable laws and regulations as the important basis for compliance management. Furthermore, we collected main laws and regulations relating to various businesses in a third-party database. Please refer to the [List of Laws, Regulations and Policies](#) in the Appendix of the Report for details. In terms of fostering a compliance culture, we place emphasis on "compliance starts from senior management", with COLI's senior management taking the lead in signing the [Compliance Commitment](#). In this way, we bring the leading role and demonstration effect of senior management into full play. In addition, we organised the brand culture activity "Compliance in COLI Promotion Season", under which we carried out compliance knowledge contests at all operation sites. We hope this could help promote regular construction of our compliance values across COLI.



In 2023, China **3,651** China Overseas employees signed the [Compliance Commitment](#), representing a **100%** coverage rate.

## 5.2.4 Establishing Clean COLI

COLI is committed to fostering a management culture of high standards, business ethics and integrity and honesty. By formulating codes, protocols and policies and providing training, we guide and standardise the commercial conduct of Board members, employees at all levels and business partners, in an attempt to lay a solid foundation for our long-term stable development.

### Code of Conduct

To fully standardise commercial dealings, COLI has formulated and released policies such as the [Corporate Code of Conduct](#) and the [Supplier Code of Conduct](#) as the standards for employee and supplier conduct. Both policies, which clearly define standards and requirements for a wide range of business ethics conducts, have been updated in the year in light of the requirements of the complex business environment to further improve the standardisation of our corporate management. In 2023, we did not experience or identify any violations of the code of conduct of COLI.

### [Corporate Code of Conduct](#)

### [Supplier Code of Conduct](#)


|       |                                      |  |
|-------|--------------------------------------|--|
| Scope | All employees at all operation sites | All business partners in all operational locations |
|-------|--------------------------------------|--|

| Content | Corporate Code of Conduct  | Supplier Code of Conduct   |
|---------|--|--|
|         | <ul style="list-style-type: none"> <li>· Anti-Corruption</li> <li>· Conflict of interest</li> <li>· Protection of fair competition</li> <li>· Fair marketing</li> <li>· Insider trading</li> <li>· Cybersecurity</li> <li>· Privacy and information security</li> <li>· Protection of intellectual property rights</li> <li>· Environment, health and safety</li> <li>· Anti-discrimination, fair opportunities and diversity</li> <li>· Employment and labour rights and interests</li> <li>· Reports and complaints</li> </ul> | <ul style="list-style-type: none"> <li>· Code of ethics</li> <li>· Employment contract, working hours and remuneration</li> <li>· Prohibition on the use of forced labour and child labour</li> <li>· Fair opportunities and labour rights and interests</li> <li>· Occupational health and safety</li> <li>· Environmental and safety specifications of products</li> <li>· Environment management in the course of operation</li> <li>· Information disclosure and verification</li> <li>· Advocacy and management</li> <li>· Environmental, Social and Governance Report</li> </ul> |



To ensure our ethical and fair operation, we included standards for conflict of interest in the [Corporate Code of Conduct](#). The standards not only clarify the principles for employees to handle COLI's affairs but also formulate a series of measures and processes to effectively prevent and eliminate potential conflicts of interest. We encourage our employees to actively report potential conflicts of interest while conducting periodic risk evaluations and internal control to ensure the effective implementation of policies. Once a conflict of interest arises, we will investigate and address it promptly and impartially to ensure that the COLI's long-term benefit and reputation are not jeopardised.

The conflict of interest training plays a vital role in maintaining ethical and fair operations of COLI. Through well-designed training sessions, we are committed to raising the employees' awareness of conflict of interest, strengthening their ethics consciousness, and instructing them on how to avoid and eliminate potential conflicts of interest in actual practice. In 2023, we did not have any conflict of interest related violations.



In 2023, we organised **66** training sessions on conflict of interests, with a total of **3,651** participants and **99** training hours, covering **100%**

In addition, we have implemented a set of stringent codes of conduct. Among them, the [Code of Professional Conduct for Employees](#) provides detailed guidelines for employees on how to reject, disclose or report banquets, entertainment, commissions, kickbacks, gratuities, gifts and other benefits provided by business partners.

## Anti-corruption


COLI spares no pains to improve conduct, enforce discipline, and combat and punish corruption. We constantly improve our and partners' integrity-building mechanism through a series of measures, including making policies, organising management and managing responsibilities, so as to implement a variety of initiatives in preventing corruption. To monitor and assess the performance of affiliated companies in prevention of corruption, COLI has set measures such as self-inspection, annual debriefing and employee satisfaction survey. Furthermore, we conduct periodic evaluations on the corruption risk of business.

We strictly abide by laws and regulations such as the [Anti-Money Laundering Law of the People's Republic of China](#). We have developed the [Anti-corruption Policy](#), [Anti-Corruption Code of Conduct](#) and other policies applicable to all employees and business activities, which clearly define the specific requirements for anti-corruption, anti-bribery and anti-money laundering in prevention, control, feedback, etc. Relevant policies include but are not limited to:


- ▶ The [Anti-Corruption Policy](#), which outlines the COLI's principles, code of conduct, requirements related to anti-corruption, conflict of interest, confidentiality of information, anti-unfair competition, anti-discrimination, and other violations, and channels for reporting any suspected or actual cases.
- ▶ The [Administrative Measures for Integrity Construction Responsibility System](#), which defines the duties of the management in promoting duty hierarchy and assessing integrity performance.
- ▶ The [Measures for Handling Disciplinary Inspection and Supervision Cases](#), which defines the COLI's standards for whistleblowing, investigating and handling corrupt practices.
- ▶ The [Administrative Measures for Conversation on Integrity](#), which defines that new leaders are required to go through pre-service conversations with the Chief Executive Officer to understand the requirements on exercising authority and maintaining integrity at work.

To ensure effective implementation of anti-corruption policies, we have formulated and released a comprehensive internal management system and process. The system integrates key elements, including a whistleblowing mechanism, periodic risk evaluations and internal controls, periodic training, clear division of responsibilities and operating guidelines. The Company's Audit Department has formulated a three-year audit policy for the COLI to ensure all subsidiaries are subject to the audit on ethics standards and anti-corruption policies. The audit covers all business lines to ensure in-depth implementation and effective execution of business ethics and anti-corruption policies in all our business lines. When corruption arises, we communicate with stakeholders in time, including customers, employees, investors, regulators, suppliers and labour unions, to ensure transparent disclosure and timely handling.

To strengthen the construction of integrity at the Board level, we integrate oversight of business ethics and corruption issues into the duties of directors and designate the Corporate Governance Committee to take charge of management. In addition, we conduct special training on anti-corruption for directors every year. In November 2023, we worked with the Independent Commission Against Corruption (ICAC) to provide "ICAC training on anti-corruption and integrity" for employees and Executive directors, aiming to foster an atmosphere of integrity within the COLI.



**In 2023, our anti-corruption training for COLI's directors:**  
On average, each director attended **7** anti-corruption training courses, **4.7** sessions and **14.3** hours of anti-corruption training.



**In 2023, our anti-corruption training for COLI's all employees:**

- Included **59** courses;
- Consisted of **418** sessions;
- Covered **3,651** employees, representing a coverage rate of **100%**.

To strengthen individual awareness, we provide daily integrity reminders, organise integrity education and warning training, and require all employees to sign the [Work Integrity Responsibility Statement](#). Furthermore, we also incorporate anti-corruption requirements into employee performance appraisal.



In 2023, **100%** of the employees of the Company and its subsidiaries, associates and joint ventures signed the [Work Integrity Responsibility Statement](#).




## Whistleblowing and Protection

COLI has formulated the Whistleblower Policy, which stipulates ways for filing complaints, ways for complaints acceptance, investigation procedures and handling and protective provisions. It allows employees and those who deal with us (including but not limited to customers, suppliers and business partners) to raise their concerns about fraud, corruption, and any improper matters on an anonymous basis. To facilitate the filing of reports and objections, we have opened various reporting channels including mails, calls, visits and internet means, all of which are publicly available.

 Acceptance Tel: 0755-828266-79

 Email: jbcohl@cohl.com

 Address: 22/F, China Overseas Building, No. 1688, Chuangye Road, Yuehai Sub-district, Nanshan District, Shenzhen

 Reception Department: Supervision Department, Human Resources Department

We have also formulated the Measures for the Administration of Complaints and Reports, the Working System for Supervision, and the Measures for Handling Disciplinary Inspection and Supervision Cases, which define COLI's standards for whistleblowing, investigating and handling corrupt practice. To ensure the effective implementation of these measures, we have specified the codes for handling and investigating whistleblowing information, which stipulates that the investigation group must comprise at least 2 members, and the Supervision Department is in charge of conducting fair and impartial investigations and follow-ups. The Audit Department is responsible for conducting analysis and making recommendations and informing the real-name whistleblower of the investigation findings and results.

We pledge to ensure the independence of investigations and the confidentiality of investigation information, and fully protect the rights and interests of whistleblowers, witnesses or supervisors. We encourage employees, suppliers, customers, and other third parties who deal with us to actively report and expose corruption. To this end, we have established a 7x24 anonymous hotline, which offers support in local languages. We do not analyse handwriting for anonymous reports and all reporting materials will be treated with the utmost confidentiality. To protect the rights and interests of each party, we have set up specific punishment provisions for cases where the whistleblowers, or witnesses are retaliated for personal grievances, or make misstatements and false reports. We will dismiss the offender or take other measures depending on the severity if the misconduct is proved to be true.

## Anti-fraud Alliance

COLI actively responds to the industry association's anti-fraud initiative and has joined the Enterprise Anti-fraud Alliance and other civil integrity organisations to jointly create a clean and mutually beneficial cooperation environment.

The Enterprise Anti-fraud Alliance includes more than 500 leading enterprises spanning industries such as real estate, retail, e-commerce, finance and insurance. In March 2023, we participated in a series of learning activities organised by the Anti-Fraud Alliance, including the "International Anti-Corruption Day" themed month and seminars organised by the Alliance. At the meeting, representatives from various outstanding enterprises discussed key issues such as the positioning of audit functions, support and empowerment, and savings and efficiency, and they also reached a consensus on the co-existence of corporate operations with business ethics.

## 5.3 Information Security and Business Continuity

COLI strictly adheres to relevant laws and regulations, including the Cybersecurity Law of the People's Republic of China and the Personal Information Protection Law of the People's Republic of China. We have formulated and implemented the Information Security Management Measures of China Overseas to establish a robust security information management system.

In 2023, we did not encounter any major information security incidents, including the leakage or loss of user privacy data, or unauthorised access to or attacks on our information systems. The overall system failure-free rate throughout the year was close to 100%.

### 5.3.1 Information Security Management System

COLI's Cybersecurity and Information Management Committee is responsible for formulating our information security policy, strategy and plan, promoting and implementing the plan, policy and process of information security, and is responsible for supervising our internal cybersecurity. The Cybersecurity and Information Management Committee, chaired by the Chief Executive Officer, conducts internal information security audits at least semi-annually and external information security audits annually. The Digital Technology Department is responsible for planning and management, while the Technology Company of COLI undertakes specific R&D and provides O&M support. Together, these two departments collaborate with relevant departments responsible for business systems to rectify issues identified in external audit reports and submit the rectification results to the Information Management Committee.

#### Information Security Management Framework of COLI

#### Cybersecurity and Information Management Committee

Digital Technology Department

Technology Company of COLI

Departments Responsible for Business Systems

This year, Technology Company of COLI has obtained the ISO 27001 and ISO 20000 Information security management system certifications, which are currently in effect. In addition, it has completed Level II evaluation of the National Cybersecurity Classification Protection, and Level III filing and evaluation of the National Cybersecurity Classification Protection.

#### Information Security Management Certifications of COLI





### 5.3.2 Information Security Protection

In 2023, COLI reviewed its policies and targets relevant to information security and business continuity. We have increased our investment in data security and prioritised key areas such as institutional and system development, security capability enhancement, internal security governance, and security awareness deepening. As such, we aim to ensure the effective implementation of various security strategies and targets, and ultimately elevate the our level of information and privacy protection.

#### Business continuity targets of COLI



The stability target is **99.9%** covering infrastructure and business systems

We safeguard business continuity primarily through annual risk assessments, local and remote data backup strategies, and maintenance of information security practices within our data centres:

#### Information Security Management Measures of COLI

##### Information Assets Security

A thorough examination and categorisation were conducted on the exposed IT attributes such as internet-facing services, ports, and pages. All 41 external domain names and approximately 600 exposed assets were included in the monitoring sheet.

##### Intranet Assets Security Inspection

Based on the deployed host security devices, we conducted security audits on over 3,100 servers and other intranet assets. Upon discovering more than 1,000 security vulnerabilities, we promptly implemented closed-loop remediation.

##### Equipment Safety

We completed an inventory of 33 security devices and optimised strategies for enhanced performance.

##### Routine Vulnerability Scanning

We conducted regular vulnerability scanning and detected and repaired exposed issues.

##### Penetration Tests

We conducted penetration tests on critical systems, completed tests on 53 systems in total. During the testing, we identified a total of 61 security vulnerabilities, all of which have been promptly repaired.

##### Safety Emergency

We implemented an emergency response and handling organisational system for information security incidents, and provided efficient responses with classification and grading of cybersecurity incidents.

##### Safety Drills

We carried out network switching and load switching drills every six months.

##### Reporting of Information Security Incidents

We set up an information security reporting email (sec@cohl.com) to collect various information security incidents.

We place great emphasis on conducting information security training, aiming to guide employees across all levels and business lines to enhance their awareness of security precautions and adhere to business standards. As such, we hope to lay a solid foundation for the further establishment of a crucial protective barrier for cybersecurity. This year, we successfully completed comprehensive cybersecurity training for all employees. Also, we conducted a series of information security awareness training sessions facing our overseas subsidiaries and various departments such as informatisation, human resources, finance, and legal, including "Outbound Data Transfer Security Training". In September 2023, we launched a special "phishing email" drill. Through this exercise, we effectively identified departments and subsidiaries with weaker security awareness, and succeeded in drawing employees' attention to the importance of information security and raising their alertness to email threats.



Poster of COLI Data Security Training



Poster of COLI Cybersecurity Awareness Training

In August 2023, we participated in a nationwide information security attack and defence exercise organised by the Ministry of Public Security of the People's Republic of China. This exercise aims to hone our skills in predicting, detecting, and responding to security attacks, as well as to strengthen our cybersecurity, thereby further elevating our awareness and emergency response capabilities. Our performance was commendable as we largely achieved our scheduled objectives in this exercise, intercepting 9,301 malicious IP addresses, reporting 1,248 security incidents, discovering 13 security vulnerabilities, and fixing 12 system vulnerabilities.

In the future, we will work even harder to enhance network information security protection, comprehensively improving the technical proficiency of our network information security protection team in emergency response.



## 5.4 Intellectual Property Rights Protection

COLI strictly abides by the laws and regulations related to intellectual property rights such as the Copyright Law of the People's Republic of China, the Trademark Law of the People's Republic of China, the Patent Law of the People's Republic of China and the Tort Liability Law of the People's Republic of China and has formulated and implemented special policies such as the Intellectual Property Management Measures of COLI and the Guidelines for Trademark Management. These policies safeguard the Company's technological research and development, trademark registration, business activities, as well as daily cooperation between affiliated companies and business partners.



As of the end of the reporting period, we hold a total of **1,296** intellectual property rights, including **737** registered trademarks, **423** patents and **136** copyrights; among them **99** green building technology patents.

Our Legal and Compliance Department carries out centralised management for all matters related to intellectual property, and regularly organises training sessions and legal awareness campaigns in communities to spread the awareness of intellectual property protection.



In April 2023, taking "World Intellectual Property Day" as an opportunity, COLI went to Shenzhen Zhonghai Huating community to carry out a law popularisation event themed on intellectual property protection, contributing to strengthening legal awareness at the grassroots level.



In 2023, COLI conducted a series of training sessions on intellectual property laws, with themes such as "Intellectual Property Management and Protection of Real Estate Enterprises", "Pain Points, Challenges, and Strategies in Intellectual Property Litigation" and "Practices on Unfair Competition Disputes in the Real Estate Industry - In the Perspective of Enterprise Trade Name". With a total of 2,316 participants attending, these sessions aimed to consistently raise the awareness of the rule of law among legal and business personnel in respect of intellectual property rights. By doing so, we hoped to pass on the correct values of learning, understanding, and adhering to the law.



Intellectual Property Promotion in Community



The Peninsula, Foshan



# 06

## Environmental Protection and Green Development

COLI earnestly implements the national requirements for the development of ecological civilization. Adhering to the philosophy of people-oriented green development, we continue to explore new models of green operation and strive to build an environmentally friendly enterprise to promote the low-carbon urban development. We are also actively engaged in global climate governance.

Goals and indicators addressed:

UD SDGs



Guidelines

GD-A1, KPI-A1.5, KPI-A1.6, GD-A2, KPI-A2.3, KPI-A2.4, GD-A3, KPI-A3.1, GD-A4, KPI-A4.1, B5.3

GRI Standards

3-3, 201-2, 302-4, 302-5, 303-1, 303-2, 306-1, 306-2, 308-2



## 6.1 Sound Environmental Management Policies and System

We incorporate the concept of green development into our daily operations. We constantly improve environmental management system and process, and set clear environmental management goals. This lays the foundation for sustainable and high-quality development.

We take active efforts in ecological and environmental governance. Specifically, we strictly comply with the Environmental Protection Law of the People's Republic of China, Law of the People's Republic of China on Environmental Impact Assessment, and other laws and regulations, formulate the Environmental Policy, Measures for the Administration of Ecological and Environmental Protection, and other internal policies according to the development characteristics of our business, establish and improve the environmental management system, regularly evaluate its effectiveness, and take improvement measures accordingly. In this way, we aim to better manage ecological and environmental protection, and comprehensively and systematically manage environmental issues such as energy, water resources, dust, noise, garbage clearance, pollutant discharge, and demolition, so as to minimise potential negative impact on the environment operations. At the construction sites of the projects where COLI is the contractor, we have achieved 100% installation of dust monitoring and noise monitoring in accordance with the local requirements and access to government platforms to continuously promote green and civilised construction sites.

We have developed the environmental emergency plan, which includes the identification of environmental impact factors, risk point screening and hazard elimination, and precautionary measures, to standardise our emergency management. This helps to prevent and reduce environmental emergencies, and to control, mitigate and eliminate their damage.

Meanwhile, we strictly fulfil our primary responsibility for environmental protection. We have our environmental work in place by establishing a top-down environmental management process, clarifying the supervisory responsibilities of management, and continuously improving the environmental protection management system.



As at 31 December 2023, the Headquarters of COLI, COCP, Technology Company of COLI, Lingchao Supply Chain Management Company, China State Grand Wealth and Tian Shan Company had obtained ISO 14001 Environmental Management System certification, which covers **100%** of the major businesses.

## 6.2 Resources Utilisation

COLI is fully aware that improving resource utilisation is an important way to achieve corporate sustainability. We vigorously promote the energy conservation in a variety of ways, maximising efficiency in the utilisation of water resources. By reducing resource consumption at source, we stimulate a new driving force of "green" development in all directions.

### 6.2.1 Energy Management

The energy consumption of our operations is mainly from the electricity for all kinds of equipment and the use of company cars. We constantly seek opportunities for green and low-carbon development, and have developed an energy and carbon management system. The energy and carbon management platform independently developed by us monitors energy consumption in real time, and accordingly, we develop the appropriate energy saving measures based on energy consumption statistics, thereby improving energy efficiency and making our energy management a "closed-loop, verified and motivated" practice.

## Energy and Carbon Management Platform of COLI

### Delicacy management

Diagnose anomalies in energy consumption, improve equipment operation, and reduce energy management deficiencies.

### Lower cost and higher efficiency

Energy savings of 3%-8% are expected in the public area of the project.

### Personnel management enhancement

Standardise daily route management through the energy management platform, and establish an energy management mechanism to raise awareness among project management professionals.

### Energy Consumption Control System



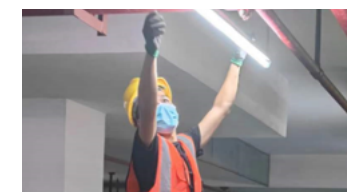
Energy Consumption Control System

We renovate the energy saving equipment and technologies of existing projects to increase the energy savings and efficiency. In 2023, we completed the renovation of the first batch of our own commercial projects, including the cooling and heating source and pipe network of lighting, air conditioning and heating systems. By 2050, we plan to complete energy-saving renovation of 43 commercial projects in four batches.

## Foshan Unipark Uses Energy-saving Technologies to Minimise Energy Consumption

In 2023, we took a number of application and energy-saving measures in Foshan Unipark to minimise energy consumption and improve energy efficiency. Some typical measures and plans included:

- Expand the energy-saving control object from a single equipment to the whole system through the energy-saving management platform of Building Management System ("BMS"), to minimise energy consumption and improve energy efficiency. Use the BMS to perform statistical analysis on energy consumption of the buildings to provide data support for subsequent energy-saving optimisation.
- Set the intelligent lighting system in the parking area to automatically adjust the illumination as vehicles enter and exit, thereby improving energy saving efficiency and driver safety.
- Carry out frequency conversion renovation of air conditioning system, optimise the operating status of air conditioning cooling system, and expand the terminal network of air conditioners; implement zoning management of terminal air conditioner via the BMS to avoid overcooling or overheating, thereby achieving energy conservation and emission reduction.
- Operate the chilled water pump in a frequency conversion mode and freeze the water temperature, and adjust the temperature difference from 3°C to 5°C to control energy saving.
- Introduce a building dome spray cooling system, and turn on automatic frequency conversion through continuous temperature monitoring and automatic sensing to adjust spray cooling in real time, thereby avoiding spray cooling in unnecessary areas. 1.1 million kWh of energy is expected to be saved each year.



Installation of Flow Metre



Automatic Control Platform of Air Conditioner



Dome Cooling

In addition to the large-scale renovation, we also implement regular scientific and effective energy consumption management in residential and commercial projects. For example, we conduct patrol inspection of equipment in all hotel areas, record the noncompliances and waste in use of energy, and develop appropriate energy-saving measures to address the findings in the patrol inspection, to effectively implement the closed-loop operation and energy consumption management. Meanwhile, we are a mover in creating a green office environment. We uphold the concept of energy conservation and standard electricity utilisation, keeping the office green in every detail.

## Energy-saving Office Measures of COLI

### Standardised use of electrical appliances

- ▶ Set the temperature of the air conditioner no lower than 26°C in winter;
- ▶ Arrange the person on duty to check all areas of the hotel, turn off the equipment in a timely manner if waste is detected, take photos for record, and prepare a patrol report;
- ▶ Take regular metre readings, check energy consumption, and deal with any anomalies in a timely manner.

### Online office

- ▶ Encourage online video training and meetings and reduce business travel.

### Low-carbon transportation

- ▶ Encourage employees to use green and low-carbon mobility options such as public transportation;
- ▶ Provide new energy vehicles for business use and use fewer fuel vehicles.

### Enhanced awareness of resource conservation

- ▶ Post the power saving slogans to raise awareness among employees.

Besides, we introduce low-carbon intelligent technology and keep exploring renewable energy opportunities, to speed up the energy structure transition to low-carbon development.

## Renewable Energy Use of COLI

- COLI strives to develop clean energy. We use photovoltaic power, wind power and hydro power for air conditioning and street lighting;
- We have developed green projects involving photovoltaic power, wind power and geothermal heat in China Overseas Building and Beijing China Overseas Finance Centre. The ground-source heat pump system is piloted in the China Overseas Finance Centre in Beijing, with a renewable energy utilisation rate of 68%;
- 58% of new land projects is designed to use renewable energy such as solar and air energy where local conditions permit.

## The Beijing China Overseas Business Centre uses green energy to improve clean energy utilisation rate

In 2023, the Beijing COLI Commercial Centre Project carried out a renewable energy utilisation analysis with due consideration to the local resources. We adopted 22 key technologies, including PEDF technology, low-carbon intelligent air-conditioning system, and intelligent office system, to realise the renovation of low-efficiency buildings.

In addition, we install rooftop solar PV panel for solar PV power generation, realising self-sufficiency in power for the building. This improves the Utilisation efficiency of renewable energy, and gradually promotes the structural transformation of building operation energy. After the rooftop solar PV system is put into use, the annual power generation is expected to reach 370 thousand kWh.



Energy-Saving Plan of China Overseas Business Centre, Beijing

## 6.2.2 Water Resources Management

Our water resources are primarily municipal and surface water. We have no problem in searching for water resources. Scenarios for water use include toilets in offices and shopping malls, plumbing and bathroom facilities in hotels, cooking in restaurants, swimming pools, and cleaning. We advocate water conservation. Various water conservation measures, including the maintenance and management of water equipment, the posting of water saving signs, and the regular inspection of water consumption points, are taken to improve the use efficiency of water resources in operational processes. We also constantly seek new models for water recycling. In addition, we have established management guidelines and water conservation targets, the performance of which is linked to the performance-based rewards of corresponding responsible persons.

## Water-saving Measures of COLI

### Installation of water-saving equipment

- ▶ Install water-saving equipment such as energy saving faucets and inductive faucets.

### Routine inspection of water equipment

- ▶ Check the operation of water equipment every day, and handle the leakages found in time; report the faults that cannot be solved promptly to superiors, make maintenance records, and maintain the water equipment as soon as possible to minimise the waste of water due to the faults in the water equipment.

### Water-saving advocacy

- ▶ Encourage employees to save water in daily production and work by centralising laundry and reducing washing time of bowls and chopsticks.

### Posting of water-saving signs

- ▶ Post the water saving signs in toilets and public office areas to raise employees' awareness of water saving.

### 6.2.3 Raw Materials Management

We implement the philosophy of reducing resource consumption and pollutant discharge at source. We encourage the use of green building materials and build green products. We also work with suppliers and partners to promote a green and sustainable ecosystem and continuously improve material management.

For details on raw materials management, please refer to the chapter 8 "Cooperation for Win-Win Results" in this report.

## 6.3 Pollution Prevention and Control

COLI pays great attention to the impact of emissions on the environment. We strictly control the exhaust gas, wastewater and waste from our operations, and take a series of measures to control pollutants at the source and in the process. Through these efforts, we aim to reduce the emissions.

### 6.3.1 Exhaust Gas Management

COLI strictly complies with the Law of the People's Republic of China on Prevention and Control of Atmospheric Pollution and other laws and regulations. We establish and improve an exhaust gas management mechanism, evaluate it regularly, and take appropriate improvement measures to ensure its effective operation.

We have developed the implementation plan for prevention and control of dust pollution and the emergency plan for heavy pollution weather to standardise the management of the emissions and emission concentrations of air pollutants and to address air pollution. The air pollutants generated in our operations are mainly from the fuel consumption by our business vehicles and boilers in our own commercial projects, while the air pollutants at the construction sites are mainly from the dust from vehicle driving and the fuel consumption of engineering machinery and boilers, including NO<sub>x</sub>, SO<sub>x</sub> and PM.

We make consistent efforts to strengthen the construction process management of contractors, and strictly implement six 100% requirements, i.e., 100% fencing at the construction sites, 100% covering for bulk materials, 100% washing for incoming and outgoing vehicles, 100% hardening for construction site pavement, 100% closed transportation for muck vehicles, and 100% wet working for demolition sites. In addition, we actively promote smart construction site management and adopts the "Yunzhu Smart Platform (雲築智聯平台)" of CSCEC E-commerce (中建電商) for video monitoring and digital management of green construction so as to detect in a timely manner whether any pollution limits are breached.



As of December 31, 2023, the "Yunzhu Smart Platform" had achieved **100%** coverage of intelligent construction sites in progress.

### COLI's Dust Pollution Control Plan for Construction Sites

- ▶ Take measures such as covering, fencing, enclosing, greening, spraying and washing to control dust;
- ▶ Establish standards for watering and cleaning, provide watering devices, and water and clean all roads on the construction sites in a timely manner;
- ▶ Transport the muck with qualified vehicles, and strengthen the management of muck transport vehicles and personnel;
- ▶ Incorporate dust pollution control into project supervision rules, and identify and correct the site's dust pollution behaviors in a timely manner;
- ▶ Post the construction dust control measures on site, and report the implementation to local government authorities in a timely manner;
- ▶ Use concrete or hard materials to pave the entrance and internal site road, install efficient vehicles washing equipment, and ensure the effective operation of the equipment;
- ▶ Cover and consolidate all exposed soil areas on site (the short-term exposed soil can be cured by spraying dust suppressant, and the soil exposed for more than three months should be planted with vegetation);
- ▶ Place cement and other flying PM building materials in an enclosed area or cover them;
- ▶ Control emissions from mechanical equipment and vehicles in line with national emission standards;
- ▶ Work actively with local government to respond to emergencies in the event of heavy pollution weather, and increase the frequency of watering.

Furthermore, we input resources to make our commercial operations cleaner. In 2023, many of our commercial projects optimised dedusting technologies and equipments, greatly improving the efficiency of air pollutant control.

### Measures for Exhaust Gas Control in COLI Commercial Projects (Partial)

- ▶ Renaissance Zhuhai Hotel is equipped with two steam boilers with flue gas heat recovery facility and FGR pipe, and the automatic control system is used to detect the boiler operation and control the NO<sub>x</sub> emission within 30 mg/N<sup>m<sup>3</sup></sup>;
- ▶ In Tower A, B, C, D and E Projects of China Overseas International Centre, the boiler head is replaced with a low-NO<sub>x</sub> emission one, and the boiler flue gas emissions are regularly checked, with results in line with the national standard.
- ▶ At The COLI Hotel Shenzhen, we replace boiler with steam generator, reducing exhaust gas emissions from 46.7 mg/m<sup>3</sup> to 14 mg/m<sup>3</sup>.



### 6.3.2 Wastewater Management

We strictly comply with the [Water Pollution Prevention and Control Law of the People's Republic of China](#). We continue to strengthen the supervision of contractors' wastewater management to ensure that sewage generated during the project construction is treated properly in accordance with laws and regulations. We use tertiary sedimentation tanks at the construction site to precisely treat suspended solids and impurities in the sewage or wastewater, thereby ensuring that the water quality meets the discharge standard. The construction sewage treated by these tanks is discharged to the municipal pipes, and some wastewater is recycled for concrete curing and dust removal.



As of 31 December 2023, the tertiary sedimentation tanks had achieved **100%** coverage for the earthwork excavation, slope protection and dewatering works and the main construction phase of the projects.

For commercial operation projects, we propose the drainage management requirements for tenants, with a view to working with them to create a good and clean operating environment, thus achieving win-win business development and environmental protection.

#### Drainage Management Requirements for COLI Tenants (Partial)

- ▶ Catering tenants must install oil-water separators to achieve good garbage filter and obvious grease separation, and clean out the garbage and grease daily before closing. The water from kitchen hobs must be treated in the oil-water separators before discharge into the open trenches;
- ▶ The unfiltered sewage shall not be directly discharged into the main sewer;
- ▶ The drainage conditions of tenants are inspected on a daily basis, and the tenants whose drainage is not up to standard are notified, punished, and required to take rectification measures;
- ▶ Wastewater in kitchen area must be treated in sedimentation tanks and three-stage filtering screens before discharge into the main sewer;
- ▶ Drainage pipes for wastewater from water purifiers and ice makers must be connected to the special blow-off pipes and must be secured to avoid ponding in the pipes.

### 6.3.3 Waste Management

We supervise and manage the waste at the construction site in accordance with the [Law of the People's Republic of China on the Prevention and Control of Environment Pollution by Solid Wastes](#), adopting the prefabricated construction technology. We are committed to reducing waste at source. We regularly monitor and limit the use of concrete in construction projects to reduce the production of unnecessary construction rubbish and waste through construction materials and on-site facility management. Meanwhile, our contract with the contractor requires that a centralised garbage collection point should be set up at the construction site and that the garbage from the construction site should be cleared in a timely manner. In principle, the contractor is required to remove the garbage as soon as the garbage collection point is full. At no time should the garbage collection interval exceed three days. Perishable and highly polluting materials are cleared on the same day. The construction rubbish is disposed of by the construction units. Some materials, such as materials for temporary plank houses, will be recycled.

Starting with ourselves, we actively seek the effective measures for waste minimisation, harmlessness and recycling in the office. We implement the waste minimisation and sorting management in the office in accordance with the [Implementation Plan for Household Waste Sorting Measures](#) issued by the National Development and Reform Commission and the Ministry of Housing and Urban-Rural Development. Organisations at various levels are required to classify the household waste into recyclable waste, kitchen waste, hazardous waste and others according to the waste sorting policies in their territories, and to strictly sort and classify the waste. Moreover, waste bins with signs are provided for different categories of waste to further assist employees and customers in the classified waste disposal. Solid waste is recycled as far as possible: recyclable waste (such as metal scraps and plastic barrels) will be sorted by personnel appointed by the management offices and then transferred to the designated places for central disposal; non-recyclable waste and household waste will be transferred by special persons to the surrounding waste bins or garbage collection points, and then transported by us or entrusted parties to the dump sites designated by the environmental authorities. Hazardous waste and dangerous waste are temporarily stored by our designated personnel and regularly cleaned by the professional clearing company. Waste residues, including special hazardous substances, highly toxic substances and radioactive waste, are specially disposed of in accordance with government and company regulations. In 2023, our 10 shopping malls successfully sorted 32,576 tonnes of waste.



Empty Plastic Bottle Recycling Program in Unifun Tianfu Chengdu

## Waste Sorting Management of Unipark, Foshan

Unipark, Foshan strictly follows the [Green Office Management Policy](#). We regularly check the waste sorting throughout the region and record the amount of waste cleared every day. Meanwhile, recyclable material garbage room, construction waste room and green garbage room are set up, with about 300 sorting bins provided, to refine the management of all categories of waste throughout the region. Moreover, the employees receive quarterly training on waste sorting. This also applies to new stores.



Unipark, Foshan Waste Segregation Training

## 6.4 Biodiversity Protection

COLI adheres to the philosophy of ecological civilisation. We take various measures to protect biodiversity, and work with partners to protect the ecosystem. Our contract with the contractor requires that the forests and trees that may be disturbed or damaged during the construction should be protected to minimise the negative impact on the ecosystem, in an effort to create a good atmosphere of harmony between human and nature.

We strictly comply with the [Wild Animal Conservation Law of the People's Republic of China](#), the [Regulations of the People's Republic of China on Nature Reserves](#), the [Regulations of the People's Republic of China on Wild Plants Protection](#), the [Urban and Rural Planning Law of the People's Republic of China](#), and other relevant laws and regulations. We have formulated the [Green Building Technical Manual](#) and other internal policies to regulate our work related to biodiversity protection. The management process for the project planning and site selection and preliminary survey phases is also clarified.

## Biodiversity Protection Initiatives of COLI

### Planning and site selection phase

We use our independently developed information management system City Map to conduct comprehensive analysis based on current and planned urban resources, the macro economy, home purchaser data and land data, and to screen out negative factors such as industrial and mining enterprises, sewage disposal facilities and special pollution sources. This effectively supports investment decision-making.

We also require each project unit to carry out ecological and environmental risk screening in the aspects of geography and topography, soil, environmental pollution and special conservation through site exploration, measurement by equipment and checking relevant information and historical background, etc. to identify the environment risks of the project site. We commit not to undertake development in World Heritage sites, IUCN Category I-IV protected areas, national nature reserves or greenfield areas (including agricultural land, green land, farmland, etc.) to protect local natural ecosystems and rare wild animal and plant species. If we cannot avoid developing in green areas, we will develop projects that meet green building standards to minimise the impact on the ecological environment. In addition, we proactively push ahead with the restoration of ecosystems, such as participating in the restoration and use of contaminated and abandoned warehouses or factories, bare rock, gravel land, saline-alkali land, sandy wasteland and waste kilns, to help recover brownfield and restore the original natural ecosystems in the area.

### Preliminary survey phase

We conduct environmental impact assessment in strict compliance with the [Environmental Impact Assessment Law of the People's Republic of China](#), and ensure that each of our new projects passes the environmental assessment by professional agencies and obtains approval from local environmental authorities. The environmental assessment covers monitoring of groundwater and soil, raw materials used, possible wastes, design of environmental facilities, geological terrain and soil risks of the project. Besides, the governments put forward measures to mitigate, eliminate, reduce or control adverse environmental impact and repair or compensate for environmental damage caused by these types of impact.

This year, we accomplished environmental risk assessment and environmental impact assessment for 100% of our new land-use rights projects. We also conducted evaluations based on individual project circumstances to ensure that the project would not have significant impacts on the surrounding environment.

To strengthen biodiversity management, we have established a steering group for ecological and environmental protection, composed of members from the Engineering Management Department, the Operations Management Department, and the Cost Management Department. This will ensure the effective implementation of national and local laws, regulations, guidelines and policies, and will provide direction for our own ecological and environmental management. The steering group is responsible for establishing an ecological and environmental protection work system and improving the corresponding assessment, reward and punishment system, and supervising and checking the implementation of environmental management work by units and projects at all levels.



In 2023:

- Checked the risks of **100%** of the land parcels for projects before acquisition;
- **100%** land parcels acquired from public market had environmental impact assessment reports of suppliers (including contractors).

## 6.5 Response to Climate Change

As a member of the community with a shared future for mankind, COLI is deeply aware that climate change will be one of the key factors affecting the sustainable development of enterprises. We attach great importance to the global agenda on climate issues. We grasp the strategic initiative of preventing and mitigating climate risks, while also nurturing new opportunities amidst crises. Furthermore, we actively support China's 14th Five-Year Plan and "carbon peak and carbon neutrality" ("dual carbon") goal with concrete actions. These endeavors have exemplified our strong sense of corporate responsibility.

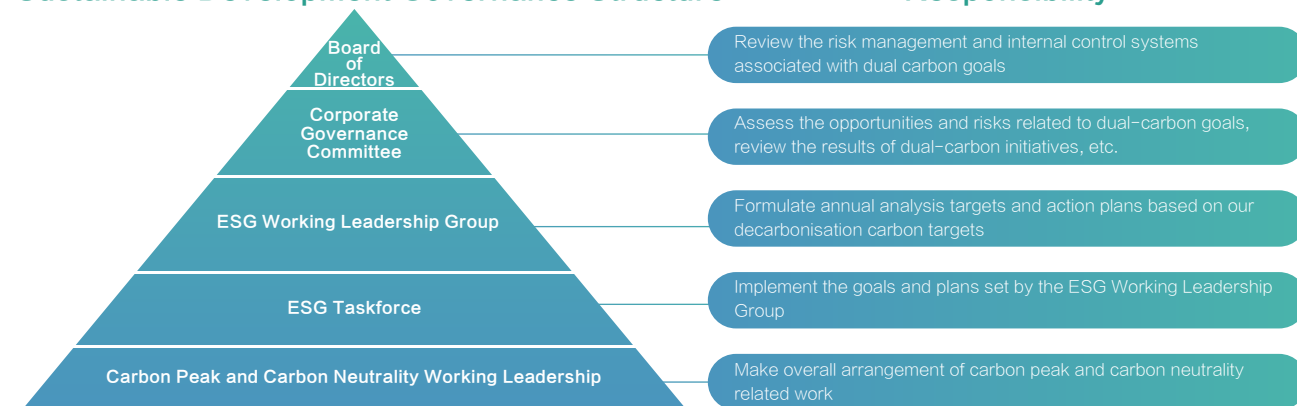
### 6.5.1 Climate Change Governance

Climate change is integral to the COLI's strategic initiatives. In response, we have developed the [Responding to Climate Change Policy](#) which we adhere to strictly to facilitate the implementation of climate change-related management. We also integrate the oversight, management and implementation of climate-related matters into our sustainable development governance framework. In 2023, we set up the COLI Carbon Peak and Carbon Neutrality Working Leadership, with the CEO as the team leader and the Design Management Department as the secretary organisation. The Working Leadership performs the functions related to carbon peak and carbon neutrality initiatives, including formulating the COLI's overall dual carbon goals, decomposing annual targets, developing the annual action plan, forming a budget for carbon peak and carbon neutrality initiatives and keeping track of the budget to understand the achievement of goals, supervising the organisations at all levels to achieve the carbon peak and carbon neutrality goals, discussing and formulating work plan for carbon peak and carbon neutrality issues, and organising the preparation of carbon peak and carbon neutrality report, so as to advance the enforcement of our decarbonisation initiatives.

#### Decarbonisation Governance Structure of COLI

##### Sustainable Development Governance Structure

##### Responsibility



For more information on our governance model and structure for sustainable development, please refer to Chapter 4 "Taking Responsibility to Achieve Sustainable Development" in this report.

### 6.5.2 Climate Change Strategies

Our scenarios for climate change assessment are based on the two "representative concentration pathways" proposed by the United Nations Intergovernmental Panel on Climate Change (IPCC): The worst-case emissions scenario RCP 8.5 (i.e., future temperatures exceed 2 degrees) and the positive scenario RCP 4.5 (i.e., carbon emissions begin to decline in 2040 and temperatures rise within 2 degrees). These scenarios are evaluated in terms of short-term (2030) to long-term (2050) climate change implications.

## Physical Risks

As we operate in multiple regions and cities in China, and regional differences in climate variables need to be projected based on the location of operations, we have categorised our major properties in Hong Kong and the Chinese Mainland into 18 city groups for climate exposure assessment based on regional distribution. We assessed three physical climate risks, including extreme precipitation, flooding, and typhoons.

Through scenario analysis, we classify risks into five levels: very low, low, medium, high, and very high. By examining the likelihood and severity of the three climate risks mentioned above, COLI assessed and ranked their risk levels to gain insight into the physical risk levels faced by properties in the regions.



#### Risk Identification Results of City Group – Extreme Precipitation

| Region              | City Group                       | 2030               |        | 2050   |           |           |
|---------------------|----------------------------------|--------------------|--------|--------|-----------|-----------|
|                     |                                  | RCP4.5             | RCP8.5 | RCP4.5 | RCP8.5    |           |
| Northern Region     | Beijing, Tianjin                 | Medium             | High   | High   | High      |           |
|                     | Harbin, Panyang Changchun        | High               | High   | High   | Very High |           |
|                     | Dalian, Shijiazhuang             | Low                | Medium | High   | High      |           |
| Eastern Region      | Shanghai, Hangzhou, Suzhou       | Medium             | High   | High   | High      |           |
|                     | Ningbo, Nanjing, Qingdao, Yantai | Low                | Medium | High   | High      |           |
|                     | Jinan                            | Low                | Medium | Medium | Medium    |           |
| Southern Region     | Shenzhen, Zhuhai                 | Medium             | High   | High   | High      |           |
|                     | Guangzhou, Foshan                | Medium             | High   | High   | High      |           |
|                     | Xiamen, Fuzhou                   | Medium             | Medium | High   | High      |           |
|                     | Hainan                           | Medium             | Medium | Medium | Medium    |           |
| Changsha, Nanchang  | Changsha, Nanchang               | High               | High   | High   | High      |           |
|                     | Central and Western Region       | Chengdu, Guiyang   | Low    | Medium | Medium    | Medium    |
|                     |                                  | Kunming, Chongqing | High   | High   | High      | High      |
|                     |                                  | Wuhan              | High   | High   | High      | Very High |
| Xi'an, Taiyuan      |                                  | Medium             | Medium | High   | High      |           |
| Xinjiang            | Xinjiang                         | Low                | Low    | Low    | Low       |           |
|                     | Zhengzhou                        | Medium             | Medium | High   | High      |           |
| Hong Kong and Macau | Very Low                         | Low                | Medium | Medium |           |           |



According to the results of the analysis, the risk of extreme precipitation in 2030 is high in Beijing, Tianjin, Shijiazhuang, Changsha, Nanchang and Wuhan, and in the Yangtze River Delta and Pearl River Delta under the RCP8.5 scenario. In 2050, most of the cities will face a high risk of extreme precipitation. Jinan, Chengdu, Guiyang, Kunming, Chongqing, Hainan, and Xinjiang have medium-low risk of extreme precipitation under different scenarios due to the low severity of precipitation. Although Hong Kong and Macau are in the south, the frequency and severity of extreme precipitation hazards in the regions are the lowest in China due to their small urban areas and sound drainage systems.

### Risk Identification Results of City Group – Flooding

| Region                     | City Group                                  | 2030   |        | 2050   |        |
|----------------------------|---|--------|--------|--------|--------|
|                            |   | RCP4.5 | RCP8.5 | RCP4.5 | RCP8.5 |
| Northern Region            | Beijing, Tianjin                            | ●      | ●      | ●      | ●      |
|                            | Harbin, Panyang, Changchun                  | ●      | ●      | ●      | ●      |
|                            | Dalian                                      | ●      | ●      | ●      | ●      |
|                            | Shijiazhuang                                | ●      | ●      | ●      | ●      |
| Eastern Region             | Shanghai, Hangzhou, Suzhou, Ningbo, Nanjing | ●      | ●      | ●      | ●      |
|                            | Qingdao, Yantai                             | ●      | ●      | ●      | ●      |
|                            | Jinan                                       | ●      | ●      | ●      | ●      |
|                            |   |        |        |        |        |
| Southern Region            | Shenzhen, Zhuhai                            | ●      | ●      | ●      | ●      |
|                            | Guangzhou, Foshan                           | ●      | ●      | ●      | ●      |
|                            | Xiamen, Fuzhou                              | ●      | ●      | ●      | ●      |
|                            | Hainan                                      | ●      | ●      | ●      | ●      |
|                            | Changsha, Nanchang                          | ●      | ●      | ●      | ●      |
| Central and Western Region | Chengdu, Guiyang, Kunming, Chongqing        | ●      | ●      | ●      | ●      |
|                            | Wuhan                                       | ●      | ●      | ●      | ●      |
|                            | Xi'an, Taiyuan                              | ●      | ●      | ●      | ●      |
|                            | Xinjiang                                    | ●      | ●      | ●      | ●      |
|                            | Zhengzhou                                   | ●      | ●      | ●      | ●      |
|                            |   |        |        |        |        |
| Hong Kong and Macau        | Hong Kong, Macau                            | ●      | ●      | ●      | ●      |

For flood risk, the analysis shows that Dalian and Hainan will face high flood risk in 2030 under both RCP8.5 and RCP4.5 scenarios. Similarly, coastal cities will face high or very high flood risk in 2050 under both scenarios, with the highest risk in Hong Kong and Macau and the southern cities including Shenzhen, Zhuhai, Xiamen, Fuzhou, and Hainan. In contrast, the flood risk in the central and western regions is very low under different scenarios.

### Risk Identification Results of City Group – Typhoon

| Region                     | City Group                                  | 2030   |        | 2050   |        |
|----------------------------|---|--------|--------|--------|--------|
|                            |   | RCP4.5 | RCP8.5 | RCP4.5 | RCP8.5 |
| Northern Region            | Beijing, Tianjin                            | ●      | ●      | ●      | ●      |
|                            | Harbin, Panyang, Changchun, Dalian          | ●      | ●      | ●      | ●      |
|                            | Shijiazhuang                                | ●      | ●      | ●      | ●      |
|                            |   |        |        |        |        |
| Eastern Region             | Shanghai, Hangzhou, Suzhou, Ningbo, Nanjing | ●      | ●      | ●      | ●      |
|                            | Qingdao, Yantai                             | ●      | ●      | ●      | ●      |
|                            | Jinan                                       | ●      | ●      | ●      | ●      |
|                            |   |        |        |        |        |
| Southern Region            | Shenzhen, Zhuhai                            | ●      | ●      | ●      | ●      |
|                            | Guangzhou, Foshan                           | ●      | ●      | ●      | ●      |
|                            | Xiamen, Fuzhou                              | ●      | ●      | ●      | ●      |
|                            | Hainan                                      | ●      | ●      | ●      | ●      |
| Central and Western Region | Changsha, Nanchang                          | ●      | ●      | ●      | ●      |
|                            |   |        |        |        |        |
| Central and Western Region | Chengdu, Guiyang, Kunming, Chongqing        | ●      | ●      | ●      | ●      |
|                            | Wuhan                                       | ●      | ●      | ●      | ●      |
|                            | Xi'an, Taiyuan                              | ●      | ●      | ●      | ●      |
|                            | Xinjiang                                    | ●      | ●      | ●      | ●      |
|                            | Zhengzhou                                   | ●      | ●      | ●      | ●      |
|                            |   |        |        |        |        |
| Hong Kong and Macau        | Hong Kong, Macau                            | ●      | ●      | ●      | ●      |

According to the analysis of typhoon risk identification, under the two scenarios of RCP 8.5 and RCP 4.5, Hong Kong and Macau regions, the Yangtze River Delta region and southern cities except Changsha and Nanchang will face high or very high typhoon risk. In contrast, the typhoon risk in the central and western regions and some inland cities in the northern and eastern regions, such as Shijiazhuang and Jinan, are all very low under different scenarios.

The physical risks described above may have the following impact on our business:

| Material Physical Risks | Potential Business Impact  |
|-------------------------|--|
| Typhoon                 | <ul style="list-style-type: none"> <li>Affected by typhoon, the operations of properties and shopping malls may have to be suspended, resulting in financial losses;</li> <li>Buildings may be damaged or destroyed because of typhoon, increasing repairing and restoration costs;</li> <li>Typhoon can cause transportation and supply chain disruptions, increasing operating costs;</li> <li>Typhoon may result in more days of construction downtime/delay and higher construction costs;</li> <li>Strong winds, rainstorms, and flooding brought by typhoons may pose a threat to the safety of employees. If an employee is injured in a typhoon, the real estate company may need to pay compensation like medical expenses, resulting in increased operating costs;</li> <li>When typhoons occur frequently or risk identification results show an increased threat to specific areas, insurance companies may raise premiums for typhoon-related insurance, which means that real estate companies need to pay higher premiums to protect assets.</li> </ul> |
| Extreme precipitation   | <ul style="list-style-type: none"> <li>More days of construction downtime/delay for projects under construction will result in higher construction costs;</li> <li>Increased risk of flooding in basements or underground parking lots of existing projects may cause damage to properties, thus increasing the cost of repairing or replacing damaged assets and reducing the asset value;</li> <li>The need to strengthen building design and renovation projects and replenish flood protection equipment more frequently to cope with extreme precipitation will increase operating costs;</li> <li>The need to conduct emergency drainage work and maintenance will increase employee overtime costs and pose a threat to employee safety;</li> <li>Extreme precipitation can cause transportation and supply chain disruptions, increasing operating costs;</li> <li>Properties may have to pay higher insurance premiums due to the high risk of extreme precipitation.</li> </ul>  |
| Flooding                | <ul style="list-style-type: none"> <li>The operations of properties and shopping malls may be suspended, resulting in financial losses;</li> <li>Increased risk of flooding in basements or underground parking lots of existing projects may cause damage to properties, thus increasing the cost of repairing or replacing damaged assets and reducing the asset value;</li> <li>Flooding can cause transportation and supply chain disruptions, increasing operating costs;</li> <li>The need to conduct emergency drainage work and maintenance due to flooding will increase employee overtime costs and pose a threat to employee safety;</li> <li>Properties may have to pay higher insurance premiums due to the high risk of flooding;</li> <li>The need to strengthen building design and renovation projects and replenish flood protection equipment more frequently to cope with flooding will increase operating costs;</li> </ul>   |

## Transition Risks

Under the RCP 8.5 and RCP 4.5 scenarios, we have analysed the socio-economic environment we could confront in relation to our business development by 2030 and 2050, respectively, and identified the transition risks for the selected city groups mentioned above.

| Category of Transition Risks | Description  | Risk Level |
|------------------------------|--|------------|
| Policies and Regulations     | Energy structure and energy use  | Very high  |
|                              | Carbon price   | High       |
|                              | Green building targets and standards                                   | Very high  |
| Technique Risk               | Litigation Risk  | Medium     |
|                              | Green building techniques  | Very high  |
| Market Risk                  | Increased investor demand for green and low carbon investments         | Medium     |
| Reputation Risk              | Changing consumer preferences  | Medium     |
|                              | Increased stakeholder attention to corporate environmental performance | Medium     |

According to the analysis, the energy structure and energy use, green building targets and standards, and green building techniques are the transition risks with significant potential impact on us.

| Major Transition risks               | Potential Business Impact  |
|--------------------------------------|--|
| Energy structure and energy use      | <ul style="list-style-type: none"> <li>Adopting building design and construction materials that are energy-saving and involve renewable energy will increase costs;</li> <li>It is necessary to carry out energy-saving renovation for existing buildings and equipment, which will increase investment costs;</li> <li>Switching to renewable energy sources (e.g., photovoltaic, heat pump, and wind) may require significant investment in infrastructure and installation, thereby increasing costs;</li> <li>With relevant policies gradually improved, renewable energy subsidies may decrease and costs will increase.</li> </ul> |
| Green building targets and standards | <ul style="list-style-type: none"> <li>The investment in building design and technology development will increase;</li> <li>It is necessary to carry out energy-saving renovation for existing buildings and equipment, which will increase investment costs;</li> <li>The budget for green building certifications will increase;</li> <li>There is a need to meet more and increasingly stringent green building goals and standards, and failure to meet relevant regulatory requirements may lead to potential legal risks.</li> </ul>   |
| Green building technologies          | <ul style="list-style-type: none"> <li>Extra investment is needed to develop green design technology and patents, which will increase the costs of R&amp;D, design, and construction;</li> <li>Improving the environmental performance of existing buildings will increase costs and may face technical limitations.</li> <li>As more innovative carbon reduction technologies are adopted, additional resources and costs need to be input into training relevant in-house personnel to apply the technologies.</li> </ul>  |

## 6.5.2 Climate Risk Management

We have incorporated climate change risks into our risk management system. Based on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and taking into account the characteristics of our businesses, we have identified climate-related physical risks and transition risks, and continuously monitored, assessed and fully analysed the potential impacts of climate change on our businesses, operations and finances.

To address significant physical risks, we develop climate adaptation measures that include four response strategies, namely mitigation, control, transfer, and acceptance. In 2023, we examined each property operation team's responses and looked into the existing financial impacts caused by climate change to assess the feasibility and effectiveness of each climate adaptation measure.

### Material Physical Risks Management Strategies or Measures

| Material Physical Risks | Management Strategies or Measures  |
|-------------------------|--|
| Typhoon                 | <ul style="list-style-type: none"> <li>Reinforce windows and outdoor railings in residential or commercial buildings to prevent falling; and reinforce equipment vulnerable to typhoons;</li> <li>Arrange internal staff or engage a third party to inspect and maintain the glass curtain walls of commercial buildings every year to ensure that they are in good condition;</li> <li>Conduct regular visual inspections to repair potential building defects and make reinforcement, including hardened washers, malfunctioning locking devices and hinges of openable windows, or water seepage or dampness in curtain walls and windows, so as to ensure that the windproof facilities and equipment can function properly;</li> <li>Formulate the <a href="#">Daily Norms and Contingency Plans on Wind, Flood and Lightning Prevention</a> and set up an early warning mechanism for typhoons to instruct staff on when and how to respond to extreme weather events.</li> </ul>                      |
| Extreme precipitation   | <ul style="list-style-type: none"> <li>Install flood gates/Equip with waterproof baffles at all entrances/exits and low-lying locations within the property (e.g., underground parking lots/loading areas);</li> <li>Install pumps that can automatically turn on under extreme precipitation to pump and discharge sewage flowing into the buildings;</li> <li>Place a flood control truck in properties to store necessary materials, such as umbrellas, pumps, water bags, and sandbags;</li> <li>Set up an automatic flood warning system to alert underground spaces and essential facilities, such as machine rooms, in the event of extreme precipitation;</li> <li>Formulate a contingency plan for extreme precipitation/flood control to specify emergency response measures and operational instructions under extreme precipitation; conduct regular inventories of flood control facilities and confirm the need for replenishing materials and reinforcing buildings and equipment.</li> </ul> |
| Flooding                | <ul style="list-style-type: none"> <li>Equip with a drainage system with greater hydraulic capacity and higher efficiency than ordinary system at the bottom of the elevator pit, install a mobile water baffle at the bottom elevator entrance, and place a weather bar on the balcony lintels to prevent rainwater from entering the room through the gaps;</li> <li>Choose and employ outdoor facilities that can be easily disassembled and, if necessary, dismantle them and carry them to a safe place;</li> <li>Relocate important materials (i.e., electronic instruments) to higher ground or indoor spaces;</li> <li>Purchase property insurance for important properties.</li> </ul>  |

### Material Physical Risks Management Strategies or Measures

|   |   |
|---|---|
| Energy structure and energy use           | <ul style="list-style-type: none"> <li>Achieve real-time monitoring of energy data in public and leased areas by reconstructing the energy management systems of self-owned projects in operation.</li> </ul>   |
| Green building goals and standards        | <ul style="list-style-type: none"> <li>Formulate the long-term goals for promoting green buildings and gradually set annual goals based on national policies.</li> </ul>  |
| Technical requirements for green building | <ul style="list-style-type: none"> <li>Establish an incentive mechanism to encourage projects to implement high-level and high-tech green building practices;</li> <li>Sum up the practical experience in green buildings over the years, establish relevant SOPs, develop standard products, and achieve the goals of improving quality, reducing cost and increasing efficiency for green building construction.</li> </ul> |

At the same time, we have been proactive in identifying climate opportunities that are relevant to our business.

### Climate-related Opportunities Description

|   |  |
|---|--|
| Increased market demand for climate-resilient real estates      | <ul style="list-style-type: none"> <li>Real estate companies that provide climate-resilient properties can lower the financial losses and operating burden caused by climate risks and can attract investors for long-term investment.</li> </ul>  |
| Increased market demand for green/energy efficient real estates | <ul style="list-style-type: none"> <li>By supplying more low-carbon and energy-efficient buildings, real estate companies can respond to customers' preference for low-carbon, green and energy-efficient products and attract new customers, bringing higher rental premiums and increased revenue.</li> </ul>  |
| Energy structure transition opportunities                       | <ul style="list-style-type: none"> <li>By introducing renewable energy sources (e.g., photovoltaic, heat pump, and wind), real estate companies can reduce building energy consumption, thereby lowering operating costs.</li> <li>Real estate companies can enhance the value of their assets and market valuations in energy transition, and strengthen their advantages.</li> <li>Real estate companies can respond to customer needs and acquire new customers by adding new energy elements to their business and introducing new technologies with the help of intelligent platforms.</li> </ul> |
| Increased demand for green finance from investors               | <ul style="list-style-type: none"> <li>Green finance can provide real estate companies with more financing opportunities for the low-carbon transition and offer ESG-focused investors investment products that are more in line with their investment philosophy.</li> <li>By setting goals and developing green products, the requirements of green finance can be better met with new financing channels opened up.</li> </ul>  |



Going forward, we will step up our efforts to enhance climate resilience and incorporate climate change risks and opportunities more deeply into our business strategies and planning, including:

- **Governance:** Report the management results and risk evaluation results to the Corporate Governance Committee at least once a year and incorporate climate-related risks into their meeting mechanism and discussion agenda;
- **Strategy:** Quantify and analyse the correlation between climate-related indicators and financial performance based on the analysis of climate-related risks, and assess the financial impacts brought by climate risks;
- **Risk management:** : Continuously improve the standards and guidelines for climate risk scoring tools, make the scoring more scientific and systematic, and better integrate climate risk scoring tools with the Group's risk management system and procedures; develop climate action plans to guide our climate responses and enhance climate resilience;
- **Metrics and targets:** : Continuously track existing targets, review their progress, and update ESG targets due soon/achieved ahead of schedule; in respect of the material climate change risks or opportunities identified, sort out relevant quantitative indicators, and set medium- and long-term targets related to decarbonisation and nearly zero emissions in line with China's "carbon neutrality" goal.

### 6.5.3 Carbon Goals and Commitments

COLI has realised that reducing GHG emissions from our operations is the highest priority. In November 2023, we officially released [the Carbon Neutrality White Paper](#), announcing that we will develop a phased carbon reduction plan based on the three core directions of "end-to-end carbon reduction, benchmark-setting, and development stimulation". We will advance the low-carbon development of our own and the industrial value chain to accelerate a quality transformation in economic development.

#### Decarbonisation Goals of COLI



Reduce at least **30%** Scope 1 and 2 carbon emissions intensity per unit area by 2030 (with 2019 as the base year), and strive to achieve **carbon neutrality** by 2060.

Based on our in-depth research on global energy structure transitions, national planning, industry trends, and our carbon emissions analysis, we have taken reference from initiatives such as SBTi, RE100, EP100 and EV100, and have set medium- and long-term decarbonisation targets ahead of the industry. According to our comprehensive analysis of carbon trajectory, energy sources, business models, and carbon reduction measures, we have developed consistent internal standards. To this end, the Company takes the Wanglu project in Hangzhou and the Huanchen Business Centre (No.1 Building) in Kunming as pilots for building lifecycle assessment. After progressively refining the analysis, we ultimately formed a panorama of COLI's annual carbon emission trajectory from both macroscopic and microcosmic perspectives. As such, we have realised the tracking of the entire chain of carbon emissions on a layer-by-layer basis, providing a paradigm that industry peers can adopt for their carbon emission tracking.

After comprehensive internal and external research and evaluation of key findings, we have formulated the "1333" strategic plan. To be specific, our one principal goal under this plan is to achieve the target of "carbon peak" and "carbon neutrality". This core objective is fuelled by 3 drivers: "end-to-end carbon reduction, benchmark-setting and development stimulation". We have set a clear timeline for this goal, with key milestones identified for the years "2025, 2030 and 2060". Our dual carbon commitment is pushed forward through 3 key routes: "energy saving and carbon reduction, technology-empowered solutions, and value delivery". On this basis, we formulate the Checklist for the Implementation of the Work of Carbon Peak, the [Climate Change Action Plan](#), and the [Climate Adaptation Strategy](#) for office projects, etc., which clarify 12 key tasks, including "developing low energy buildings" and "implementing flexible customisation".

We finished three rounds of carbon inventory between 2018 and 2023, which gave us a good starting point for developing "dual carbon" goals and carbon reduction roadmaps.

| GHG Emissions                        | Unit                     | 2023    | 2022    | 2021    |
|--------------------------------------|--------------------------|---------|---------|---------|
| Scope 1                              | Tonnes CO <sub>2</sub> e | 10,376  | 25,213  | 30,199  |
| Scope 2                              | Tonnes CO <sub>2</sub> e | 134,077 | 369,025 | 423,663 |
| Scope 3                              | Tonnes CO <sub>2</sub> e | 2,113   | 113     | 4,950   |
| Total GHG emissions (Scopes 1 and 2) | Tonnes CO <sub>2</sub> e | 144,453 | 394,237 | 450,557 |

For further details on our carbon goals and commitments, please refer to our [Carbon Neutrality White Paper](#).



## 6.6 Green Building

COLI fully recognises that building an ecological city is the most important prerequisite for achieving green and low-carbon development. Adhering to the concept of green development, we have adopted green design, promoted green and low-carbon technologies, and deeply engaged in the preparation of the national standards, including the [Technical Standards for Zero Carbon Emission Buildings](#) and the [Smart Urban Building and Residential Community](#) series standard. We make active efforts to advance the large-scale development of high-quality green buildings, hence accelerating the realisation of green transition.

### 6.6.1 Green and Low-carbon Concept

Sticking to the principle of "healthy life, green development, and returning to the original aspiration", COLI promotes the green development concept throughout the entire life cycle from site selection and design to construction, striving to be the forerunner in the R&D and practice of creating green buildings. We strictly observe national and industry codes and standards, including the [Healthy China 2030 Planning Outline of the State Council](#) and the [Green Building Evaluation Standards \(2019 revision\)](#), and formulated and regularly updated the [Green Building Technical Manual](#). Besides, to further apply and promote green building technologies in new-generation residential products in full swing and to provide clear guidance for the COLI's green building design, we have formulated the [Research Report on Characteristics of Green Buildings](#), the [Measures for Promotion and Implementation of Green Buildings](#) and the [Technical Guide on Green Building Technology](#).

In response to national strategies, we actively conduct research on zero-carbon and ultra-low energy consumption buildings and develop green products. Our research on green and healthy residential properties covers seven major scenarios featuring "Home, Travel, Social Interaction, Fitness, Health Care, Service and Emergency". In addition, we use cutting-edge intelligent interactive technology to design a healthy life experience from the perspective of customers and integrate healthy features into green buildings. By doing so, we aim to improve the healthy living conditions and environment, as well as the sense of happiness of the people on all fronts.

In the site selection phase of a project, we start with investigating the local environment and adjacent ecosystems, and uphold the principles of "preferring brownfield over greenfield and giving priority to conservation over compensation" and "preserving and building on the natural green". In the meantime, we will comprehensively assess physical variables such as terrain and climate change, as well as their impact on building functions, with a view to creating a home experience combining technology with nature.

In the process of project development, we adopt green design to provide ideal soil for the growth of various animals and plants, so as to protect the biodiversity of the project. For example, we usually plant middle-aged trees at the project site to achieve the multi-level landscaping effect combining "trees, shrubs and grasses". This enables the planting areas to have good soil depth and drainage capacity to meet the growth needs of different types of plants. In addition, during the construction of outdoor night lighting equipment, we strictly abide by the national standard for light pollution control – [Code for Design of Urban Night Lighting](#) to reduce the negative impact on nocturnal animals.

For new construction and large urban renewal projects, we require each construction site to implement strict environmental measures to safeguard the natural ecosystem and protect and restore the disturbed habitat and soil.

Meanwhile, we continue to enhance employees' awareness of sustainable and high-quality buildings, issue the [Staff Green and Low-carbon Behaviour Proposal](#) and encourage them to practice the concept of green and healthy living space. This year, we provided training sessions on sustainable architectural design for employees, including the [Design Standardisation Promotion](#), the [CSCEC Carbon Peak and Carbon Neutrality Technology Training and Exchange Conference](#), and the [Training on China Overseas Green and Healthy Residential Property Standards](#).

### 6.6.2 Green Building Goals and Certifications

We actively promote the construction of green and low-carbon cities, set green building commitments and targets, and further clarify the general requirements for green construction. We have set the following targets and plans:

| By 2025        |  |
|----------------|--|
| <b>Targets</b> | <ul style="list-style-type: none"> <li>Reduce the wastage rate of building materials at construction sites by 20% compared to 2020</li> <li>Implement green building standards for all newly developed projects</li> <li>Implement at least one-star China's green building design table for all new fully decorated building projects</li> <li>Develop two or more fully decorated projects with China's two-star or three-star green building design table in China every year</li> </ul>  |
| <b>Plans</b>   | <ul style="list-style-type: none"> <li>Improve the top-level construction of low-carbon plan, develop decarbonisation roadmaps, join SBTi, and set science-based targets</li> <li>Conduct energy-saving renovation assessment for self-owned property, such as commercial, residential and office buildings.</li> <li>Step up efforts in R&amp;D and green and low-carbon design and new technologies, promote the piloting of COLI business scenarios, and develop effective solutions</li> <li>Continuously enhance industry influence, join the associations, societies and industry alliances, communicate and collaborate with other companies and universities, and participate in the preparation of policy and industry standards</li> </ul> |

| By 2030        |   |
|----------------|---|
| <b>Targets</b> | <ul style="list-style-type: none"> <li>95% of newly built office and shopping mall projects obtain green building certification</li> <li>90% self-owned projects in operation obtain green building certification</li> <li>95% office building projects set up low-carbon account</li> <li>100% construction projects undertaken obtain green civilised construction sites where it operates</li> <li>The proportion of prefabricated buildings in newly built urban buildings in the year is <math>\geq 50\%</math></li> <li>Achieve one or more energy-saving and carbon reduction demonstration projects every two years, with a total of more than five projects</li> <li>Complete at least one net-zero carbon building with a floor area of no less than 3,000 square metres</li> </ul> |
| <b>Plans</b>   | <ul style="list-style-type: none"> <li>Complete energy-saving renovation for self-owned properties identified as allowing for this, build the united laboratory, and drive the green and low-carbon development of the industry</li> <li>Accelerate scenario incubation, achieve the iterations of low-carbon technologies, form the core technological advantages, develop green and low-carbon solutions for urban and rural construction and city operation, and complete the low-carbon transition of new industries and business models</li> <li>Continue to delve into the "key technology and industrialisation of low-carbon office building", with a total investment of over HKD10 million</li> </ul>   |

## By 2060

### Targets

- Achieve carbon neutrality
- Create our own green brand, and become the international advanced green and low-carbon real estate enterprise

### Plans

- Develop new mature low-carbon business models based on solutions and core technologies, and bring the new low-carbon industry, low-carbon building products, low-carbon construction, and operation service capability to a world-leading level

We proactively put the green and healthy building concept into practice and obtain relevant certifications for appropriate existing and new projects, such as China's Green Building Star Certification, Healthy Building Star Certification, BEAM Plus, LEED, BREEAM and WELL. Our OFFICEZIP project at Beijing China Overseas Fortune Centre obtained the first WELL platinum certification, making it the world's first unconventional office project to achieve this certification. In addition, on the premise of ensuring that all new fully decorated building projects meet at least one-star green building requirements of assessment standard for green building, we actively benchmark against the best practices of the certification systems, in an effort to achieve higher star ratings for projects.

In 2023:



- Achieved a total of **67** new green building certified projects, including **65** residential projects and **2** commercial projects;
- Achieved a total of **636** green building certified projects (accounting for **65.77%**) with a certified area of approximately 110 million square metres (accounting for **74.23%**).



## Tianjin Metro Times and Unipark Project

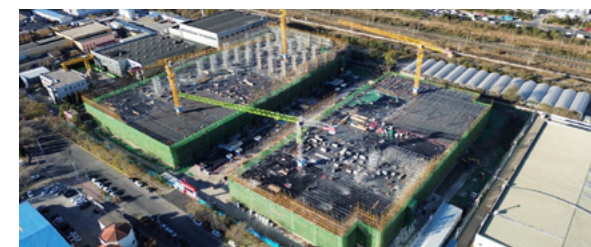
The Tianjin Metro Times and Unipark project is the first large-scale TOD (Transportation Oriented Development) commercial project in the Xinmeijiang area. They adopt a site-specific, nature-friendly design to ensure that the buildings' lighting and landscape effects blend harmoniously with the surrounding environment. Meijiang Unipark is a one-stop commercial complex integrating lifestyle, creativity, art, designer toy and leisure, precisely reaching more than 1 million core consumers in Tianjin. It is an overhead property of Jiefang South Road Station of Metro Line 6, which sits at the high-quality business circle of Tianjin, the hub of passenger and freight transportation. The location advantages mentioned above are further enhanced by the fact that Meijiang Unipark is accessible by 3 metro lines and 12 bus lines.



Tianjin Metro Times and Unipark Project

## Logistics Park Project in Tianjin Economic-Technological Development Area

The Logistics Park project in Tianjin Economic-Technological Development Area is a priority of COLI's "Industrial Land Upgrading for Industrial Use" program in the renewal area of COLI Industrial Park in Binhai New Area, which was carried out strictly on the basis of near-zero carbon emission standards. We strive to build a logistics-themed industrial park that meets the warehousing needs of regional high-end manufacturing, third-party logistics, e-commerce and other enterprises in various industries, so as to improve land utilisation and invigorate regional industries. Starting from the balance between the land development intensity and the urban spatial carrying capacity, we take into account the characteristics of regional industries to create a market-oriented park that leads the trend. The land use intensity of the project is nearly three times higher than that before the renovation. It is expected that the annual output value of the park will exceed RMB100 million, providing jobs for more than 200 people in the surrounding area, and the annual tax contribution will be more than RMB10 million.



Logistics Park Project in Tianjin Economic-Technological Development Area




### 6.6.3 Low-carbon Design

In response to the "CSCEC Carbon Peak 'Goal Breakdown and Advancement' Project", we actively leverage green and low-carbon technologies. We endeavor to seize opportunities presented by the goal of the "carbon peak and carbon neutrality", and implement a top-down strategy for developing low-carbon technologies from micro to macro dimensions. These initiatives aim to effectively enhance the overall energy conservation of buildings. Our design of architectural appearance and orientation are based on the local climate characteristics to satisfy the needs of natural light and ventilation. We also take advantage of energy technologies to maximise the use of renewable energy sources such as wind and solar.

Meanwhile, we apply appropriate carbon-reducing and efficiency-enhancing technologies to buildings with low energy consumption. We also actively promote the establishment of low-carbon building standards and industry integration, thus facilitating the wider adoption of zero-carbon technologies in the industry. Through these efforts, we aim to drive the low-carbon transition through scientific and technological innovation. In the whole project planning stage, we use BIM technology to display the project design in a three-dimensional manner in order to identify hidden building defects and boost the efficiency of operation and maintenance.

#### In 2023, we won 3 BIM-based awards as below

|   |  |
|---|--|
| <br>Third Prize of the Glorious Mountain Project BIM Competition  | <br>Second Prize of the 12th "Longtu Cup" National BIM Competition |
| <br>First Prize of Engineering and Informatisation Design Special Award (BIM) of Shenzhen Excellent Survey and Design Awards |   |

#### BIM Demonstration Project at the East Wing of Shenzhen-Hong Kong Science and Technology Innovation Cooperation Zone

We utilise BIM for forward design and digital control of the project at the East Wing of Shenzhen-Hong Kong Science and Technology Innovation Cooperation Zone, which ensures the alignment of design information such as project design time and fine finishing module. With the help of our digital design platform, we achieve the integration of working drawings, models, and workloads. Specifically, we use the platform to conduct an integrated comparison of design costs, carry out BIM modular design for the project based on standard house types and prefabrication requirements, and formulate the standardised component information requirements.

Driven by innovation and technology, the project has created a complex in Shenzhen-Hong Kong Science and Technology Innovation Cooperation Zone integrating high-end business, business office, residential space and public space.



BIM Demonstration Project at the East Wing of Shenzhen-Hong Kong Science and Technology Innovation Cooperation Zone

At the same time, we focus on researching and piloting innovative technologies such as high-efficiency air conditioning refrigerating station, temperature and humidity independent control, distributed photovoltaic, PEDF and carbon management system in new projects such as the Shenzhen China Overseas Building Project, the Shanghai Yangpu Ultra-low Energy Consumption Building Project, and the COLI Chengdu Supertall Building Project.



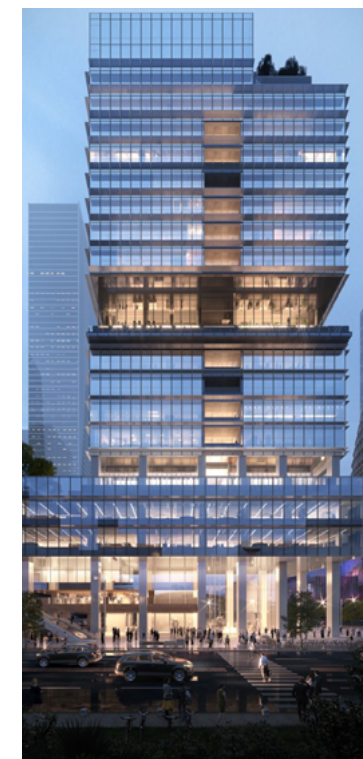
In 2023:

- Obtained **12** new patents for green building design;
- Obtained a total of **99** patents for green building technologies.

We are committed to leading the industry in applying advanced low-carbon building technologies. For example, we have built the first Grade 5A high-rise office building with near-zero energy consumption and zero-carbon emission in operating status, and the first large-scale ultra-low energy consumption neighbourhood in a severely cold region in China. We actively apply for science and technology demonstration projects for major projects. This year, we applied for a total of 8 demonstration projects of CSCEC, China Academy of Advanced Economics, and National Development and Reform Commission.

#### Shenzhen China Overseas Building

China's first Grade 5A high-rise office building with near-zero energy consumption and zero carbon emission in operating state



#### Beijing China Overseas Finance Centre

Beijing's first large-scale zero-carbon commercial office building and integrated demonstration project of PEDF technology



#### Tianfu Super Skyscraper Project in Chengdu

Tower crown of China's first ultra-low energy consumption super skyscraper



Ultra-low Energy Consumption Demonstration Projects of COLI

### Near-zero energy consumption building (Shenzhen China Overseas Building)

Completed in June 2023, China Overseas Building is the COLI's new headquarters, and has been honoured with recognitions and awards such as National Near-zero Energy Consumption Design Certification, Healthy Building Label (Level 3 Design), Pre-certification of Level 3 Green Buildings, LEED Gold level certification, WELL Gold level pre-certification, and Zero-carbon Building Technology Demonstration Project of the Ministry of Housing and Urban-Rural Development.

The project has a total land area of 4,144.52 square metres with a total gross building area of 61,276.82 square metres and a building height of 99.7 metres. The project focuses on the application of core technologies such as natural ventilation, temperature and humidity independent control, high-efficiency air conditioning refrigerating station, integration of photovoltaic in buildings and carbon management platforms to reduce the energy consumption of the building in operating stage. In addition, the project enables the calculation of the energy saving contribution of each measure implemented, as well as the total energy consumption and carbon emissions of the building. Among 11 special designs for building energy conservation and efficient use of energy, 23.9% are related to the passive building technology, 59.6% are related to active high-efficiency energy system, and 16.5% are related to renewable energy system application. This results in an overall energy-saving rate of 61%, a building body energy saving rate of 59%, and a renewable energy utilisation rate of 12%.

As of December 31, 2023, the energy conservation and carbon reduction of the building body had basically reflected the highest level of the existing technology, and had met the requirements of China's Technical Standard for Nearly Zero Energy Building. The Standard has set out that for a near-zero energy consumption building, the energy consumption shall be reduced to 38.1 kWh/m<sup>2</sup> or less, the carbon emission shall be reduced to 17.2 kgCO<sub>2</sub>/m<sup>2</sup>, and the electricity saved annually shall reach about 3,644,000 kWh compared to that of the benchmark building. Moreover, the carbon emission shall be reduced by 1,642.3 tonnes, with a carbon reduction rate of about 61%.

China Overseas Building is China's first Grade 5A high-rise office building with near-zero energy consumption, demonstrating the feasibility of zero carbon building. In operating stage, the zero carbon emission of the building can be achieved in general through the green power or carbon trading, which supports the formulation and improvement of the national Technical Standard for Zero Carbon Buildings. COLI, together with CSCI, COPL and COLI's regional and specialised companies, summarised and reviewed the results of China Overseas Building Project, and prepared a preliminary research report - R&D and Application of Sets of Technologies for the Integrated Construction of Zero-carbon, Healthy and Smart Office Buildings.

The project is an important demonstration case for promoting and constructing near-zero energy consumption buildings in China's hot-summer and warm-winter regions, exploring the zero-carbon technology development for office buildings, which account for the highest proportion of public buildings. The project also provides best practices in energy conservation and carbon reduction for the Chinese construction industry.



### Zero-Carbon Building (Beijing China Overseas Finance Centre)

Beijing COLI Finance Centre utilises a number of energy-saving and eco-friendly technologies. The project uses ground source heat pumps for heating, achieving 100% electrification of the building. The HVAC system we adopted is equipped with dry coil units and independent ventilation systems. With comparable costs to the traditional VAV system, it can achieve an overall energy efficiency improvement of about 20%. Meanwhile, the project achieves efficient operation of the air conditioning refrigerating station (EER=6.5) through technical measures such as classified energy Utilisation, high-efficiency equipment, optimisation of the transmission and distribution system, and precision control. In addition, the project adopts the PEDF technology to increase the flexibility of power capacity regulation by 20% for a total building area of 30,000 square metres with the ability of demand-side response. In operating stage, the project achieves the goal of a zero-carbon building through a small-scale green power or carbon trading.

This project was approved as the Technological Innovation and Promotion Demonstration Project of CSCEC, and the Demonstration Project of "R&D and Application of Zero-carbon Building Control Indicators and Key Technologies" of the National Key Research and Development Program under China's "14th Five-Year Plan".

The project is Beijing's first large commercial zero-carbon office building technology integration demonstration project, and China's largest commercial office complex demonstration project integrating zero-carbon building (operating stage) and PEDF Technology. The project has an energy saving rate of 70%, a renewable energy Utilisation rate of 54%, and a carbon reduction rate of 68%.

In addition, COLI actively cooperated with the companies in the industry, became the only real estate developer invited to attend the Summit on Achieving Carbon Peak and Carbon Neutrality of the China Science Conference in 2022, and released the report on Green and Low-carbon Office Building R&D and Practices. COLI was selected as a group member of the "Green Building Pioneers of the Year" of the China Green Building Council of the Chinese Society for Urban Studies (led by the Ministry of Housing and Urban-Rural Development and the China Association for Science and Technology).

### 6.6.4 Green Construction

We are committed to green and low-carbon construction and always adhere to the customer-centric principle. By gaining in-depth insights into customer needs, we proposed six major scenarios featuring "Quality, Health, Safety, Comfort, Convenience and Social Interaction", dedicated to designing "people-oriented" living space, so as to work with customers to create a green, healthy, low-carbon and smart lifestyle.

In 2020, COLI launched the green and healthy product strategy of "GO, 2030!" and the Green and Healthy Residential Property Standards of COLI. In line with the national strategic goal of Healthy China 2030, COLI continue to develop "green, healthy, intelligent and industrial scale" products, conduct research on zero-carbon and ultra-low energy consumption buildings, and develop green products to cater for future health and green demand for residential properties. Based on structural planning, we strictly observe the "20/80 principle", push ahead with the improvement of project quality across the board through innovative benchmark products, and accumulate and learn from outstanding experience to carry out standard, modular and industrial scale product research and development.



## 6.7 Concerted Efforts for Green Development

We are well aware that green leasing is crucial to practice green development concept in housing field. In this belief, we always adhere to the concept of mutual benefit and win-win result and commit to building a green housing ecosystem together with our tenants. In addition, we incorporate social responsibilities into our investment decision, actively promotes green and responsible investment and implements strategies in relation to national economy and society.

### 6.7.1 Green Leasing

From 2018, COCP regards [the Green Environment Pact of COCP](#) as part of the voluntary terms in the lease agreement. The Pact proposes to tenants a series of action initiatives in relation to environmental affairs, with a view to advocating the joint responsibility for building a property ecosystem. During the year, we kept promoting the implementation of green standards to tenants, acquiring customers with green concepts and developing online customer platforms, such as a quantitative paperless carbon management platform.

In accordance with [the Sustainable Fit-out Handbook](#) and [the COOC Healthy Building Standard](#), the contracting parties must incorporate environmental management into their daily business operations, including providing and using green and safe products or services, promoting environmental protection and sustainable development to customers, distributors and other stakeholders, actively participating in greening and environment improvement activities and complying with the requirements for the management of waste, sewage and garbage in office buildings.

In order to encourage low-carbon enterprises to introduce dual-carbon operation and management of buildings, COOC has set up the [Green and Healthy Residential Property Standards of COLI](#). COOC encourages all tenant enterprises to actively participate in the "low-carbon and sustainable office planning" activities, with a view to advocating green and low-carbon office options. These initiatives include "turning off lights when leaving", "paperless office", "setting temperature of air conditioner no lower than 26°C in summer and no higher than 16°C in winter" and "bringing your own cups". Furthermore, we launched the [Net Zero Handbook for Tenants in COOC](#) to create a "carbon account" mode. In this mode, we define and promote green and low-carbon behaviours in business life. We adopt a carbon point system to reward low-carbon behaviours of tenants and employees, and link their account balances with quality benefits. We also encourage low-carbon enterprises to introduce dual-carbon operation. These efforts help our tenants to achieve zero-carbon goal. Low-carbon enterprises that meet the requirements can enjoy special business terms, such as rent-free period, priority lease renewal, priority lease extension, parking privileges, and preferential treatment for COLI products. To date, we have required all operation centres to incorporate the [COOC Green Lease Cooperation Plan](#) into our contracts as an appendix. We seek tenants' opinions when signing contracts and promote their signature.

In addition, COOC works with multiple famous enterprises to build the "Carbon Footprint Laboratory of COLI" together with [China Sustainability Tribune](#). The laboratory, settled in Beijing COLI Commercial Centre, is committed to achieving whole-lifecycle capture, measurement and diminishing of carbon footprint. Connected with "virtual power plant", Suzhou China Overseas Fortune Centre of COOC can adjust and balance peak power consumption through ice storage device. This enables us to promptly respond to power dispatching in Suzhou so as to improve energy use efficiency and reduce energy cost. In terms of improvement of low-carbon supporting facilities, in 2023, COOC worked with famous new energy charging pile enterprises to enter into [the National Strategic Cooperation Framework Agreement on the Supply of Charging Pile](#). The agreement is aimed to promote the construction and upgrade of green travel supporting facilities while providing our tenants with adequate facilities for upgrade, transformation and iteration of green travel means.

### 6.7.2 Green Investment

In the context of "carbon peak and carbon neutrality", ESG investment at home and abroad has shown a constantly growing momentum. To follow up the trend of globalisation, we incorporate ESG concept into our investment decision-making. Guided by and making reference to the [Green Bond Principles issued by International Capital Market Association \(ICMA\)](#) and the [Green Loan Principles](#) jointly issued by Loan Market Association (LMA), the Asia Pacific Loan Market Association (APLMA) and the Loan Syndication and Trading Association (LSTA), we has developed our [Sustainable Finance Framework](#) which is subject to periodic review and update aligning with changes in the market principles. The framework describes our requirements for "qualified assets". The Sustainable Products Group and the Chief Operating Officer are responsible for reviewing and approving the list of qualified assets to ensure that the underlying assets contribute to environmental sustainability and low-carbon social development. To ensure that proceeds remain invested in qualified assets during the term of the bonds, the Company's Finance and Treasury Department manages and tracks the status of the use of proceeds, maintains independent and formal internal records, and discloses the status of proceeds from green bonds in the ESG reports.

We issued our first green asset-backed securities and the first "green + carbon neutrality" bonds in the domestic industry in 2020 and 2021, respectively. In 2022, we established the "CITIC Securities - Shanghai China Overseas International Centre green asset-backed special program for carbon neutrality". Through the securities issuance of this carbon neutrality project, we will continue to consolidate our advantages in green bond issuance and further give play to the financing functions of our commercial assets and multi-business platforms. In 2023, we issued a sustainability-linked bond of HKD6 billion. This move not only reduces financing cost but also promotes COLI's sustainable development.



In 2023, **100%** of the new office building tenants signed up for the [COOC Green Leasing Cooperation Plan](#).



# 07

## Quality and Customer-oriented Buildings

A house of good quality, good environment and good services is central to the people's pursuit of living quality. COLI adheres to the product responsibility concept of "Each and Every Detail of Each and Every Project". We deliver value to our customers via refined control over real estate development across the whole value chain, which covers design, construction, marketing, sales and customer services, striving to enable them to live a happy life and build long-term trust in our brand.

Goals and indicators addressed:

UN SDGs

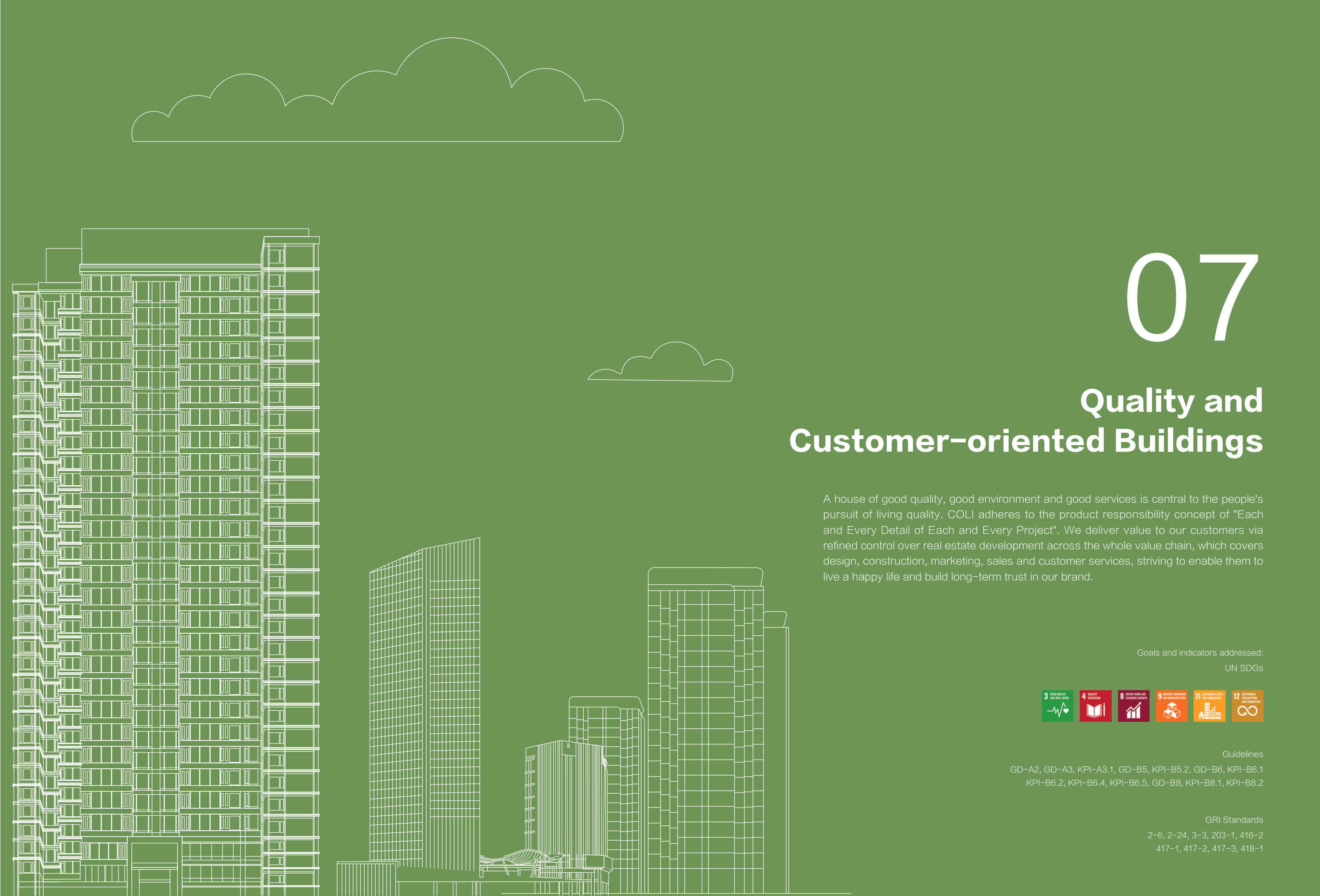


Guidelines

GD-A2, GD-A3, KPI-A3.1, GD-B5, KPI-B5.2, GD-B6, KPI-B6.1, KPI-B6.2, KPI-B6.4, KPI-B6.5, GD-B8, KPI-B8.1, KPI-B8.2

GRI Standards

2-6, 2-24, 3-3, 203-1, 416-2, 417-1, 417-2, 417-3, 418-1



## 7.1 Sound Quality Management System

COLI believes that the vitality of the building lies in the long-term value it brings to the residents. We focus on quality in all dimensions, from high-quality product to improved environment and ancillary facilities in the community, ensuring our reliable delivery capabilities. We have set up a Safety Production Supervision and Management Committee at the headquarters to implement a three-level control system of "Headquarters - Region - Project". We actively promote quality standard certification to build a solid barrier for safe production and quality management.



As of December 31, 2023, **13** subsidiaries or professional companies of COLI obtained the ISO 9001:2015 Quality Management System Certificates, including Harbin Company, Hua Yi, Technology Company of COLI, China State Grand Wealth, Tian Shan Company, Lingchao Supply Chain Management Company and Qingdao China Overseas Jinnian Senior Living Company. The certificates cover all COLI's major operations.

We have set up five "checkpoint inspections" in the development cycle of 100% of our projects under construction. We use them as key risk assessment nodes to conduct a comprehensive investigation of the potential risks according to the different development stages of the projects. At the same time, we combine BI data examination, regularly carrying out early warning, notification and exposure to review the implementation of project risk management measures. We have successfully removed risks from medium-to-high-risk projects in advance.



In 2023, we conducted **447** "checkpoint inspections". The accuracy rate of early warning was **100%**, and a total of **36** delivery projects were warned. The complete risk removal rate for delivery after early warning was **94%**.

### COLI's "Five Checkpoint Inspections"

1

Construction Commencement Checkpoint

2

Pre-sale Checkpoint

3

Middle-phase Checkpoint

4

Completion Checkpoint

5

Construction Site Open Day Checkpoint

In 2023, we had no violations of laws relating to product health and safety.

## 7.2 Sincere Cooperation with Suppliers

COLI operates in more than 80 cities at home and abroad. With a large business scale, we have thousands of suppliers. The high-quality of our projects depends on the sincere cooperation with all suppliers. Our suppliers, mainly including contractors and suppliers of building materials, decorative materials, installation materials and facilities and equipment, offer materials, products or services to us. To regulate quality management policies and processes, we have developed relevant working guidelines and standardised contracts. We regularly conduct a comprehensive assessment on suppliers' performance on products and services to ensure that they are compliant with our stringent standards. We update the "Unqualified Supplier List" at the beginning of each year. Specifically, we remove the suppliers that do not meet the criteria from the tender and procurement list.

For details on supplier management and supervision, please refer to Chapter 8 [Cooperation for Win-Win Results](#) in this report.

## 7.3 Refined Planning and Design

Following the philosophy of craftsmanship manufacturing of the Chinese construction industry, COLI has always adhered to the international vision and the planning concept of high-level urban services. With three-tier management on planning and design, we fully integrate the resources of excellent design units at home and abroad, carefully analyse the plot ratio and characteristics of the project site, and repeatedly calculate the value of the product portfolio, ensuring a win-win benefits in economic and social areas.

All our projects, taking local customers' needs as the top priority from the planning and design phase, are delivered with innovative design, scientific management and attention to details. We highly value the land. We put all our efforts in every aspect of the project from location selection, building facade concept, landscape construction, layout design to interior decoration, and strive to produce innovative products to promote green building technologies.

For details on our green building technologies and practices, please refer to Chapter 6 [Environmental Protection and Green Development](#) in this report.

## 7.4 Construction Attending to the Details

COLI keeps promoting the systematic, standardised and professional construction of the project. We continue to reinforce the quality concept of "Each and Every Detail of Each and Every Project" in project development to deliver excellent buildings.

We manage the quality of construction projects in strict accordance with the [Regulation on the Quality Management of Construction Projects](#), and manage the entire process of the project in a high-quality and safe manner in compliance with internal policies such as the [Measures for Project Quality Control](#). By establishing a three-level quality control system of "Headquarters - Region - Project", we strictly control the quality over the entire project life cycle covering development, construction, inspection and delivery, striving to create excellent buildings in the industry.

In terms of management responsibility, internally, we have established an assessment and accountability system to include the semi-annual or annual assessment results of subsidiaries and key posts. Externally, we have developed a cooperation termination system to ensure the consistency of internal and external quality awareness and requirements.

## 7.4.1 Project Planning

Project planning, as a special working mode of engineering management in COLI's real estate projects, requires the front-line management personnel to "develop a plan prior to the project, and have a clear understanding in implementation". Besides, project planning is not merely a work method analogous to construction, but also integrates considerations of layout, interspersed construction processes and road traffic implementation procedures throughout the construction. In addition, project planning should consider translating the planning content into contract language, which presents the planning content in the form of contract list to ensure its effective implementation, aiming to promote fine and professional management throughout the project, and further improving the overall management of project development

## 7.4.2 Quality First

COLI always adheres to the product purpose of "Quality First" and regards quality improvement as a consistent theme in construction. In early 2015, we, according to the needs of business development, revised and issued the Quality and Safety Assessment System Management Manual, a company-wide guiding document for project quality management. With a focus on enhancing owners' satisfaction and project quality, the Manual puts forward higher requirements for our key practices, including quantitative & quality inspection, quality and safety management, as well as safe and civilised construction. Overall, the Manual intends to integrate quality and safety management into our daily management practices on a gradual basis. In 2023, we updated the Quality and Safety Assessment System Management Manual to better reflect the owner's demand, further improve the regular management of quality inspections and enhance the flexibility of assessment schedules.

### COLI Quality and Safety Assessment System

Quantitative & Quality Inspection

Quality Risks

Comprehensive Assessment System

Safety and Civility

Site Management



In 2023, the proportion of projects rated grade **B** and above under third-party quality and safety comprehensive assessment was over **85%**.

In 2023, we obtained the provincial and above honours and awards such as "Taiyuan Top Quality and Safety in Dual Random Selections by Ministry of Housing and Urban-Rural Development", "Silver Prize Project of Beijing Building (Structure) Quality Evaluation for the Great Wall Cup", "Tianjin Excellent Quality Management of Construction System", "Goldsmith Prize for Construction Engineering in Guangdong Province", "Henan Demonstration Site of Construction Engineering Quality Standardisation" and "Shandong Demonstration Site of Engineering Quality Management Standardisation".

## Seven Quality Inspections

During project construction, in order to implement the culture of quality and safety management for "all-employees and all processes in all areas", we focus on the three major concerns of structure, waterproofing and materials, measuring and evaluating dimension control, process nodes and leakage hazards in construction according to the different phases of the development cycle of the project to urge contractors to make improvements in a timely manner. We follow the principle of "each house is subject to seven quality inspections" to build the normative capacity of "Each and Every Detail of Each and Every Project".

### COLI "Seven Quality Inspections"

1

Quality inspection by project construction units

2

Quality inspection by engineering supervisory units

3

Full-process quality inspection by the developer

4

Quantitative & quality inspection by a third party hired by the developer

5

Quality inspection and acceptance by relevant government departments

6

Quality inspection by the property management company

7

Pre-delivery comprehensive quality inspection by the developer





## Xiangjiang Mansion was awarded Changsha Quality Management Demonstration and Observation Site

On September 15, 2023, Changsha "Quality Month" Demonstration and Observation Meeting for Construction Quality Management and Safe Production Standardisation was successfully held in the construction site of COLI Xiangjiang Mansion of Hunan and Jiangxi subsidiaries. With the theme of "Enhancing Quality Awareness and Promoting High-quality Development", the meeting was attended by over 400 participants, including the Deputy Head of Changsha Construction Project Quality and Safety Supervision Station and personnel from real estate development enterprises, construction units and supervision enterprises. During the observation, COLI's fine management and control system, represented by the full-cycle quality and safety management system, was unanimously praised by the attendees. In recent years, COLI has actively promoted digital construction, intelligent construction, green construction and standardised quality management measures, giving full play to the leading role of demonstration projects.



Observation of the Effectiveness of Quality Management Standardisation of Xiangjiang Mansion

## Safety and Civility in Construction

We are well aware that safety plays a major role in project development. In this belief, we develop policies to detail the safety management accountability system, safety inspection rules, special requirements for fire prevention, major hazard sources and safety emergency responses of the project and safe production emergency plans. For projects with high risks, such as deep foundation pit projects, high formwork projects, as well as projects of working at heights of 30 metres and above, we formulate the special safe construction plans subject to verification of experts. This ensures the safety and civility in construction of our projects and minimises the safety and environmental impacts of our construction on neighbouring communities. For instance, when a quality accident occurs, we will immediately form an accident response team as required, formulate emergency response measures, and report to the Headquarters within 2 hours or 1 hour or immediately after the incident based on the severity. Meanwhile, we will take emergency measures, and develop accident report at the conclusion of the incident handling process for self-examination and summary.

In addition, COLI actively promotes smart construction site management, and introduces digital systems into the construction process. Nowadays, 100% of smart construction sites of the project under construction have applied the "Yunzhu Smart Platform", and have been 100% equipped with the face recognition access control system and the video monitoring system. For new projects, we have captured their safety behaviours via AI video monitoring since the second half of 2023, improving the fine management of construction safety.

## Special Quality Action

We continue to carry out special quality improvement actions, where we set higher requirements than industry benchmarks. In response to changes in market, owners' needs and business quality concerns, we intensify our efforts to enhance product quality and supporting services.

### COLI Quality Special Improvement Action

#### Special improvement action for leakage prevention

COLI has made leakage a Category A issue for priority control and set leakage rate targets in inspection and assessment. To eliminate potential leakage from the profile itself, COLI has built a standardised process for doors and windows and formulated the [Process Standards for Exterior Windows](#). Furthermore, we conduct training for relevant employees to help them master the process standards. We have established standards for investigation, introduction and inspection of exterior window units, solving the leakage problem of exterior windows in a systematic manner. After implementing the process standards, we conducted a customer satisfaction survey. According to the survey result, the occurrence rate of leakage issue dropped by 3%, reaching the industry benchmark level.

#### Special improvement action for external walls

COLI has formulated a list of standardised quality management practices for external walls. For common quality problems of closed cavities in external walls, we have surveyed and developed our standards for recommended and prohibited practices to strengthen the inspection and supervision on external wall leakage, and avoid quality risk of external walls.

#### Special improvement action for landscape

To ensure the appearance of landscape, COLI has established an integrated management model of "design - engineering" and set up standards for landscaping edging and control.

#### Special improvement action for basements

We have set comprehensive management and control requirements for electromechanical pipelines, and optimised the BIM-based pipelines, thereby significantly improving the overall appearance of basements. Moreover, we, based on the results of the pilot project, have formulated the managing and technical guidelines for basement flooring construction, focusing on the repair of cracked basement surfaces.

#### Special improvement action for finished product protection

COLI focuses on special treatment of scratches. For instance, COLI has included finished product protection requirements into process assessment and inspection points and increased their weight. Besides, the use of artisanal knives is strictly prohibited during cleaning.

Maintenance services, serving as an important part of the after-sales chain, play a major role in enhancing the maintenance service experience, reinforcing customer satisfaction and maintaining brand reputation. To guarantee an honest maintenance service and timely response, each constructing unit is required to reserve a 5% quality deposit, which will be refunded only at the end of the maintenance period. We have set up a fine maintenance system to clarify the customer management standards, and established the 95112 national hotline and a CRM client for repair, as well as a rapid response mechanism. For higher maintenance efficiency, we organised a group-wide special maintenance work "Mine-sweeping Operation" on a monthly basis in 2022 and 2023, with maintenance efficiency boosted by 12% and maintenance service satisfaction achieving 95th percentile in 2023.

## COLI's Special Maintenance Work "Mine-sweeping Operation"

### "Ensure Effective Implementation at Frontline"

The Headquarters has established a joint inspection group to randomly inspect the project maintenance centre. Moreover, we will, according to the inspection results, implement rewards and punishment, share experience and upgrade the system to ensure the effective implementation of the fine maintenance system.

### "Report Overdue Work Orders for Timeliness"

COLI continued to report the number of overdue work orders every month in the past year, resulting in a significant drop in total number of overdue ones. In the future, we will expand the dimensions of data ranking and exposure, and tighten controls on overdue work lists.

### "Review Data for Quality Improvement"

The Headquarters takes stock of recent maintenance data of district companies and conducts relevant analysis based on various indicators to urge companies with poor performance as indicated by the data to solve maintenance problems within a time limit.

### "Strict Delivery Control for Risk Elimination"

COLI's district companies strictly implement standardised pre-delivery inspection and solving, and ensure 100% of repair problems at the construction site open day have been resolved. After the delivery, they firmly implement the terms of the warranty agreement under the general subcontract, interviewing, penalising and replacing unqualified construction units to ensure that the risk is eliminated, so as to reduce the negative impact on the customers.

## Building a Learning Culture

To promote our product quality management more efficiently, we develop an annual quality training plan according to national and business needs, focusing on quality training and awareness-raising. In 2023, our quality training covered breakdown of craft practices, project management experience, safety management experience and house delivery summary. The training on "Practice and Thinking for Improving Operation Capability of Whole-process Enterprise-wide All-employee Management System" recorded a participation rate of 100% for a single session.



In 2023, we provided **575** quality training sessions covering **100%** of employees and major suppliers (including contractors).

In addition, this year, we organised a series of training and exchanges relating to product quality, inviting professionals from our district companies, material suppliers and partners to share their experience in line with the reality. Since February 2023, we have offered 24 sessions of relevant training courses, covering quality management experience sharing, analysis of fine decoration engineering techniques and BIM practice studies. These efforts have further strengthened our good reputation of high standard and reliable quality.



In April 2023, COLI held China Overseas Property 2023 project observation and exchange meeting themed on "collaborating for growth, leading the trend" in Xiamen, with a total of more than 3,500 attendees online and offline.

## 7.5 Delivery with Excellent Quality

In recent years, in the face of ups and downs of the industry, COLI has always maintained an excellent delivery capability. Shouldering the responsibility of a state-owned enterprise, we deliver excellent buildings and create visible happiness for our owners. We deliver existing buildings. What you see is what you get. We have been awarded "2023 Enterprises with Leading Delivery Capabilities" by House Channel of CNR News and "2023 Top 10 China Real Estate Enterprises with Excellent Delivery Capabilities" by EH Consulting. Successful delivery is not only a representation of our strength, but also a touchstone of our responsibility.



In 2023, COLI delivered more than **94,000** units and the on-time delivery rate was **100%**.

We believe that the delivery of projects is the delivery of confidence to customers. Since 2021, we have implemented project delivery appraisal systems, with a multi-dimensional coverage of internal control indicators and external evaluation indicators, and combined our own management policy and the help of the professional team and third-party professional companies to strengthen the professionalism of the assessment process and the effectiveness of the results. The assessment results are quantified and included in the reward and punishment appraisal of the project team. In practice, we carry out delivery quality inspection in four stages to orderly control the project quality. High-quality delivery enables COLI to create a "trustworthy" brand image in customers' mind.



The Honour of "2023 Enterprises with Leading Delivery Capabilities"



## 4 Comprehensive Evaluation Categories of COLI Project Delivery Assessment

### 1 – Before Construction

- Survey the geology of project sites and surrounding areas, such as the impact of groundwater and soil on the safety of building structures
- Confirm that the geology is suitable for construction
- Conduct project planning for the entire project development life cycle, and define management targets and roadmap
- Develop construction standards for each engineering action according to the national standards

### 2 – During Construction

- Conduct regular quality and safety assessments in accordance with regulations such as the [Operation Manual on Comprehensive Assessment](#)
- Inspect all projects every half year, set the "quality red line" (i.e., minimum requirement for the quality qualification rate) for process items prone to frequent quality problems, and conduct analysis on quality and safety risks in accordance with the [Comprehensive Assessment Report on Quality and Safety](#)
- Implement improvement measures, including rectification, reward and punishment under the "Stars of the Sea" system, group-wide notice, and admonishing talks, and carry out training and promotions in relation to product quality and safety

### 3 – Before Project Delivery

- Conduct inspection on 100% of households of all projects
- Designate a professional team to conduct spot checks on the project risk control, conduct delivery evaluation from 5 aspects of household, public area, landscape, permeability test and delivery environment, and carry out 2 to 3 rounds of inspections from the customer perspective
- Accurately identify risk projects and monitor risk resolution
- Check problem inspection and solving progress in time at the data platform to ensure all problems are rectified appropriately

### 4 – After Project Delivery

- Conduct customer satisfaction survey and deliver the customer feedback to the appropriate department in charge of business relating to the front end of the project development process
- Continuously collect comments and suggestions of customers on the product quality within 2 years

## 7.6 Refined Sales Promotion

COLI adheres to integrity marketing. To ensure legality and compliance of project promotion data and marketing process, we have established a responsible marketing system to promote transparent sales and purchase. In the Chinese mainland, we display relevant documents at all sales sites and make them available to the public in accordance with the laws and regulations of local governments on commercial house sales. In Hong Kong, our marketing data relating to all projects for sales is in strict compliance with the [Residential Properties \(First-hand Sales\) Ordinance](#).

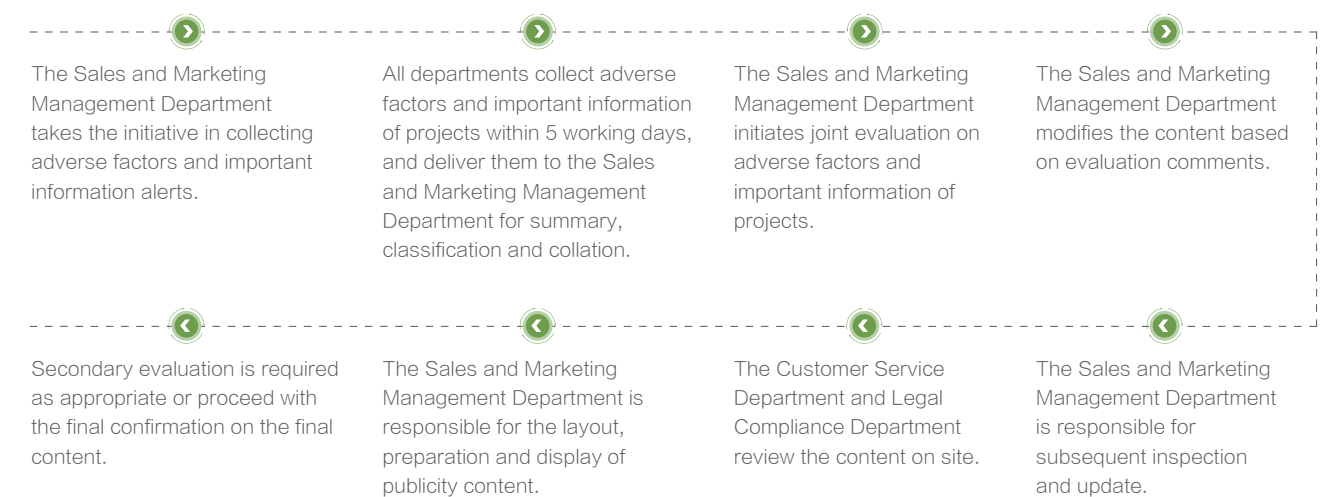
Adhering to the sales bottom line, we have formulated and implemented a series of responsible marketing management policies, such as the [Fair Hospitality Management Code](#), the [Code of Responsible Marketing](#), the [Sales Management Measures](#), the [Operational Guideline for Risk Avoidance at Sales Sites](#) and the [Standards for Disclosure of Sensitive Information to Customers at Sales Sites](#). We keep optimising the entire process from sales reception to customer signing with standardised nodes. Furthermore, we have set up the Project Sales Manager hotline to receive complaints. These efforts complete our sales promotion management.

We set strict requirements for important information such as adverse factors beyond and below the red line and forbid false promises. In third-party mystery guest inspections, routine internal inspection and checkpoints inspection, explanation to adverse factors is taken as an important inspection indicator. In addition, an independent question is included in the post-contract signing questionnaire to investigate whether the real estate consultant has explained the adverse factors so as to supervise effective implementation of the step.

## 7.6.1 Responsible Marketing Procedure

We have implemented a systematic responsible marketing control and audit procedure. We have also established standardised guidelines to define project display process. We require disclosure of all adverse factors before opening and work together with various departments to conduct joint evaluation and on-site review. In addition, the Headquarters will also conduct evaluation before opening. An unannounced inspection on marketing materials and content is conducted once every year to ensure our commitment to customers is fulfilled.

### COLI Responsible Marketing Control and Audit Process



Meanwhile, we are constantly refining our mystery guest inspection mechanism to check promotional materials, sales pitch, publicity of adverse factors, on-site environment and receipt service quality. Furthermore, we reward and punish regional companies based on the mystery guest sampling inspection results. The aim is to ensure regional companies serve customers in strict compliance with all relevant policies, thus ensuring customer service quality. We also provide products and services that meet customer requirements and exceed customer expectations through benchmarking survey on investigation results and integration and constant improvement of service standards.

For marketing compliance, we conduct periodic audit and inspection at both COLI level and regional company level. Each regional company has established a joint supervision group to conduct self-inspection and correction. In July 2023, we completed self-inspection on marketing compliance of all regional companies and submitted the inspection results. In August 2023, the Sales and Marketing Management Department at the Headquarters together with the Audit and Supervision Department completed marketing compliance inspection of 4 major cities, with a 100% inspection pass rate and a 100% rectification rate. These efforts ensure standard practice of responsible marketing.

In 2023, we had no violations against laws relating to product and service information and labelling or relating to marketing.





## 7.6.2 Transparent Publicity

COLI makes transparent publicity in strict accordance with the requirements of local government and other relevant authorities. We display various documents at all sales sites, including business licenses, relevant permits, sales certificate, sales price lists, sales contract template, and notification on adverse factors and facility uncertainties. We clearly stipulate that adverse factors must be fully and truthfully stated and explained their possible impacts in text and must not be deliberately downplayed or converted into descriptions beneficial to sales. By doing so, we provide customers with the access to true and transparent sales information, and protect their right to know and appeal. In addition, we set standards for the accuracy of the display model of each project, use sales management forms and electronic system and put templates for contracts and subscription agreements in place to ensure accuracy of display and transparency of the sales process and help customers make rational purchase decisions.

## 7.6.3 Responsible Marketing and Advertising Training

To reinforce responsible marketing and advertising management in COLI, we strengthened the training for marketing personnel and suppliers. To further improve our responsible marketing level, we are increasing the training for marketing personnel and suppliers. We explain to all employees the major matters relating to marketing compliance at the monthly and quarterly meetings of marketing function line. Furthermore, we conduct periodic special training sessions for marketing personnel at different levels to targeted strengthen their business capabilities to ensure the implementation of responsible marketing conduct.



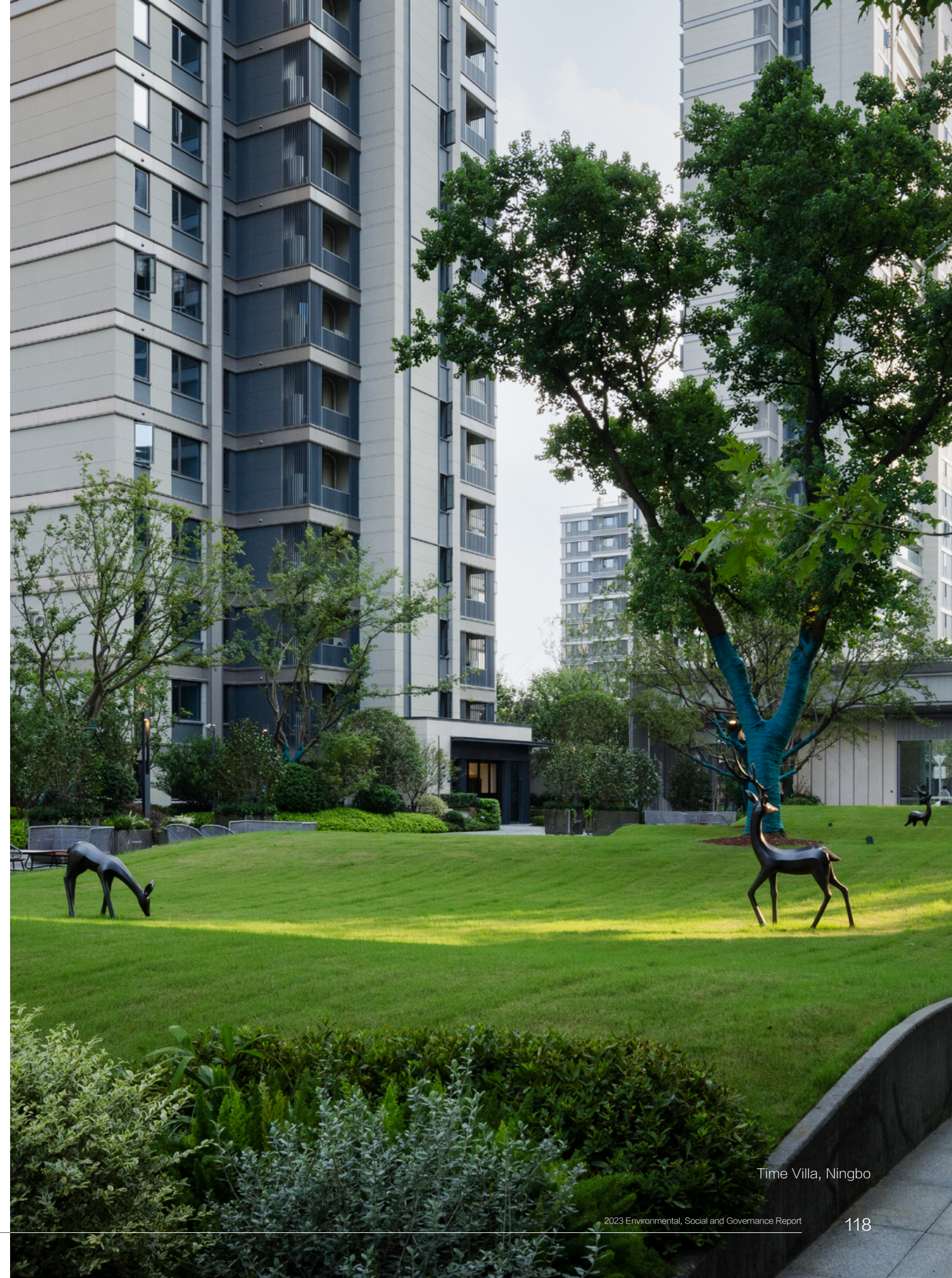
In 2023, the responsible marketing training covered **100%** of COLI's marketing personnel at different levels and suppliers.

### Flag-bearer Plan – Marketing Enhancement Special Training

In August 2023, COLI's Flag-bearer Plan – Marketing Enhancement Special Training for new regional marketing leaders and star marketing managers was successfully held in Beijing, with 28 participants from all over the country. Participants in the 4-day training were strictly selected by the Headquarters' Sales and Marketing Management Department, Human Resources Department and various regional companies. We dedicatedly prepared "Triple Enhancements" on flag-bearers' expertise, team and self-development to facilitate their growth. The group points scoring mechanism was introduced to enable PK battles and create a positive learning atmosphere. Our Flag-bearer Plan has played an important part in building a strong COLI marketing talent team. Due to the plan, we have cultivated high-level marketing personnel that can meet the needs of the future development of the industry.



Flag-bearer Plan – COLI's Marketing Enhancement Team Activity



Time Villa, Ningbo



## 7.7. Meticulous Customer Service

Customers are the foundation of COLI's sustainable development and the driving source of product innovation. We implement the concept of serving our customers throughout the process from project localisation, planning, construction, sales, occupancy and property service. The customer satisfaction indicator assessment of all regional companies is further included in the company performance assessment. We take a customer-oriented approach to manage all business components of real estate development and operation, aiming to deliver better products and services in the interests of our customers.

### 7.7.1 Customer Service System

We have established a comprehensive customer service system to ensure delivery management and quality. We have built a one-stop customer service platform and a national customer data centre, kept customer communication channel smooth and optimise customer relationship management system. By doing so, we can better serve our customers in all aspects. Furthermore, to control all customer reception links and customer information flow links, we have established "Evaluate on Each of Relevant Personnel" service evaluation index system to evaluate 6 key positions, including the General Project Manager and the Engineering Manager. This promotes the achievement of fast, realistic, objective and effective management goals.

In 2023, we rolled out the "COLI Ten Criteria for Good Customer Service", which requires all the employees to implement the following requirements when receiving customers:

- ▶ provide true information without deception, including adverse factors of projects and surrounding area;
- ▶ maintain zero tolerance for any leakage of customer information and privacy;
- ▶ always treat customers equally, with no differentiation;
- ▶ deliver on time, repair in time and avoid repeated work;
- ▶ focus on healthy living indicators such as air, noise, water quality and thermal environment of each house;
- ▶ never explain or commitment to customers on any uncertain issues;
- ▶ strictly implement the first-handler responsibility system, and keep 95112 customer service hotline 24hours x 365days available to customers;
- ▶ make sure that the customer service post is always guarded through effective handover procedures, and never let the customers have no one to turn to;
- ▶ oppose falsifying materials and interfering with customers' true views;
- ▶ put the community safety first, and respond to customers' emergency request unconditionally.

### Delivery Service Management

- ▶ For quality monitoring before and after project delivery, we have set up an industry-first customer delivery early warning system for better tracking and early warning of product quality from 90 days before delivery to after delivery, thus achieving a quantifiable, traceable and assessable process for product quality assessment under a project-based dynamic monitoring platform.
- ▶ In the move-in stage, we have formulated the Standard Operating Procedure (SOP) for Project Admission for centralised commercial projects to improve service quality and meet the needs of merchants during move-in and long-term operation and development.
- ▶ After the customers move in, we proactively listen to and understand their requirements for rights and interests. To provide a channel for customers to give in-depth feedback on products and services, we invite third-party consulting and research agency to actively conduct in-depth in-home visits together with substantial questionnaire surveys of our customers. In an ongoing effort to complete the whole-process management of customers, we have set up a housing maintenance centre in each residential project to rectify problems found in internal inspections, process engineering quality complaints, manage handover affairs, and render after-sales and maintenance services within COLI.

### Customer Service Platform

Relying on our self-developed one-stop customer service platform "COLI Homes with Happiness"APP, we provide customers with services covering the full life cycle of pre-sales, in-sales and after-sales. Since its launch in May 2022, "COLI Homes with Happiness" has integrated 9 major functions covering 4 scenarios of "early customer acquisition - online transformation - after-sales service - data basic analysis". These functions can meet the application needs of customers, owners and tenants, as well as facilitate employee recommendation, channels, sales expansion, planning and management. Through this APP, we can manage customer relationship in a more systematic and refined manner, laying a solid foundation for creating a full-cycle multi-business customer operation platform.

Our customer service platform provides solutions for customers, owners and tenants on various issues listed before handover and offers unified feedback, reporting and consultation channels. Meanwhile, our management and execution teams can use the same quantitative indicators and monitor factors affecting customers, owners and tenants' health and well-being on a daily basis at the rental and sales centre for occupied properties to ensure a positive living experience.

### Customer Data Centre

In 2023, our national customer data centre developed a comprehensive service system including an after-sales service centre, customer experience centre and operation service centre, covering all business sites and serving a total of 8.5 million COLI owners of 1,818 projects. With these efforts, COLI' national customer data centre improved its service capability and received high recognition from owners, with a customer satisfaction rate of 98.34%.

## Customer Communication Channels

We try to make communication easier and more convenient for our customers and listen carefully to their needs. In terms of offline, customers can give feedback by visiting sales sites, property management office and maintenance centre. We also publicly post the complaint hotline and professional ethics whistleblowing hotline information in these places. In terms of online, customers can also report incidents through the 95112 national hotline, "China Overseas Property Club" and the WeChat official account "COLI Fine Maintenance". Meanwhile, we fully adopted and updated our WeChat and a virtual dialling platform as our official online customer communication service channels during the year. All communication records are associated with incident reporting form to ensure traceability of the service process, open and transparent progress and traceable information, facilitating the supervision of service standardisation.

## Customer Management System

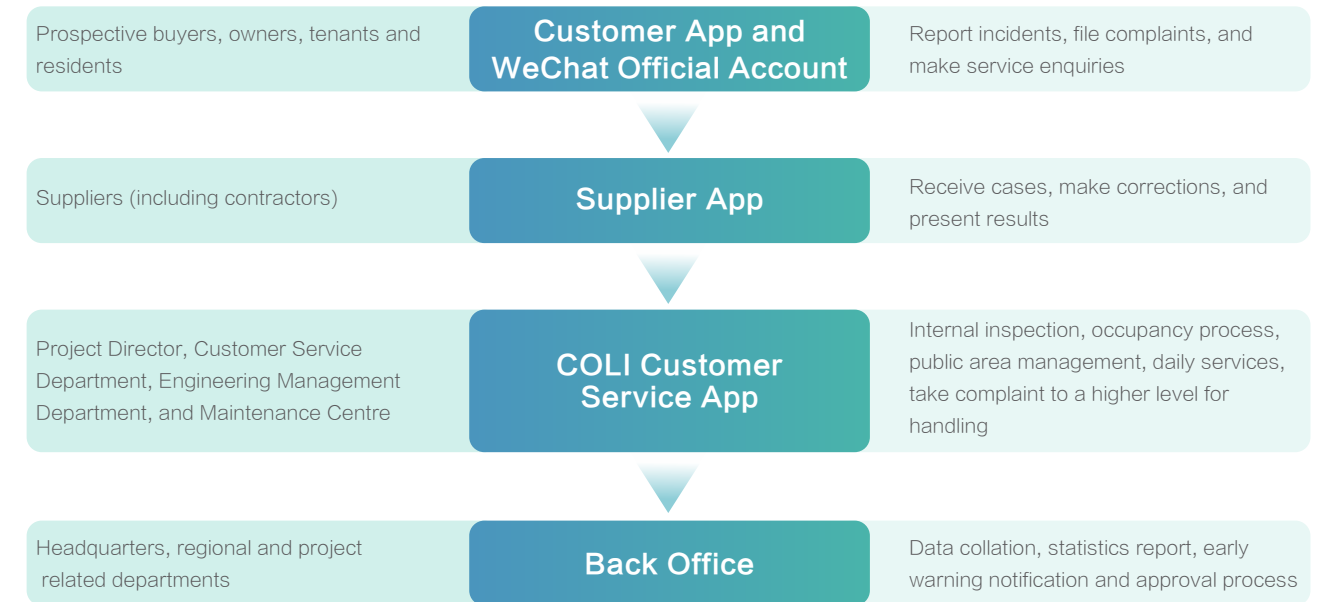
COLI has established a Customer Relationship Management (CRM) system for customer inquiries and feedback and continues to promote the systematic construction of the "Voice of Customer (VOC)" for listening, analysis and action, creating an agile organisation for customer feedback. Through daily reports and full-scope monitoring to cover suspected negative feedback, we promote digital, online and intelligent services to connect customers, projects and employees. Multiple channels such as 95112 customer service hotline, WeChat official account and online App are available for customers to propose requirements. The CRM system follows a first-inquiry responsibility mechanism, which categorises reports according to their level and responsibility, generates customer service tickets and assigns them to project personnel for follow-up. Furthermore, it synchronously reports secondary complaints, collective complaints and escalated complaints related to claims to the responsible units. With these efforts, we provide customers with efficient and convenient channels for enquiries, complaints and grievances to ensure that customer feedback is handled promptly and effectively.

After receiving the reminder of incident report from the CRM system, the project personnel shall promptly respond to it within 30 minutes and check the customer's information and inquires. In 2023, 98% of reported incidents were responded within 30 minutes. If the report is confirmed, our project personnel will work with the relevant functions to properly handle it in accordance with relevant policies and guidelines. We have set up a "6-hour" green customer service channel for urgent complaints, which is directly linked to the customer service departments of the regional and head offices. In the spirit of "daring to seek truth from facts, daring to overcome difficulties, and daring to stick to the bottom line", we deal directly with our customers and respond quickly to their feedback. Furthermore, as part of our efforts to improve customers' experience, we invite our customers to assess and acknowledge handling process and result after the closure of customer service tickets.

Through big data analysis of CRM system, we review the customer service tickets that might involve violations of the "COLI Ten Criteria for Good Customer Service", and apply punishment for personnel involved in accordance with the "Stars of the Sea" system upon verification. These efforts are aimed at improving customer service efficiency and quality.

In addition, we also proactively obtain information on customer complaints and public opinions to generate potential negative work orders. Orders are sent to regional companies for follow-up identification, disposal and closure.

## COLI CRM Functions and Target Audiences



## 7.7.2 Customer Satisfaction

We have remained true to our original mission for over 40 years. We place customer satisfaction on an equal footing with corporate strategic planning and use it as an important measure of good products and services. In 2023, COLI was widely recognised by various parties for the good services it provides. The overall customer satisfaction score was 90, in the 95th percentile of the industry, which was essentially the same as in 2022. COLI ranked in the top 3 among top 20 real estate enterprises by sales in terms of customer satisfaction, and was awarded the "2023 Top 3 of Service Capacity of Chinese Real Estate Enterprises" by EH Consulting.

## 2023 Customer Satisfaction of COLI's Main Projects

|                                     | 2023 Target | 2023 Performance |
|-------------------------------------|-------------|------------------|
| Residential projects                | ≥ 88        | 90               |
| Long-term leased apartment projects | ≥ 80        | ≥ 80             |
| Office building projects            | ≥ 88        | 90               |
| Shopping mall projects              | ≥ 80        | 93               |



We have a mechanism in place to ensure customers' satisfaction with our entire process. Starting from the first time customers visit us, we take visit, purchase confirmation and contract signing as the three major touchpoints and carry out 15 point-to-point steps to capture details. We focus on the three key areas of service, product and contract. Then, we develop different relationship maintenance policies for customers at different levels of risk. As a result, we have earned the respect of our customers through honest communication. In addition, COLI has set customer satisfaction targets according to business development needs, requiring the projects to be assessed on a monthly basis. We have also set customer satisfaction test score for customer satisfaction on the intelligent business platform, and established a dynamic early warning mechanism based on this, so that timely and effective corrections can be made.

In 2023, we have also established a customer service training plan and a point mechanism for evaluation of fine courses. We released 36 gold courses throughout the year, forming 120 training case libraries and 341 pieces of knowledge base information. Based on job responsibilities and required technical knowledge and skills, we empower our project customer service managers with a focus on improving customer satisfaction. This helps maintain our satisfaction among top three of Top 30 real estate enterprises of the industry.

### 7.7.3 Customer Privacy Protection

We take robust measures to protect customer privacy. Specifically, we have developed the Guidelines for Customer Information Security Management and the Customer Information Management Specifications in accordance with the Personal Information Protection Law of the People's Republic of China and other relevant laws and regulations, which are applicable to all of COLI's businesses. We have established a management organisation to protect customer privacy with clear responsibilities. Under the organisation, the Sales and Marketing Management Department is responsible for protecting customer information obtained during the sales process, and the Customer Service Department is responsible for supervising the implementation of relevant rules and guidelines. All personnel in key positions are required to sign a confidentiality agreement to ensure that they assume relevant data security responsibilities.

We obtain customer information for necessary recording and procedure in the course of sales. We have fully launched a virtual dialling platform. Frontline service staff must contact customers through the virtual dialling platform to avoid divulgence of customer privacy. Customer sensitive information (including telephone number, name and identity card information) is encrypted in the CRM system, which can be viewed and downloaded only by the internal data administrators. Viewing and downloading records will be generated for traceability management. We require an authorisation contract from the customer to access the necessary customer information and to only authorise those employees who need to access the data. All personnel in key positions are required to sign a confidentiality agreement to ensure that they acknowledge and assume relevant privacy protection responsibilities.

In 2023, we built an intelligent recognition model for the "10 Red Lines" in customer service by using Large Language Model (LLM) technology, which enables us to quickly find the content of customer complaints related to the "10 Red Lines". We also uphold a zero-tolerance approach to any leakage of customers' personal information and privacy to protect customers' privacy and data security.

We disclose the terms of our privacy policy on related channels, such as our official website and customer mobile app "Haiketong", so as to inform stakeholders of our personal information management policies in different stages. We circulate the information on account security, network use and confidentiality awareness through intranet, site billboards, office areas and other online or offline channels, coupled with specific training on customer privacy protection for employees. By doing so, we can effectively raise the awareness to protect customers' personal information among all employees and prevent the risk of customer privacy breaches.

In 2023, we had no events relating to customer privacy infringement or customer information missing.

### 7.3.4 Customer Bonding Activities

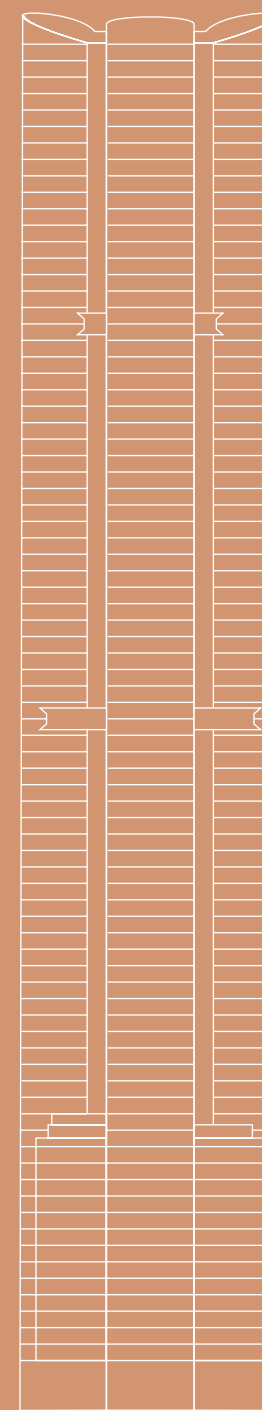
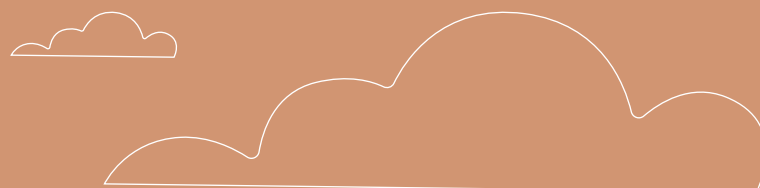
COLI actively carries out various customer bonding activities to cement the ties with customers. Since its inception in 2004, "China Overseas Property Club", our customer bonding service platform, has developed a total of over 300,000 members through branded excellent events and value-added services offered by its affiliated merchants under the service concept of "Excellence in Life". We meticulously organise various community activities that focus on recreation, sports and charity. In addition to the "Happy Sports Timing", "Happy Talent Show" and "Property Management Experience Camp for Kids", which have already become branded series events of China Overseas Property Club nationwide, activities such as the "Environmental Protection Carnival", "Mobile Bookstore" and "Urban Exodus Program" run by COLI's regional companies attract tens of thousands of participants every year. Meanwhile, we work hard to manage the community of existing owners, which has greatly enriched the community life of our customers with a better living experience.

#### Official launch of the community brand "HIGH in Shanghai-style Culture"

In March 2023, COLI Shanghai launched the community brand "HIGH in Shanghai-style Culture" based on the research and judgement of the actual needs of residents. Besides, guided by a people-centric, quality and co-construction approach, we have developed three sub-brands to meet the community living needs of owners of all ages: "HIGH Camp" for outdoor health; "HIGH School" for parent-child relationships; and "HIGH in COLI" for friendly neighbourhoods. In doing so, we fulfil the promise of building a happy life together with the owners. While making efforts in community management, we also continue to improve service quality and build a high-quality service ecosystem, injecting more vitality into urban construction, and setting an example of "urban in-depth development" in the real estate industry in the new era.



Opening Ceremony and Community Activities of "HIGH in Shanghai-style Culture" at COLI



# 08

## Cooperation for Win-Win Results

Embracing the concept of achieving mutual success through concerted efforts, COLI intends to create a cooperative ecosystem with all partners, thereby promoting the sustainable development of the supply chain. Meanwhile, taking technological innovation as a new driving force for creating a better life, we join hands with our peers to push for industrial upgrading and urban transformation.

Goals and indicators addressed:

UN SDGs



Guidelines

GD-A2, GD-A3, KPI-A3.1, GD-B5  
KPI-B5.1, KPI-B5.2, KPI-B5.3, KPI-B5.4

GRI Standards

2-6, 2-24, 2-28, 3-3, 308-1, 414-1, 414-2

## 8.1 Supplier Lifecycle Management

COLI regards a broad array of suppliers to be crucial partners. Our suppliers mainly include contractors and suppliers engaged in building materials, decorative materials, installation materials and facilities and equipment, offering materials, products or services to us. We have constructed a comprehensive management mechanism for the entire lifecycle of suppliers and continued to cooperate with high-quality suppliers to jointly fulfill our social responsibilities.

We have formulated and implemented a series of policies, including the [Supplier Code of Conduct](#), the [Supplier Management Manual](#), the [Guidelines for Management of Central Procurement Suppliers](#), the [Measures for the Contract Management](#), and the [Supplier Performance Scoring Process](#). We require all suppliers to comply with or sign these policies, so as to establish a supply chain management system that covers the full lifecycle of suppliers. Besides, we keep optimising the workflow for supplier admission, classification, assessment, grading, and exit, with an aim to build sustainable cooperative relationships. The Board of Directors of COLI is the highest level of decision-making on supplier ESG management issues, with the Cost Management Department responsible for supplier ESG management and reporting to the ESG Working Leadership Group. The Cost Management Departments of COLI at all levels, as the main executing body of the supplier lifecycle management system, are responsible for establishing performance data collection and analysis mechanisms. The purpose is to continuously monitor the performance of suppliers, including their business capabilities, environmental and social impacts, and integrate our climate-related requirements into the management objectives for suppliers. Meanwhile, we have established smooth communication mechanisms with suppliers and provide support to them, aiming to enhance their ability to handle contract performance issues and sustainable development performance. These mechanisms ensure the stability and sustainability of the supply, creating long-term value for COLI.

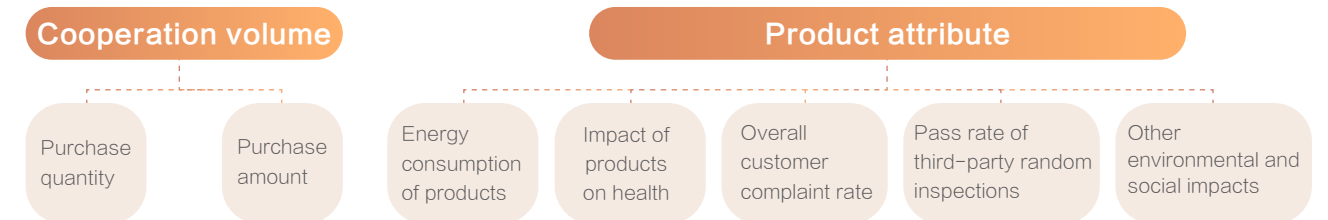
### 8.1.1 Supplier Admission

During the supplier and partner onboarding process, we strictly vet all collaborators, and select the best among them. For potential suppliers, we undertake internal and external research and inspections through written data pre-reviews and on-site visits, covering aspects such as production and management, social and environmental code of conduct, as well as specific indicators like ISO management system certifications, environmental qualifications, and employee social security payments. We also have a rigorous admission review process to ensure that the suppliers introduced meet our expectations in supply capability, quality level, and environmental and social impact.

### 8.1.2 Supplier Classification

We carry out regular management of existing suppliers through classification and grading to precisely manage potential risks in the supply chain. Suppliers are mainly classified into strategic suppliers, key suppliers, and general suppliers based on cooperation volume, product attributes and business relevance, with due consideration of their environmental and social impacts, as well as industry-specific risk factors. In 2023, we cooperated with 5,853 suppliers (including contractors), of which 101 were strategic suppliers, and the proportion of our procurement expenditure on strategic suppliers was 48%. We maintained strong strategic partnerships with strategic suppliers to ensure supply stability.

### Basis for Supplier Classification of COLI



### 8.1.3 Supplier Assessment

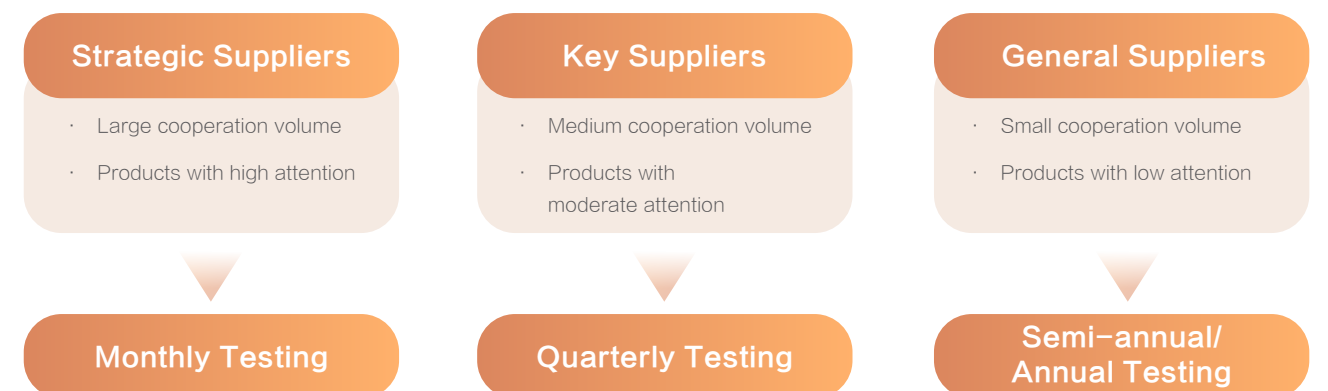
We conduct a comprehensive annual assessment of suppliers, which is jointly carried out by the Cost Management Department along with design, engineering, customer service, marketing, and other functional lines. This assessment covers contractors and other suppliers from headquarters to the regional level. The metrics include quality, safety, performance capability, reputation, compliance with the [Supplier Code of Conduct](#), and other environmental and social impacts, aiming to take a holistic view of the risks in the supply chain. For contractors and material suppliers beyond the centralised procurement program engaged in the centralised procurement, we conduct 2 comprehensive evaluations and grading per year. For material suppliers engaged in the centralised procurement, we rate their performance for once per year.



In 2023, the comprehensive assessment on suppliers covered all **101** strategic suppliers (**100%**).

As a priority in product responsibility, we implement a stricter review for supplier quality management. In addition to requiring all suppliers to obtain the ISO 9001 Quality Management System Certification, we regularly review the quality management situation of suppliers, and set forth proper quality inspection frequency requirements by categories of suppliers.

### Quality Testing Frequency of COLI's Suppliers





The quality management performance of suppliers is assessed through a performance evaluation and scoring mechanism, whereby a special team composed of multiple departments scores supplier performance in accordance with the [Supplier Performance Scoring Process](#). The results of the scoring will be directly reflected in the annual comprehensive assessment of suppliers. Moreover, suppliers' risks are classified into red, yellow, and blue based on the issues found and the scoring results, helping us to form the [Supplier Performance Risk Report](#).


We attach importance to the full-chain management of suppliers and their upstream partners, clearly define the raw material evaluation management process, conduct monitoring of upstream raw material factories and ongoing on-site monitoring, and follow up on the rectifications. In addition, a closed-loop mechanism for addressing non-conformities is implemented to ensure 100% closure of non-conformity issues. We require all suppliers to provide third-party sample inspection reports and product certificates of conformity, stipulating that materials involving China Compulsory Certification (3C Certification) indicators must also provide 3C reports and China Quality Certification Centre (CQC) voluntary certification reports. We require technical units to submit inspection reports, ISO quality management certifications, safety certifications, and certificates of origin for materials every year, so as to prove that their management and supply of materials are in compliance with quality and safety requirements. Additionally, we stipulate the raw material brands for some of the key components, such as the plates and hardware of cabinets, as well as asphalt in waterproof materials. We also implement a registration system for all material production plants. Meanwhile, we also establish the standard test library by reference to national standards, industry standards and COLI corporate standards. We regulate the material evaluation dimensions and categorise materials into three categories, including environmental health and safety, performance, and material composition indicators.



As of 31 December 2023 :

- All **494** material production factories (100%) were managed in the system.
- Over **7,500** material evaluation indicators were established.

We carried out the material quality inspections relying on the Quality Management System (QMS), which can automatically generate inspection plans, including third-party inspections and COLI on-site inspections. More than 90% of raw materials from suppliers are covered by the inspection scope, with results automatically determined by QMS and manually reviewed. We conduct monthly random inspections of raw materials by construction sites and projects. The technical indicators covered mainly include those relating to environment, personal safety, and material performance in use.



In 2023 :

- **1,855** batches of raw materials underwent monthly random inspections, with a pass rate of **98.6%**;
- **957** batches of raw materials underwent third-party quality random inspections, with a pass rate of **95.1%**.

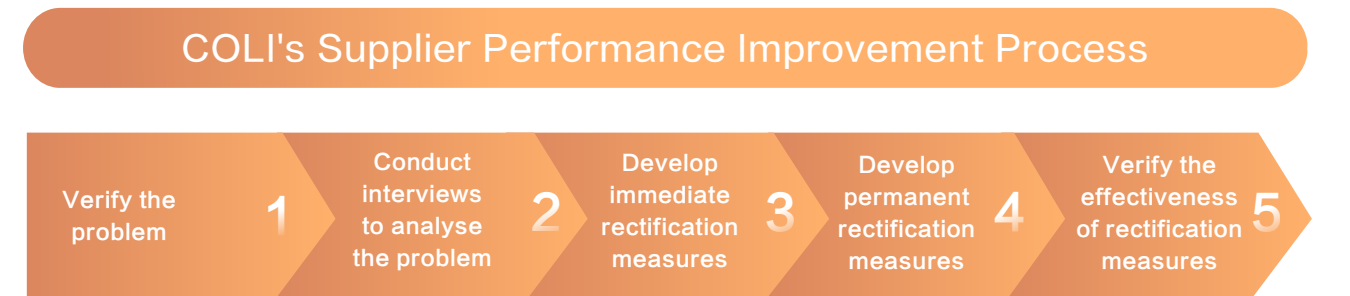
In 2023, we carried out the quality inspection campaign "Qingliu Plan" covering five categories: materials supplied by Party A, materials supplied by Party B, air quality inspection, construction quality, and on-site contract performance. Throughout the year, a total of 1,257 groups of building materials were inspected. There were 109 air monitoring points in total, and the project coverage rate of flight inspection under construction and regular site inspections was 100%.

Meanwhile, we assessed the compliance and ESG adherence of 100% contractor projects through weekly or monthly offline meetings, or via random field inspections.

### 8.1.4 Supplier Iteration

In the annual comprehensive evaluation of suppliers, we classify supplier performance into four grades: Grade A, Grade B, Grade C and Grade D. Those falling into Grade D are deemed as unqualified suppliers. Unqualified suppliers are not allowed to participate in bidding for two years from the date they are rated as unqualified. Moreover, we require suppliers that violated the code to make rectifications promptly. Suppliers that repeatedly or seriously violate regulations may be subject to warnings or termination of cooperation.

In routine quality reviews, we require the suppliers identified with red or yellow risk warnings and those with non-compliant materials to make rectifications, following relevant procedure. Suppliers with a sustained low qualified rate of materials will be interviewed. When needed, the supplier with materials that are unqualified in key indicators will be required to suspend supply and be supervised to improve its product quality before resuming supply.



We have set up a blacklist and a whitelist of suppliers to exclude those using substandard or counterfeit and shoddy products, facing significant financial risks, defaulting on wages, lacking environmental assessment reports or pollution permits. For suppliers with significant actual or potential negative impacts on business, environment, or society the cooperation is terminated immediately upon discovery. In 2023, we had 1 key supplier with which the cooperation was terminated due to significant potential negative impacts identified during evaluation.



## 8.2 Sustainable Supply Chain

COLI practices sustainable procurement and has formulated and implemented a [Sustainable Procurement Policy](#). We integrate sustainable development considerations into every procurement decision, in an endeavor to promote the use of sustainable materials.

### 8.2.1 Supply Chain Empowerment

To further develop a sustainable supply chain, we actively conduct ESG management training for procurement employee, launching the "Spark Training Camp" project, which shares insights on business logic and supply chain ESG management, achieving positive training outcomes.



In 2023, the "Spark Training Camp" held 14 training sessions for procurement employee, with a total of **2,842** hours and **203** attendances.

At the same time, through annual supplier training and communication, we have significantly improved trust and cooperation with our suppliers and increased their acceptance of performance evaluation. Our supplier training covers a wide range of topics and content, including quality control, and environmental management, anti-corruption, and integrity education. Meanwhile, led by Lingchao Supply Chain Management Company, we launched the "Qingliu Plan" which involved 150 suppliers to actively participate, learning, and researching the sustainable management experiences and practices from outstanding suppliers. Through this plan, we actively promoted excellent practices to other suppliers and advocated for the selection of quality, safe, low-carbon, and environmentally friendly products.



In 2023, **5** supplier training sessions were held with a duration of **10** hours, covering over **1,400** attendances, and achieving **100%** coverage of **48** strategic central procurement suppliers.

### Lingchao Supply Chain Management Company Held the "Digitalised Supply Chain and New Green Ecosystem" Partner Conference

In November 2023, Lingchao Supply Chain Management Company under COLI held the "Digitalised Supply Chain and New Green Ecosystem" Partner Conference. The conference brought together over 200 well-known enterprises in the construction and building materials industry, with scholars and professors also invited to attend. Representatives from all walks of life shared their insights and experiences to promote the common progress of the industry. During the expert dialogue session, guests discussed "how digital technology and green construction could empower urban green development". The heated discussions at the conference collided with sparks of ideas and triggered innovative thinking among partners. We hope that through this conference, we can help the industry meet the challenges of low-carbon transition and build a new green ecosystem.



"Digitalised Supply Chain and New Green Ecosystem" Partner Conference

In 2023, we launched an initiative among all material suppliers, encouraging them to pursue green certification, and educated them on the knowledge about green products, green building materials, and relevant certifications. With these efforts, we emphasised our ESG requirements while promoting comprehensive improvement in suppliers' sustainable development capabilities and performance.



**In 2023 :**

All **150** central procurement suppliers (**100%**) achieved ISO 14001 Environmental Management System certification;

**50** central procurement suppliers (**33%**) obtained ISO 50001 Energy Management System, Green Factory, and Green Supply Chain certifications.

### 8.2.2 Sustainable Procurement

We implement the [Sustainable Procurement Policy](#), favoring certified sustainable or green construction material brands, and minimising the use of disposable products. Moreover, we require all development teams to use products and materials with lower environmental impact, non-toxic to humans, more energy-efficient, recyclable, biodegradable, or more durable.

We promise to give priority to sustainable wood with third-party certification, set green procurement goals, and actively promote suppliers to adopt sustainable materials in the project construction. We apply environmental and health requirements more stringent than international standards for approximately 39% of our products .



**As of the end of the Reporting Period :**

Purchases from suppliers meeting green standards accounted for **65%**;

The amount spent on materials meeting green standards was about RMB **2.5** billion, accounting for about **28%**, cumulatively reaching **21%**;

Purchases of recyclable and green building materials with ISO 14025 Environmental Product Declaration certification accounted for **16%**;

**235** categories of materials purchased received green building material, green product, or product carbon footprint (PCF) assessment certification.

Furthermore, we actively standardise the procurement of green and healthy materials. We have issued the [Standard of Indoor Homing Movement in Residential Public Area](#) and continues to promote the development of standards for other green procurement. We set green standards for project construction, interior design, decoration, and other stages, which cover a series of product certifications including green products, green building materials, PCF and China Environmental Labelling, and enterprise certifications like green factories, green enterprises and ISO 50001 energy management system certification.



## 8.3 Industrial Common Prosperity

COLI is actively involved in the construction of industry ecosystems. By complementing resources with partners and leveraging our technological advantages, we have built a symbiotic, shared, and win-win ecosystem. Growing with the times, we contribute to the beauty and sustainable development of cities.

### 8.3.1 Collaborative Development

Promoting in-depth industry-academia-research cooperation is in alignment with the global trend of technological innovation. To this end, we explore new modes of innovation and integration, using our technological innovation capacity to drive industry progress. We engage in various forms of cooperation with domestic higher education institutions like Southeast University, Tsinghua University, Chongqing University, and Huazhong University of Science and Technology, with a focus on digitalisation, intelligence, and low-carbonisation in real estate and residential scenarios. The forms of cooperation include joint laboratory co-construction, joint research, joint teaching, and joint training of postgraduates, creating a synergy between industry, academia, and research. Specifically, under the leadership of Southeast University, we participated in a key collaborative research program outlined in the "14th Five-year Plan". We established a joint laboratory with Tsinghua University to deepen our research, attempting to achieve rapid application of our research achievements. Moreover, several of our subsidiaries have signed framework agreements on industry-academia-research cooperation with various universities. Such collaborative endeavor aims to cultivate high-quality talent and inject fresh blood to support COLI's continuous innovation.

#### COLI Establishing Strategic Partnerships with Leading Domestic and International Universities, Research Institutions, and Technology Companies



Join Hands for a Brighter Future With Your Trusted Partner  
China Overseas Land & Investment Ltd.

### 8.3.2 Achievements Sharing

We participate in developing industry standards and fulfill the membership obligations in various associations by offering advice and suggestions for the industry's development. In 2023, we participated in the preparation of a number of national standards, such as Smart Community Construction Standards, Smart Building Design Standards and Zero-Carbon Building Standards, as well as the compilation of 6 group standards for the China Association of Building Energy Efficiency. These standards span the areas of healthy buildings, zero-carbon offices, and carbon emission accounting. As a member of the Professional Committee on Low Carbon and Healthy Real Estate of China Association of Building Energy Efficiency, we are at the forefront of promoting low-carbon, healthy real estate.



Xiangjiang Mansion, Changsha



## List of Industry Associations of COLI

| Industry Association  | Membership Qualification  | Participating Unit |
|---|---|--------------------|
| Professional Committee on Low Carbon and Healthy Real Estate of China Association of Building Energy Efficiency   | Chair   |                    |
| China Green Building Council of Chinese Society for Urban Studies   | Leader of the Property Team   |                    |
| Open Link Association   | Council member  | COLI               |
| China Communications Standards Association  | Member  |                    |
| National Technical Committee of Digital Technique of Intelligent Building and Residential Community of Standardization Administration of China – Smart Park Standards Working Group (SAC/TC426) | Member  |                    |
| Council on Tall Buildings and Urban Habitat   | Silver Member   |                    |
| China Engineering & Consulting Association  | Executive Council Member  |                    |
| The Architectural Society of China Construction   | Executive Council Member  |                    |
| China Civil Engineering Society   | Member  |                    |
| Guangdong Engineering, Exploration & Design Association   | Vice-president  |                    |
| Guangdong Civil Engineering and Architectural Society   | Deputy chair of the Council   |                    |
| Guangdong Building Energy Conservation Association  | Council member  | Hua Yi             |
| Guangdong Provincial Construction, Sustainable & Prefabricated Industry Association   | Council member  |                    |
| Shenzhen Exploration & Design Association   | President   |                    |
| Shenzhen Green Building Association   | Vice-president  |                    |
| Building Industrialization Association of Shenzhen  | Vice-president  |                    |
| Shenzhen Green Building Society   | Vice-president  |                    |
| Shenzhen Property Developers Association for Urban Renewal  | Vice-president  |                    |
| Foshan Assembly Building and Intelligent Construction Association   | Council member  |                    |
| China Index Academy   | Member of the China Commercial Property Index System Advisory Committee | COCP               |
| Building Owners and Managers Association, BOMA  | BOMA China Platinum Member  |                    |
| The International WELL Building Institute, IWBI   | Keystone Member of IWBI   |                    |

We are pleased to share our development experiences and are willing to be a promoter of intra- and cross-industry communication and integration, contributing to the prosperity of the industry ecosystem. In 2023, we launched 5 "COLI – Special Committee Rainbow Bridge" communication events, the topics of which covered intelligent charging piles, healthy building materials, prefabricated construction, healthy integrated stoves, and ESG evaluation of real estate companies. We investigated a number of companies specialising in green and healthy, industrialised, intelligent and technological innovation, trying to promote in-depth cross-field cooperation. This year, we have hosted numerous significant events in the zero-carbon and health sector, and have been invited to participate in the Digital Transformation Summit for Urban Construction Enterprises. Besides, we have also arranged multiple visits to universities and innovative high-tech companies to explore the future direction of real estate.

### Drawing a Blueprint for Healthy Living Space at ACT Low-carbon and Healthy Real Estate Collaborative Innovation Development Forum

In June 2023, COLI successfully hosted the "ACT Zero Carbon City International Sub-Forum – Low-carbon and Healthy Real Estate Collaborative Innovation Development Forum", where industry experts, scholars, and representatives from research and design institutions, and equipment manufacturers actively exchanged ideas. The event was live-streamed on 3 platforms, with over 50,000 viewers watching and more than 10 media outlets attending.

With the theme of "Low-carbon and Healthy Collaborative Development", this forum aims to promote the low-carbon and healthy transformation of the real estate sector, enhance industry cooperation, and foster high-quality industrial development. We shared a report titled Low-Carbon and Health Powering High-Quality Development in the Real Estate Industry and explained how low-carbon and health initiatives support the high-quality development of COLI's three major businesses. Industry partners were invited to jointly draw a blueprint for a low-carbon and healthy living space.



Low-carbon and Healthy Real Estate Collaborative Innovation and Development Forum



## Hua Yi Attending Domestic and International Industry Communication Conferences

As a key member of the China Association of Building Energy Efficiency and the Shenzhen Green Building Society, Hua Yi achieved significant accomplishments in the green building field in 2023, including:

- Represented the Shenzhen government delegation to present at the 2023 International Green Building and Building Energy Conservation Conference, fully showcasing its leading technology and achievements in green building.
- Invited to the Council on Tall Buildings and Urban Habitat (CTBUH) International Conference in Singapore, receiving awards and sharing experiences to contribute to the development of the industry internationally.
- Participated in the 25th China International High-Tech Achievements Fair and the C<sup>3</sup>BUILD Future Architecture Conference, and hosted the "2023 Sustainable Built Environment Asia-Pacific Regional Conference" sub-forum.

These activities not only strengthened COLI's communication and cooperation with academic and industrial circles domestically and internationally but also positively contributed to the sustainable development of the green building field.

### 8.3.3 Innovation Driving Change

"Only through innovation can we advance, prosper, and succeed". We strive for innovation in our business and products, hence reinforcing our innovativeness and vitality on multiple fronts. Focusing on healthy living space architecture and technological innovation platforms, we push for the transformation and industrial promotion of low-carbon and healthy achievements. By doing this, we aim to create the best innovative living experiences for contemporary people and raise the overall technological level of the industry.

#### R&D Strength of COLI

We have a solid foundation for innovation, constantly adapt to new technological demands in the industry and keep pace with the times. Leveraging the advantages of the entire industry chain, we build a "development-design-supply chain-construction-operation" technological innovation system throughout the real estate industry chain. Besides, we explore the industrialisation, productisation, and marketisation of scientific research outcomes and make a strategic layout accordingly. COLI's technology leadership group comprehensively coordinates technological innovation work, supported by the COLI Innovation Research Institute and its sub-centres, which carry out technical research and product development. In partnership with Technology Company of COLI, China State Grand Wealth, Hua Yi, and Lingchao Supply Chain Management Company under the Group, we use cutting-edge technologies like AI, cloud computing, big data, and IoT to support the growth of our primary business and advance the development of the entire industry. We also actively organise relevant scientific and technological R&D to build up our innovation capacity and enhance the level of technological innovation, endeavoring to achieve industry leadership. To boost the efficacy of our innovation platforms and systems, thereby further propelling the innovation and growth of our business, we have deeply reviewed the effectiveness of these platforms and systems. By gathering and analysing pertinent information, we've thoroughly scrutinised the pros and cons of our innovation mechanisms and existing frameworks. This allows us to swiftly identify and rectify potential risks and challenges.

As great nations and enterprises also need great talents, we understand that building a research talent team is an inexhaustible source of power for our innovative development. We have established a professional technical team of 1,460 individuals, which includes 435 people with master's or doctoral degrees or above, and 173 people with senior professional titles. In recent years, we have been stepping up our efforts to cultivate highly skilled leading figures, declare numerous key talent programs, and forge a strong professional team. Within the Group, we have formulated a provincial and ministerial-level talent cultivation plan and secured 6 talent-specific projects coordinated by COLI.



In 2023, COLI had :

**2** employees nominated for the Shenzhen Special Economic Zone Engineering Survey and Design Master list

**22** employees receiving personal honours such as the title of Outstanding Science and Technology Workers in Civil Engineering in Guangdong Province

**4** employees winning awards in the first China Architecture Young Designers Competition, securing "1 gold, 1 silver, and 2 bronze medals".

With robust capabilities, our innovation endeavors have consistently borne fruitful results. These achievements significantly empower product innovation and functional iteration, as well as the efficient operation of our business.



As of 31 December 2023, we had secured a total of **423** patents, including **99** patents for green building technologies.

In addition, the external community has also fully recognised the innovation capability, intellectual property management, ability to transform technological achievements, R&D organisational management level, and corporate growth potential. This year, our subsidiaries Tian Shan Company and Technology Company of COLI, were honoured with prestigious titles such as "'Specialised, Refined, Differential and Innovative' SME" and "National High-tech Enterprises", of which Tian Shan Company was designated as a "Guangdong Science and Technology Expert Workstation". Additionally, our subsidiary Hua Yi was awarded "Advanced Enterprise in Science and Technology Innovation" and has consistently been recognised as "Advanced Enterprise in Science and Technology Innovation in Civil Engineering in Guangdong Province" for 6 consecutive years. It was also selected as one of the "Top 100 Advanced Units in Science and Technology Innovation in Civil Engineering in Guangdong Province" during the 70th-anniversary celebration of the Guangdong Society of Civil Engineering, which is a strong testament to its innovation capability.

#### Innovation-Related Certifications of Technology Company of COLI (Partial)



## Technology Company of COLI was awarded for the first time the "National High-Tech Enterprise" and recognised as a "'Specialised, Refined, Differential and Innovative' SME" in Shenzhen

In February 2023, Technology Company of COLI successfully passed the certifications for "National High-Tech Enterprise" and was recognised as a "'Specialised, Refined, Differential and Innovative' SME" in Shenzhen, marking another significant recognition of our strength following the obtaining of CMMI3, dual software certification, and 6 ISO certifications. This accomplishment also represents a crucial milestone in COLI's effort to create its second "growth curve."



High-tech Enterprise Certificate

## Initiating the Era of Smart Living Space

Technological innovation and digital transformation have been embraced as the new driving forces for urban construction and development. Leveraging external technology capabilities and our own experience in the real estate industry, COLI spares no effort to accelerate the construction of smart cities. To be specific, we promote the digital development of the industry by empowering management, products, and applications.



The world's first 5G smart community – COLI Zhenru Mansion Project in Shanghai

In the urban scenario, we have established an industry-leading information and digital real estate full-process management system and platform, facilitating efficient, comprehensive project management throughout all phases and specialties, thus creating a proprietary technological advantage. This platform, alongside projects such as the city map big data platform, has earned recognition on the international stage.



As of the end of the reporting period, the scientific and technological achievements of the whole process management platform of COLI's properties had been put into use in more than **450** projects, serving more than **10** million users.

In small living scenarios, our self-developed smart residence platform made a breakthrough by growing our smart home business from scratch, featuring proprietary technologies, unified interactive experience and innovative product format to make "good products" more intelligent. Our smart residence platform provides comprehensive, all-scenario smart space solutions covering residential buildings, commercial buildings and communities. Various smart solutions, including low-carbon energy management systems, low-carbon intelligent building systems, and smart home systems, have been promoted and applied in cities such as Beijing, Ningbo, and Shenzhen. These represent our explorations in reshaping people's lives with smart technology.



By the end of the reporting period, COLI smart residence had been implemented in **40** projects, and delivered **21,000** low-carbon, intelligent, green digital homes.

We find that people attach great importance to 9 elements of products, namely quality, health, convenience, safety, social interaction, belonging, care, and novelty. In recent years, we have increased our efforts in researching healthy living space products to promote the collaborative innovation and development of low-carbon, healthy real estate. This year, we were approved to establish the CSCEC Healthy Habitat Sci-tech Innovation Platform and embarked on core technology research and laboratory construction for healthy living space.

## CSCEC Healthy Habitat Sci-Tech Innovation Platform Officially Launched

By the end of 2022, COLI was successfully approved for the second batch of China Construction Science and Technology Innovation Platforms – the China Construction Green Building Engineering Research Centre (Healthy Habitat Building) (hereafter "CSCEC Healthy Habitat Sci-Tech Innovation Platform" ), which was officially launched in March 2023. This platform integrates the entire industry chain and all processes from the perspective of end customers and forms 5 core technologies for all-process digital management, including healthy fine decoration technology.



In August, the "COLI + Hua Yi + Professional Committee" healthy living space laboratory was initiated, which included multiple experimental spaces such as community, living, virtual reality, sleeping, and planting scenarios. This laboratory is an integrated, scenario-based demonstration and experimental space for the latest R&D achievements in future low-carbon healthy living space. As a cooperative result between COLI and partners in various industries, this laboratory will become an important space for experimenting with and testing several core technologies upon completion. Besides, it can also serve as an important window for Technology Company of COLI to demonstrate its innovation capacity to the outside world.



CSCEC Healthy Habitat Sci-Tech Innovation Platform Inauguration Ceremony

To further support the construction of this platform, in June 2023, Hua Yi Design established the Hua Yi Design Innovation Research Institute as a permanent research institution for the CSCEC Healthy Habitat Sci-Tech (align with 23AR) Innovation Platform. The research institute housed 4 major technical R&D centres and 4 major product R&D centres. Furthermore, to implement the "internal and external integration" principle of the Science and Innovation Platform of healthy living space, we have collaborated with Technology Company of COLI and top universities and research institutions in the healthy living space industry to create joint laboratories and advance technology-focused achievements.

## Research Projects Empowerment

We actively participate in and undertake significant internal and external scientific research projects. Guided by COLI's Management Measures for the Scientific and Technological Research and Development Projects, we ensure the implementation of research projects to achieve scientific, standardised, efficient, and fair management. This year, we participated for the first time in key R&D programs under the national "14th Five-year Plan". Focusing on cutting-edge fields such as digital twin engineering construction quality control and indoor healthy material technology, our projects have successfully passed the review. The Group's professional companies have actively expanded external scientific research project channels and secured projects this year. These projects include 2023 Science and Technology Innovation Plan Projects of the Department of Housing and Urban-Rural Development of Guangdong, the Science and Technology Program for Shenzhen Engineering Construction Field, and the Scientific Research Project of China Association of Construction Enterprise Management.

Meanwhile, we also utilise our advantages and experiences to empower the outside world. This year, we participated in the compilation of various local, group, and international standards, such as the Evaluation Criterion for Real Estate Enterprise Digitalisation Comprehensive Strength by the China Real Estate Association, the Evaluation Criterion for Digital Home Construction by the National Standardisation Technical Committee on Intelligent Building and Area Digitalisation, and the Smart City Infrastructure: Intelligent Building Information System Construction Guide and Intelligent Engineering Technical Standards by the Technical Subcommittee on Smart City Infrastructure Measurement. The case of COLI's digital transformation was selected in the White Paper on Digitalisation of China's Real Estate Enterprises, with an expectation to aid the industry's transformation and upgrading.



In 2023, we :

- Participated in **2** key research and development programs of the national "14th Five-year Plan";
- Secured **9** new external scientific research projects;
- Published more than **30** journal papers.



# 09

## Centring on People and Growing with Employees

Employees are fundamental to our long-term development and steady progress for a brighter shared future. Adhering to the principle of mutual respect, we fully respect and safeguard employees' legitimate rights and interests. COLI provides employees with a broad platform for growth and development and creates a healthy and safe living and working environment for them. We always care about our employees, so that they can better grow together with us.

Goals and indicators addressed:

UN SDGs



Guidelines

GD-B1, KPI-B1.1, KPI-B1.2, GD-B2, KPI-B2.3

GD-B3, GD-B4, KPI-B4.1, KPI-B4.2

GRI Standards

2-23, 201-3, 3-3, 401-1, 401-2, 403-1, 403-2, 403-3, 403-5

403-6, 403-7, 403-8, 404-2, 404-3, 405-1, 406-1, 408-1, 409-1

## 9.1 Employment and Labour Rights and Interests

COLI signs labour contracts with employees based on the principle of equality and free will, and has formulated a series of internal systems. This is to fully protect employees' legitimate rights and interests in terms of recruitment, promotion, dismissal, working hours, remuneration, and other aspects. We regularly review the management of employment and labour rights and interests, and update relevant internal systems and policies when appropriate. In addition, we continue to collect and analyse relevant performance data. This enables us to continuously improve the management mechanism of employment and labour rights.

### 9.1.1 Employment of Talents

COLI strictly abides by relevant laws and regulations, including the Labour Contract Law of the People's Republic of China, and has formulated the Measures for the administration of Recruitment and other rules and policies to further refine and standardise the recruitment process. The Company constantly improves processes including selection, hiring and probation completion. We implement the mechanism of selecting the most suitable employees based on merits, and follow unified talent standards to select recruitment channels and assessment forms in a targeted manner according to various job qualifications, ensuring that candidates to be hired exactly fit the corresponding positions.

We define the talent gap by talent review to develop clear strategic talent reserve plans, including talent attraction, retention and succession. COLI actively selects and recruits talents from colleges and universities and social elites through 3 human resource brand plans namely "Sons of the Sea", "Stars of the Sea" and "Sea's Recruits", to constantly provide talents for our future development. The "Sons of the Sea" Scheme plans to attract outstanding talents with an annual increase of 1%. The proportion of the new-generation talents is continuously increased to lay a solid foundation of strategic talent reserves for our long-term development. In 2023, we hired 169 new employees in total.

► "Sons of the Sea" Scheme, COLI's strategic talent scheme, is designed to recruit fresh graduates for property development and business management positions. "Sons of the Sea" are trained in a systematic manner to become elites with comprehensive management skills.

► "Stars of the Sea" Scheme recruits fresh graduates with diverse backgrounds for business lines of sales, commerce, education and elderly care, and provides professional training to cultivate talents, so as to transform the "Stars of the Sea" into "Industry Stars".

► "Sea's Recruits" Scheme serves as our employer brand for people with work experience, and talents recruited are trained to become the backbone of our talent teams.

### Campus Recruitment under the "Sons of the Sea" Scheme in 2023

In 2023, we recruited talents from 11 colleges and universities in 5 cities under the "Sons of the Sea" Scheme. Our recruitment under the "Sons of the Sea" Scheme centred on precise offers and is conducted in multiple places, with premium offline meetings held in an innovative manner. Students from colleges and universities where the "Sons of the Sea" Scheme was implemented actively participated in the campus talks and interacted enthusiastically.



Recruitment under the "Sons of the Sea" Scheme in Tongji University

In addition to five social insurances and the housing provident fund and other statutory benefits in the countries and regions where we operate, we offer enterprise annuity for our employees. We also vigorously promote family-friendly welfare measures. We adopt flexible working hours for pregnant employees and those with nursing needs, more maternity and parental leave than statutory requirements for employees, and physical examination aid for employees' family members.

To promptly evaluate the effectiveness of human capital management mechanism, we regularly conduct employee satisfaction and engagement surveys. The surveys include employee satisfaction, engagement, pressure, corporate culture, and COLI-specific questions and open-ended questions. Based on the survey results, we improve the team building, cultural promotion and benefit system when appropriate, to constantly improve employees' satisfaction and engagement.



#### In 2023 :

- The employee satisfaction and engagement surveys cover **100%** of COLI's employees;
- Employee satisfaction scores **84** points, and employee engagement scores **92** points, securing a leading position in the industry.

## 9.1.2 Labour Rights and Interests

COLI always respects and safeguards employees' legitimate rights and interests. We follow the Labour Law of the People's Republic of China and the Law of the People's Republic of China on the Protection of Minors and other laws and regulations. Referring to basic principles of the United Nations Global Compact, we have established policies and systems including the Labour Rights and Interests Policy and the Employee Handbook, defining prohibition of child labour and forced labour, anti-discrimination and disparate treatment and respect for freedom of association. We ensure that employees are entitled to statutory holidays such as marriage leave, maternity leave and breastfeeding leave. COLI's headquarters and regional subsidiaries actively conduct self-inspection of labour risks to ensure compliant employment.

To support the employees' spirit of ownership and safeguard their legitimate rights and interests, we engage employees in democratic supervision by setting up trade unions by law. Our trade unions' focus on safeguarding the democratic demand and legitimate rights and interests of employees, and continue to strengthen democratic management to protect employees' interests.



As of December 31, 2023, the trade unions of COLI's headquarters and subsidiaries had covered all places where we operate, and **100%** employees are trade union members.

Meanwhile, our trade unions have made active efforts in the following three parts:

### Operational inspection of trade unions

The Company's Party committee and the trade union office worked together to review the rules and systems and operation of trade unions and employee representative meetings of companies at all levels, and no problems were found.

### Communication with employees regarding their appeals

In 2023, employee appeal channels were set up on our intranet, "China Overseas Channel " mobile application and other platforms to timely understand and meet the reasonable demands of employees and listen to the voice of our employees. Trade unions at all levels organised more than one thousand employee activities including employee care events in summer and winter and fun sports games, so as to strengthen employee communication.

### Training courses for cadres

Trade unions at all levels held learning sessions on advanced theory and business knowledge. Through theoretical study and professional trainings, trade union workers gained better understanding of labour rights and standards, and their ability to implement trade union rules and carry out business was strengthened.

## The 2<sup>nd</sup> Employee Representative Meeting and Employee Seminar of Nanjing Company was Successfully Held

The first session of the 2<sup>nd</sup> Employee Representative Meeting and Employee Seminar of Nanjing Company was successfully held in January 2023, involving 45 employee representatives. In the seminar, 16 front-line employee representatives made their speeches and put forward their ideas and suggestions in plain words and sincere attitudes on enterprise development, employee care, training and cultivation, and culture building and so on. The success of this seminar fully reflected our confidence and expectation to grow and create a better future together with employees.



Employee Representatives Made Their Speeches in the Employee Seminar of Nanjing Company

In addition, we have established multiple communication and feedback channels at multiple levels for employees. COLI also set up "Rational Suggestion Mailbox", "General Manager Symposium" and "Democratic Life Meeting" to listen to employees' voices and suggestions in a timely manner to solve their problems. By doing so, we aim to create a sound communication atmosphere, promote two-way communication within the team, and enhance employees' recognition and trust.

COLI follows the principle of equal pay for equal work in terms of employee remuneration management. We conduct a salary review at least once a year to review the median salaries of male and female employees at the same level and in similar positions in the Company, so that remuneration is not subject to gender and other factors unrelated to performance. In addition, we evaluate performance of employees by unified standards during performance assessment to ensure that employees are treated fairly.

While safeguarding our employees' rights and interests, we strengthen the supervision of labour rights and interests throughout the business. Specifically, we join hands with partners to improve labour protection. COLI standardises the labour management requirements of partners such as suppliers and regularly reviews partners' management of labour risks, so as to effectively safeguard labour rights and interests from working hours, work conditions, compensation and benefits, and so on. COLI will further explore the way to investigate and evaluate labour risks, and more comprehensively evaluate the effectiveness of measures to protect labour rights and interests across businesses and value chains.

During the reporting period, we did not identify any business, operating place and supplier or joint ventures with major risk of child or forced labour, human trafficking, discrimination or violations of the right to freedom of association, collective bargaining and equal pay, and did not receive any report on any such incidents.

## Protection of Human Rights and Labour Rights and Interests of Our Partners

### Management of Partners

- Terms in the tender documents
- Annual evaluation
- Site visit



### Review Aspects

- Labour management mechanism
- Reasonable compensation
- Payment management mechanism
- Code-compliant and safe construction work plan



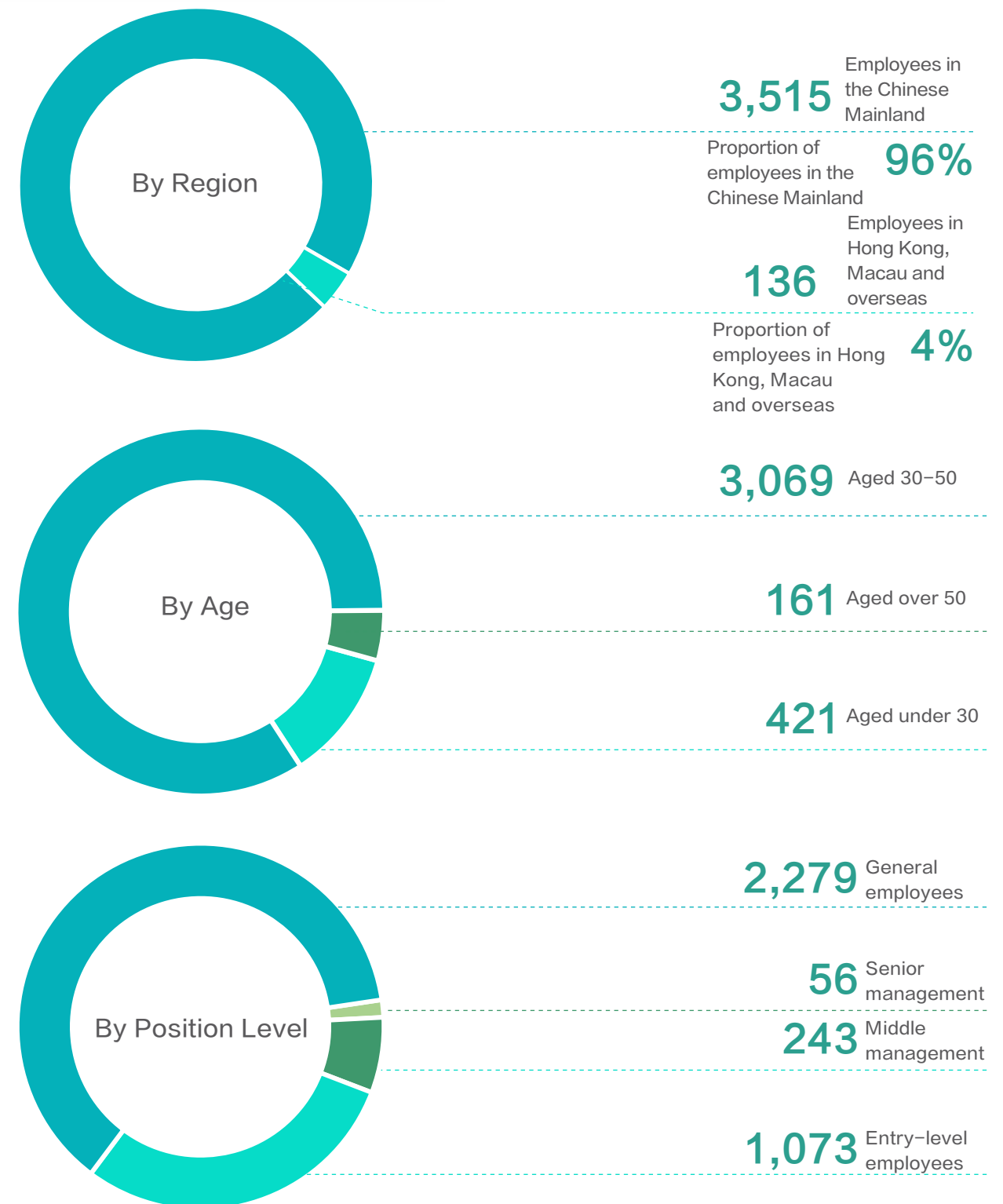
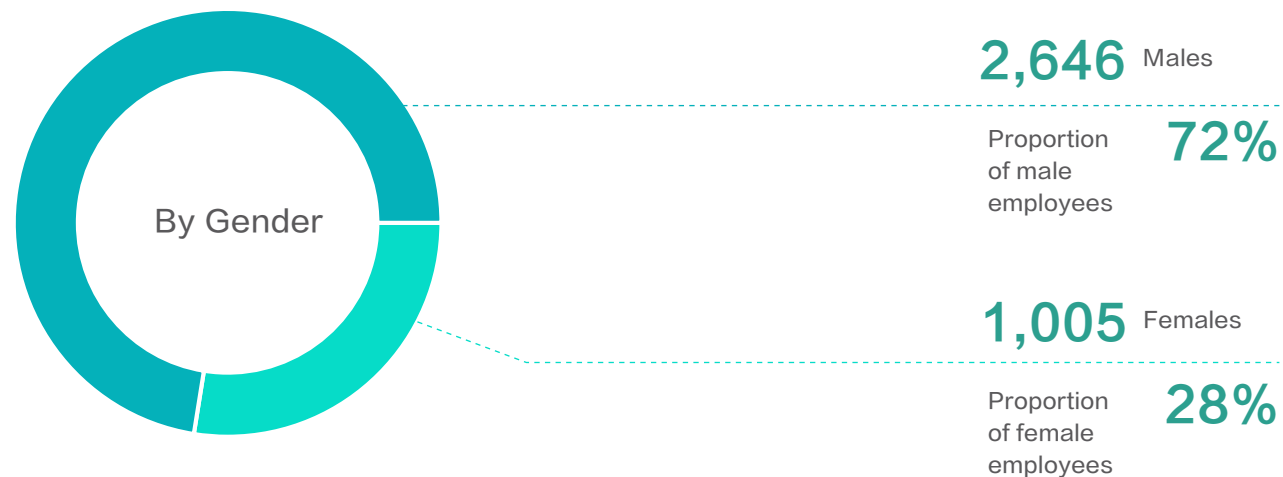


## 9.2 Diversity and Inclusiveness

COLI is committed to building teams with diversified talents. The ESG Working Group is responsible for the implementation of diversity matters and reports to the ESG Working Leadership Group. The Board is responsible for the final decision on diversity matters. We always adhere to the principle of equality and advocate diversity and inclusiveness, formulate Labour Rights and Interests Policy and offer equal job opportunities to talents of different nationalities from different regions. We provide fair and transparent recruitment channels without any discrimination or disparate treatment relating to race, religion, color, age, gender, nationality, marital status, and other factors. In addition, we have established an avoidance system, which requires that our candidates and employees shall comply with avoidance requirements set out by the system, to avoid conflicts of interest and corruption. We treat every employee in a fair and just manner and opposes any form of discrimination, allowing every employee to explore their personality characteristics and value.

As of December 31, 2023, we had hired 3,651 employees in total. Data of employees are divided by gender, age, region and position level as follows:

### Distribution of Employees



In the meantime, we continue to improve policies and cultural development, and create a diverse and inclusive cultural atmosphere, thereby bringing vitality to our sustainable development.

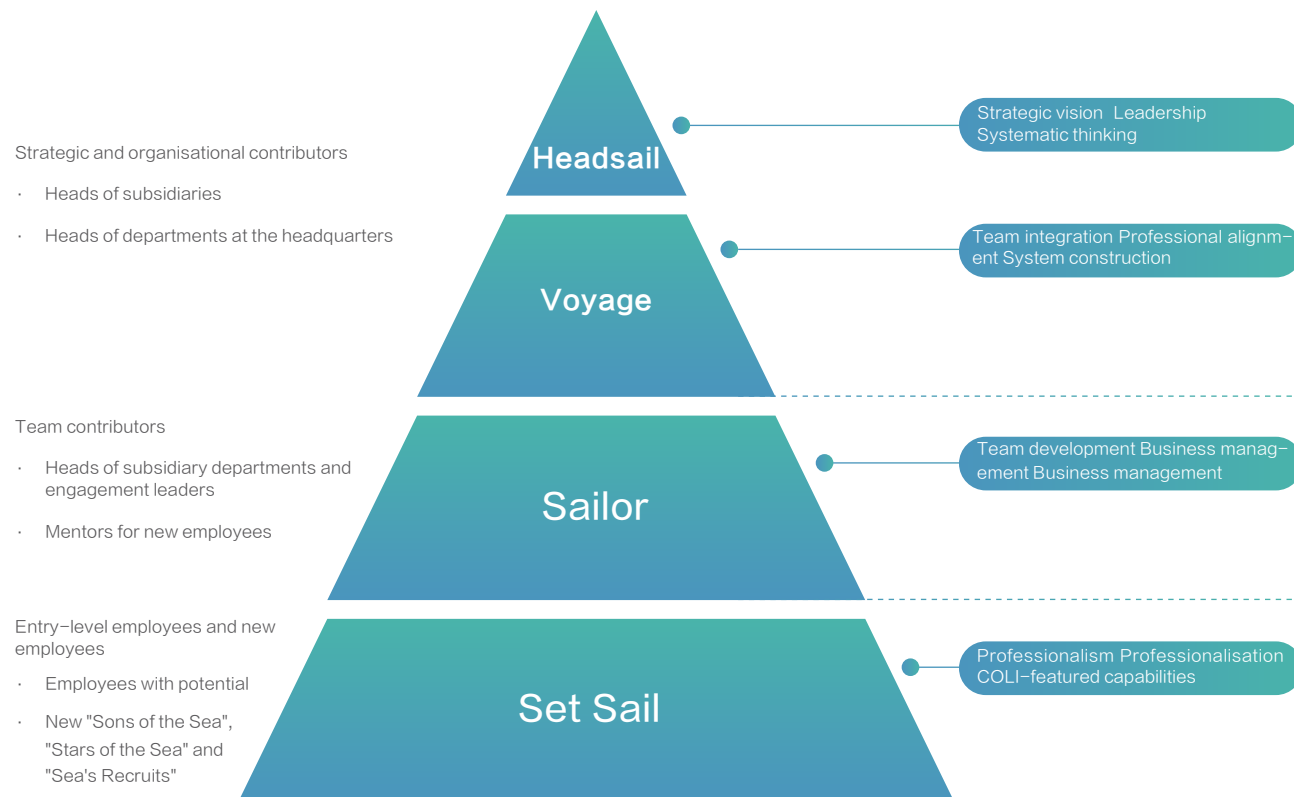
## 9.3 Training and Development

COLI always attaches importance to employee career development and personal value enhancement by continuously improving high-quality education and training system. We have implemented a comprehensive talent cultivation strategy and optimised employee performance management and feedback process. We have set up a broad development platform for the outstanding talents, and plan different promotion paths for different categories of employees. We also actively explore internal development paths for talents, to lay a solid foundation for talent growth and COLI development. In addition, efforts are made to analyse the human capital and evaluate the corresponding risks, thereby contributing to the sustainable development of the Company.

### 9.3.1 Employee Training and Career Development

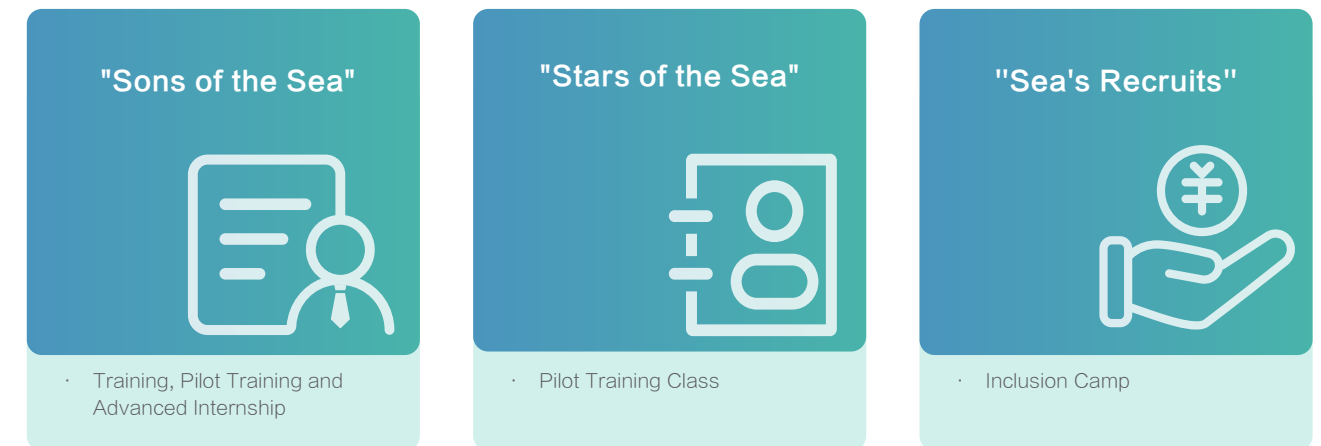
In a bid to create a cultural atmosphere of life-long learning, we have formulated the Measures for Training Management, which standardises the organisation of training and clarifies training responsibilities, in an effort to fully strengthen the training management. The Company continues to improve the talent cultivation system, namely "Set sail", "Sailor", "Voyage" and "Headsail". In this way, we provide customised training plans for employees at different levels in different scenarios, assisting them in continuous and efficient self enhancement and development to create an overall talent development plan. We fully support our employees in improving their professional skills. According to the Measures for Employee Relationship Management, we can reimburse the examination fees when employees obtain certificates related to professional skills and positions.

#### Illustration of Talent Cultivation System



In addition, we have connected the personalised talent cultivation mechanism with 3 human resource brand plans, namely "Sons of the Sea", "Stars of the Sea" and "Sea's Recruits", in an effort to match with diverse talents, meet different development needs of fresh graduates and experienced workers. By doing so, we can provide comprehensive and adequate training to support all employees in their career growth. In addition to regular training, in 2023, we provided special training to "Sea's Recruits", covering company and engagement development, financial management, human resources management and other topics. The training helps new employees understand our operational mode and recognise our culture.

#### Supporting Training Plan of Human Resource Brand Plans



#### "Sons of the Sea" Cultivation Scheme



By building 3 general platforms, namely external resource platform, internal course platform and knowledge base platform, we fully support employees' capacity enhancement. At the same time, we comprehensively include anti-corruption, corporate risk management, compliance management, environmental protection, health and safety, ESG concept and improvement and other training courses related to the sustainable development into the above 3 general platforms. Employees are required to learn in an all-round manner to strengthen their awareness of sustainable development.

To further promote the training, we have provided a series of branded training plans including "Big Shots Coming!", "Common Case Study Workshop", "Team Workshop" and "Gold Lecture", supplemented by 3 training platforms, to support employees in personal value enhancement and career development.

### Cases of Branded Training Plans

#### Big Shots Coming

It invited external celebrities to deliver training activities, share cutting-edge views on the industry and broaden the vision of employees

#### Team Workshop

It provided special training courses based on functions of all departments

#### Gold Lecture

It invited outstanding employees to share their ideas, and internal experts to give lectures and continuously output high-quality training courses

### "Voyage IV and Sailor Plus" Focused Training

In June 2023, we conducted the 2023 "Voyage IV and Sailor Plus" Focused Training. The training covered 34 employees, with a duration of 4 days. Leaders of all functional departments were invited to give lectures and communicate with employees, thus helping employees form systematic thinking and fully understand the business. In addition, the training focused on enhancing participants' leadership skills, and combined management theories with practical cases, so as to help them understand the connection between training courses and daily management. This focused training has broadened the business vision of employees, improved their management ideas, and shaped their big-picture thinking, so as to help them grow in all aspects.



"Voyage IV and Sailor Plus" Focused Training



As of December 31, 2023:

**1,389** training sessions had been held for all employees, providing a total of **325,028** training hours for **53,067** participants with an average of **89** training hours per employee;

Training on personal skills in the workplace had covered **3,287** attendances;

**308** hours of occupational safety and health training courses had been provided to more than **100,000** employees and contractors;

**1,166** hours of sustainable development training had been arranged.

For employee development, based on all management, administration, professionals, and sales (MAPS) ranks, we continue to improve diversified career development channels. Employees can achieve vertical development through promotion in their own rank or transfer to another rank for horizontal development. We insist on selecting the best candidates and encourage employees to choose suitable growth paths and development directions based on their own circumstances. We also improve the fit between the employee and the position and employees' competence, to better support our development. In 2023, the percentage of vacant positions filled by our internal candidates was 72%.

### 9.3.2 Performance Evaluation and Incentive Scheme

We respect distinctive capabilities of our employees, and have formulated and implemented the Measures for Organisational Performance Appraisal and Incentive Management. The established performance principle of "Value Creation, Strategic Guidance, Objectivity and Fairness, and Differentiated Management" specifies requirements of major processes such as development of performance indicators, performance implementation, evaluation and feedback, and application of performance results.

#### Performance management mechanism

Performance plan, process implementation coaching, performance assessment evaluation, performance interview feedback, and performance appeal supervision (Plan, Do, Check, Act)

#### Employee coverage

100%

#### Performance assessment frequency

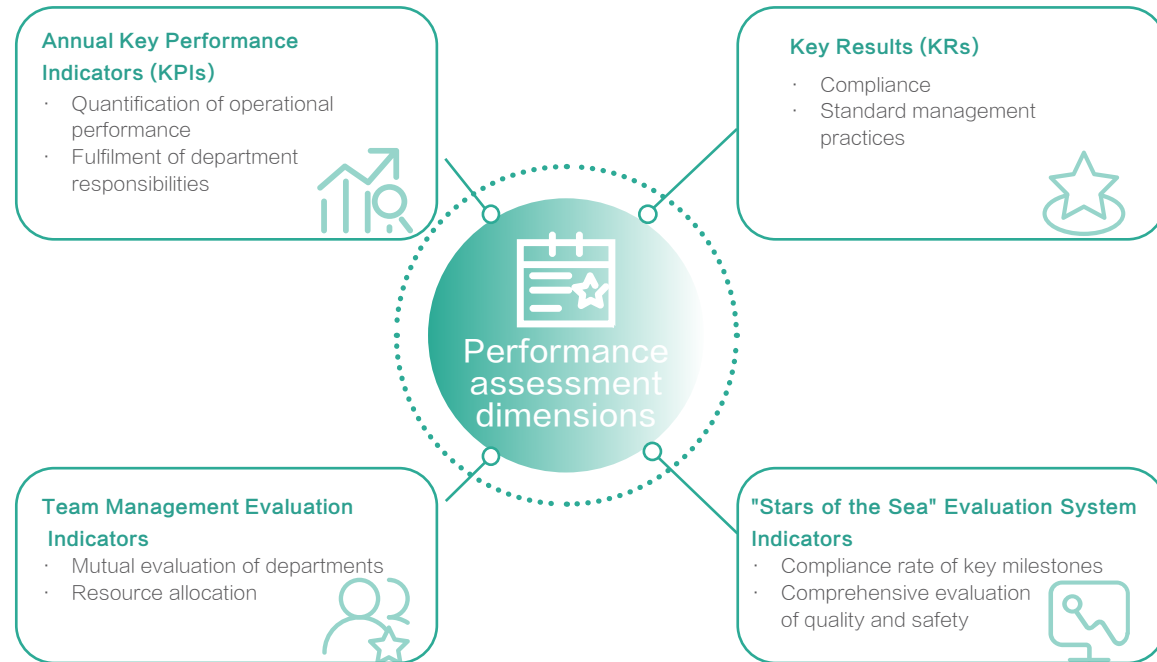
Twice a year

#### Performance assessment results

A, B+, B, B- and C

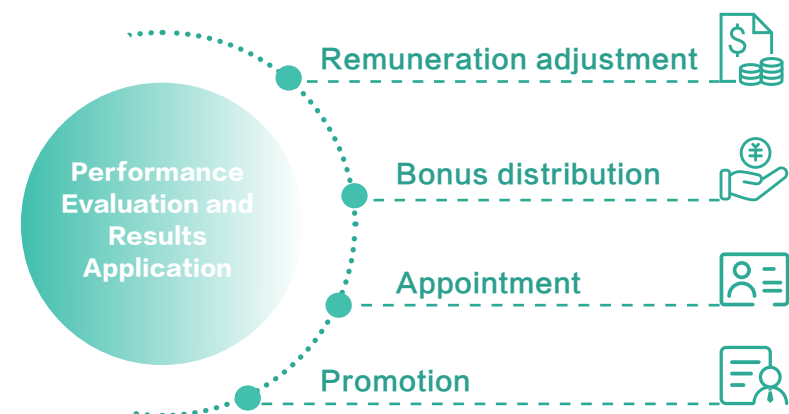


## Performance Assessment Dimensions



To ensure objective and fair performance evaluation results, we hold regular performance evaluation meetings and publicly evaluate the annual contribution and performance level of employees. We reveal the assessment results right in front of our employees to enhance performance application and boost their continuous progress. In addition, we value the two-way communication between employees and their supervisors. In case of any questions on the performance evaluation results, employees can give feedback through the face-to-face talks with HR and communication with direct superiors and other channels.

## Application of Performance Evaluation Results



In addition, by setting up a "Meritorious Medal System", holding "Electronic Meritorious Medal Award", "Annual Recognition Ceremony of Excellent 'Stars of the Sea'" and other activities, we increase employees' sense of belonging to promote the team building.

We have developed the share option incentive schemes. In 2018, 2020 and 2021, we launched the share option incentive schemes for senior management, as well as core technical talents and management personnel who have direct impact on the overall business performance and development of COLI. A total of 400.29 million share options have been granted to 1,597 directors, senior management, core technical talents and management personnel to motivate employees, improve performance and retain outstanding management talents.

## 9.4 Health and Safety

The safety, health and well-being of employees and business partners are the top priorities and key concerns of COLI. COLI focuses on building and improving the safety management system across the Group, formulating group-wide Occupational Safety and Health Policy to ensure close connection and efficient operation of each process from top-level design to grass-roots implementation. We pay attention to strictly controlling safety production during construction and taking safety management seriously during operation, so as to ensure effective implementation of all safety measures.

We evaluate the health and safety performance by monitoring production safety accidents at all levels, fatality of general production safety accidents, social impact of accidents and occupational health and safety incidents with reputation damage. We have set annual health and safety metrics and targets, covering own operations and contractors. All the above efforts aim to promote organisational implementation of teams at all levels, optimise and improve our strategies, further advance target management and constantly improve the occupation health and safety.

## Safety Management Objectives

- Eliminate major and above grade production safety accidents
- Contain large production safety accidents
- Reduce general production safety accidents (control fatality per RMB100 million revenue within 0.0035)
- The proportion of regional companies and professional companies with "zero death production safety accidents" exceeds 85%
- No accidents with significant social impact or near-miss accidents
- No occupational health incidents with reputation damage

In 2023, our employees were not involved in any safety production accidents, and the accident rate met the safety objective. Our employees' the recordable accident rate of work injuries, lost time injury frequency rate, the minor injury rate, lost days due to work-related injuries, and the absenteeism rate attributed to health and safety were 0. In the past 3 years, the number of work-related fatalities of COLI was 0.

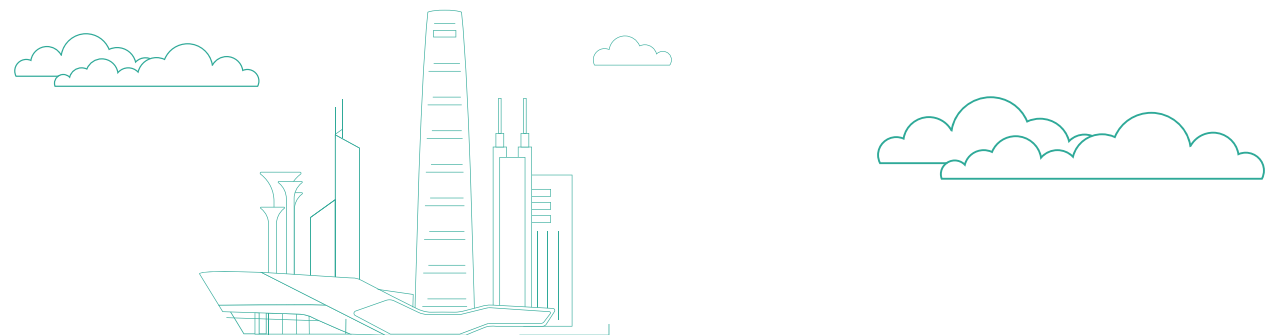
## 9.4.1 Safety Management System

COLI strictly adheres to the Work Safety Law of the People's Republic of China, the Fire Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases and other applicable laws and regulations related to occupational health and safety. We have established a range of internal systems and policies and emergency response mechanisms. All the above efforts are made to standardise the production safety standards, clarify the handling and investigation procedures of work injuries and fully protect safety for our employees and partners. To constantly improve the health and safety standards, efforts are made to promote the certification of occupational health and safety management system. The Production Safety Management Handbook is approved by the CEO and audited by a third party. In 2023, we formulated the Measures for the Investigation of the Responsibility for Work Safety Accidents and modified the Safety Production and Management Handbook. Safety management responsibilities were further clarified and the corresponding requirements were refined. We also improved the comprehensive emergency plan and accountability system to handle production safety accidents, and made provisions for project site safety and safety management of suppliers to expand the scope of application of safety management policies to include our partners. In addition, we defined management requirements related to partners' occupational safety and health to ensure that partners follow our safety standards. We encouraged our employees to actively participate in the negotiation of occupational health and safety management, so as to listen to their suggestions for improvement.



Multiple subsidiaries or operating places of COLI such as Lingchao Supply Chain Management Company, Technology Company of COLI, China State Grand Wealth Investments Limited and the regional company in Chengdu have obtained the certification of ISO 45001 Occupational Health and Safety Management System, including real estate development, EPC or other construction general contracting projects, and design, production and sales of construction materials.

We have clarified our organisational structure and responsibilities at each level for centralised safety management. A long-term safety mechanism has been established to implement the safety production responsibilities. The compensation and performance of persons in charge of safety are based on safety performance of COLI. The Safe Production Supervision and Management Committee serves as the highest decision-making body regarding safety management. The CEO, acting as the chairman of the committee, is fully responsible for the safety production management. The Safety Director is the vice-chairman and leads the specific safety management matters. Moreover, we have set up the Committee Secretariat to be in charge of the implementation of specific tasks. Each subsidiary of COLI has a safety production supervision and management team under the leadership of the General Manager. A three-party safety production coordination team is established at the construction site to ensure on-site safety management are in place. The Project Director of Party A acts as the team leader, while the Project Manager and Supervision Director of the Contractor act as the deputy leaders, and the onsite persons in charge and safety management personnel of all constructing units are team members.



## Organisational Structure of Safety Management and Responsibilities

**CEO is the highest responsible person**

### Safe Production Supervision and Management Committee

The Company's top decision-making body for safety management, responsible for

- Determining major policies, standards and systems
- Determining regional annual safety assessment indicators
- Deploying safe production efforts, including organisation of assessment and evaluation

### Project Management Department of the Headquarters

The safe production supervision department at the headquarters, responsible for :

- Developing rules and systems, operating procedures, emergency rescue plan, etc.
- Developing medium and long term development plans and targets
- Conducting safety assessments and inspections
- Conducting safety education, training and other activities

### Safe Production Supervision and Management Teams

Setting up teams at areas, regions, projects and subsidiaries, responsible for:

- Studying and proposing major policies, standards and systems on safety management
- Carrying out safety assessment and evaluation
- Strengthening the production supervision and management system and coordinating to solve problems concerned
- Establishing group work system, scope of duties, meeting rules, etc.

### Other Functional Departments of the Headquarters

- Each functional department is responsible for safe production of the business within its jurisdiction
- Emergency response, public opinion monitoring, training and education, education on special safety officers and safety engineers, land safety factor and risk assessment, etc

## 9.4.2 Safe Construction and Operation

We regulate the safety production management with strict standards and high requirements and conduct regular assessment and inspection. We also fulfill our supervision responsibilities and strive to build a safe and healthy workplace. The Company has formulated the [Production Safety Management Measures](#), the [Production Safety Management Handbook](#), the [Safety and Civility Construction Guideline](#), the [Safety Guidelines for Individual Project](#), the [Temporary Electricity Guidelines for Construction](#) and other systems and guidelines. All regional companies and project departments of the Company are required to sign the Safe Production Responsibility Statement. We also require our partners such as contractors to fulfill their responsibilities of safe and civil construction as agreed in contracts. In addition, we protect the safety of employees at workplaces that are held and directly operated and controlled by COLI, and ensure the compliance of projects with the Safety Inspection Standards for Building Construction (JGJ59-2011). Our health and safety standards and reporting for contractors and other partners are equal to permanent employees.

We carefully identify safety hazards, have formulated the c, and require the submission of the Special Scheme for Construction Safety and the Safety Management System specific to the project before the construction project starts, in an effort to identify all safety hazards and take corresponding countermeasures. In addition, we review our current systems related to safety management on an annual basis, and update systems when appropriate, so as to ensure their effectiveness.

To adopt a comprehensive safety supervision mechanism, we inspect the construction site in an objective and comprehensive manner to evaluate safety risks. This year, we updated the List of Safety Risks, summing up 83 safety inspection items. Based on the list, we investigated the safety hazards and conducted special safety inspections for several times to fully review the management of safety risks. In addition, we conducted focused supervision and special inspections for key areas and projects. According to the List of COLI Safety Risks, we checked safety equipment, storage of building materials, electricity consumption, fire safety management and other safety management items of partners on the construction site for quantitative evaluation of site safety risks. To ensure the control effect of safety risks, in addition to daily self-inspection of projects, the headquarters of COLI carried out site inspection randomly on key projects and conducted remote safety inspection regularly via video monitoring.

In addition, the Company also engages a professional third-party agency to conduct safety risk assessment on a quarterly basis to ensure the compliance management of 100% projects under construction. At the same time, we invite a third party to conduct an unannounced inspection and carry out special inspection for the large machinery and foundation pit.

### Third-party Safety Inspection Mechanism

#### Unannounced safety inspection

- Spot check, no less than twice a year
- Covering all projects in the civil construction stage



#### Special inspection for the large machinery

- Twice a year
- Covering all projects under construction



#### Special safety inspection for the foundation pit

- Three times a year
- Covering all projects in the foundation pit stage



For the site where the violations are identified, we will issue the Rectification Notice on Safety Hazards for rectification, and closely follow up the implementation progress of rectification measures. We may promptly issue risk warnings to or impose penalty points correspondingly on partners with safety concerns, and require them to suspend construction for rectification when necessary. With continuous improvement and normal operation of safety supervision mechanism, safety risks caused by human factors have been basically eliminated in our project construction.

COLI also places great emphasis on safety and health management during project operations. Our regional companies are required to ensure that activities conducted by the tenants, suppliers and other partners are in compliance with relevant standards on occupational safety and health. With the Investigation Form on Work Conditions of Tenants, Suppliers and Service Providers, we regularly investigate health and safety conditions of stakeholders. We also record work injuries of tenants, suppliers and services providers through the Health Records of Tenants, Suppliers and Service Providers to support stakeholders in terms of health and safety.

## 9.4.3 Safety Production Training

We continue to organise the safety training for employees to enhance their safety awareness and risk prevention ability. According to the [Safety Production Management Handbook](#), we require that all projects under construction have a safety director and a full-time safety officer in place. We also provide all construction workers with annual safety training and assessment.



In 2023, we provided a total of **859.5** hours of safety training, including **551.5** hours of training for all contractors and construction workers, covering **20,185** participants.

In order to further improve the safety awareness during daily operation, morning assemblies are held for all projects under construction on a daily basis to draw attention to safety production.



In 2023, safety education activities were carried out for over **5.89** million construction workers.

In addition to daily safety training, we also held various special safety education and advocacy activities. In 2023, we launched 14 "Safety Production Month" series activities in total. We intensively publicised the safe and civil construction knowledge in activities such as kick-off ceremony of "Safety Production Month", emergency drills and safety Standardisation observation meeting, special training on operational safety for large equipment and safety knowledge contest. By doing so, we deeply embedded the awareness of safety in all employees to form a sound atmosphere where all of us care about and maintain the safety.



## Safety Production Month Series Activities

| No | Activity Level   | Activity Name   | Organiser                                    |
|----|------------------|---|--|
| 1  | Provincial level | Quality and safety observation meeting in Tianjin   | Tianjin Company                              |
| 2  |                  | Safe and civil Standardisation site observation activity in Shanxi Transformation and Comprehensive Reform Demonstration Zone | Taiyuan Company                              |
| 3  | Municipal level  | Construction safety production Standardisation site observation activity in Changsha  | Changsha Company                             |
| 4  |                  | Construction safety production Standardisation site observation activity in Changsha  | Changsha Company                             |
| 5  |                  | Construction safety production Standardisation demonstration site observation activity in Nanchang                            | Nanchang Company                             |
| 6  |                  | Flood emergency drill observation meeting in Xicheng District, Beijing  | China State Grand Wealth Investments Limited |
| 7  |                  | Housing municipal engineering project fire emergency drill observation meeting in Yubei District, Chongqing                   | Chongqing Company                            |
| 8  |                  | Safety production month observation activity in Panyu District, Guangzhou   | Guangzhou and Foshan Company                 |
| 9  |                  | Safety production month observation activity in Shunde District, Foshan   | Guangzhou and Foshan Company                 |
| 10 | District level   | Construction emergency drill observation meeting in Qingdao West Coast New Area   | Qingdao Company                              |
| 11 |                  | Safety production month observation activity in Project Quality and Safety Centre, Shizhong District, Jinan                   | Jinan Company                                |
| 12 |                  | Safety production month observation activity in Huanggu District, Shenyang  | Shenyang Company                             |
| 13 |                  | Safe and civil construction observation activity in Hi-Tech Zone, Dalian  | Dalian Company                               |
| 14 |                  | Construction emergency drill observation meeting in Guanshanhu District, Guiyang  | Yunnan and Guizhou Company                   |

### Taiyuan Company Conducted the Emergency Drill and Safety Standardisation Observation Meeting

In June 2023, in response to the theme of "Safety Production Month", Taiyuan Company conducted the emergency drill and safety Standardisation observation meeting in the construction site. Observation for emergency drill of falling from a high place was organised to enhance the employee emergency response capabilities of our partners and help employees of all parties in projects under construction to reinforce their emergency knowledge. This is to achieve the objective of "All Employees are Aware of Safety and Able to Respond to Emergencies".



Safety Standardisation Observation Meeting of Taiyuan Company

### Hunan and Jiangxi Companies Conducted the Special Training on Operational Safety for Large Equipment and Safety Knowledge Contest

In June 2023, Hunan and Jiangxi Companies conducted the special training on operational safety for large equipment and safety knowledge contest, covering all employees from the engineering department. We invited professional test engineers in the training to show our employees the training function zone of four types of equipment including tower cranes, construction elevators, attached scaffolds and cradles. Key safety control points were explained in the light of issues found during the inspection of large equipment of the Group. Furthermore, all employees of the engineering department participated in the safety production knowledge contest to fully reinforce their safety management knowledge such as the Safety Management Manual, large equipment test, unannounced safety inspection and comprehensive safe and civil evaluation.



Training on Operational Safety for Large Equipment in Hunan and Jiangxi Companies

## 9.4.4 Employee Health

We recognise the importance of the health and well-being of employees and take various measures to protect their physical and mental health. Our employees' workplaces are mainly office buildings, project sites, shopping centres, hotels and other places do not have the risk of causing serious occupational injury hazards.

We continue to carry out the "521" health care plan for all employees, providing health benefits such as supplementary medical insurance and annual physical examination. In addition, we strictly manage employees' personal health information and ensure that employee privacy data is not leaked.

## "521" Health Care Plan

5

### "5" care plans

Health examination, online consultation, specialist outpatient service, support for employees with critical illness, and employee assistance program (EAP)

2

### "2" guarantees

Supplementary medical insurance and local claim settlement support

1

### "1" platform

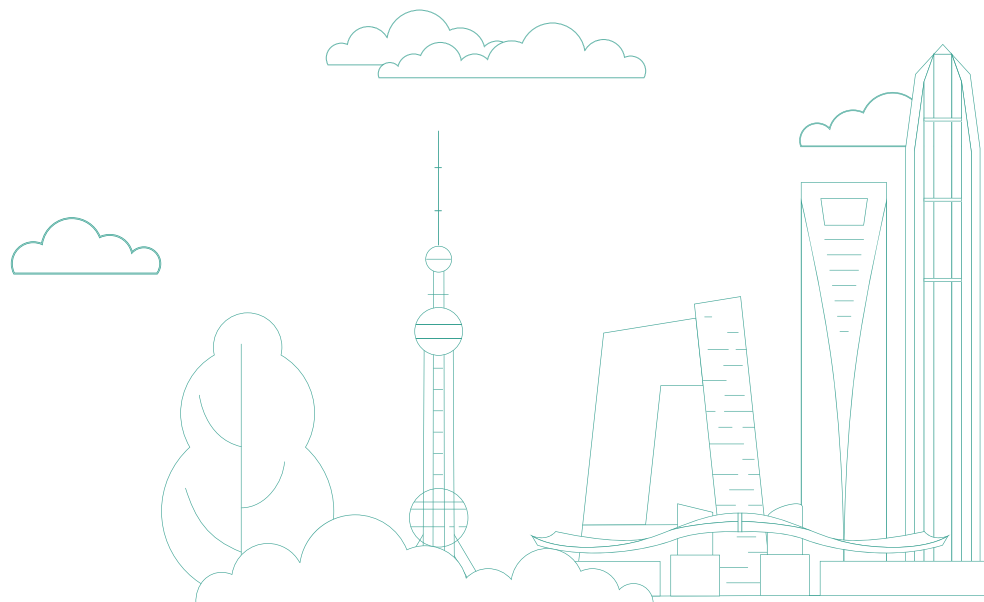
Book health services through the "China Overseas Channel" mobile application



In 2023, the "521" health care plan covered **100%** of employees and helped employees book medical checkups more than **5,000** times.

This year, we provided various health benefits such as TCM physical therapy, ophthalmologic examination and oral care, to strongly support employee health.

We encourage employees to develop personal hobbies and sustain good life habits for better work-life balance. To enrich employees' spare time, we carry out various cultural and sports activities, promoting employee communication and arouse employees' passion of sports. This year, we conducted fun sports games, climbing, cycling and other activities, and encouraged employees to join in sports games such as basketball, football and badminton to arouse their passion of sports.



## Taiyuan Company Held the Cycling Event "Cycling Along the Fenhe River – Embrace a Healthy Future"

In June 2023, the outdoor interest group of Taiyuan Company held a cycling event with the theme of "Cycling along the Fenhe River – Embrace a Healthy Future". This event centred on the health topic and effectively enhanced employees' overall fitness and team cohesion.



Cycling Event of Taiyuan Company



# 10

## Engaging in Charity Activities to Create a Harmonious Society

Long-term investment is crucial to joint contribution and shared benefits. COLI has always been shouldering the mission of managing happiness, with an emphasis on improving the well-being of the people and creating social value. COLI integrates urban development, community construction, rural revitalisation, and charity activities into its vision. In addition, COLI adheres to exercising its leadership in fulfilling social responsibility while achieving high-quality development, actively driving positive external social impacts.

Goals and indicators addressed:  
UN SDGs



Guidelines  
GD-B8, KPI-B8.1, KPI-B8.2

GRI Standards  
3-3, 203-1, 203-2, 413-1



In 2023, COLI formulated the Community Management Policy, which sets out environmental, social and economic factors throughout project development and evaluation of their impacts, as well as guidelines for establishing community communication channels. The Policy demonstrates our commitment to promoting shared social benefits, enhancing community participation and building happy communities, and provides clear guidance and direction for COLI's charity activities. Our charity activities have been widely recognised. Specifically, COLI was honoured with the "China Valuable Real Estate Corporate Citizen" in the "2023 China Valuable Real Estate Evaluation Ranking", the "Selected 'Exemplary Case of CSR Competitiveness 2023'", and the "Rural Revitalisation Award".



In 2023:

COLI participated in and carried out charity donation projects and activities centred around **3** major themes, established a volunteer team of **660** members, provided **4,890** hours of public services, and donated approximately RMB **6.608** million.

COLI has donated over RMB **200** million in poverty alleviation, disaster relief, and assistance to underprivileged students and public welfare in Hong Kong, Macau, and the Chinese mainland.

## 10.1 Improving People's Well-being

COLI implements the idea of quality living environment, and integrates community care into its development philosophy. COLI provides high-standard and high-quality supporting facilities to meet the needs of various social groups, and improve the quality of urban life and the well-being of people. COLI also strengthens cultural integration and exchange to achieve a win-win result between social and economic benefits.

### 10.1.1 Living in Harmony and Happiness

COLI continues to support and respond to national policies and the need of urban construction, with affordable housing construction projects and public apartment projects spreading across China and benefiting the public. As of 31 December 2023, COLI had completed the construction and acceptance of 13.69 million m<sup>2</sup> of various types of affordable housing, covering more than 30 cities across China, overfulfilling our affordable housing targets.



COLI's Goal for Affordable Housing

In order to promote urban and talent development and protect the residential rights of indigenous residents and low-income groups, COLI has set a goal to build **5** million square metres of compensatory housing, talent housing and other types of affordable housing by 2023.



By the end of the reporting period:

COLI had completed the construction and acceptance of **13.69** million square metres of various types of affordable housing, covering more than **30** cities across China.

### COLI Launched the "Managing Happiness Together – Farewell to Sub-divided Flats Campaign" in Hong Kong

In July 2023, to celebrate the 26th anniversary of Hong Kong's return to the motherland, China Overseas Charity Fund held the "Managing Happiness Together – Farewell to Sub-divided Flats Campaign" exhibition and kick-off ceremony in Hong Kong. The campaign, co-organised by various groups and organisations, starts from Hong Kong West Kowloon, which has the largest number of sub-divided flats, and aims to serve more than 600 families in a year, with an expected number of beneficiaries of more than 2,000. China Overseas Charity Fund fully supports the Hong Kong S.A.R government in tackling the problem of sub-divided flats, and works with various charity organisations to help Hong Kong achieve the goal of "Farewell to Sub-divided Flats" as soon as possible.



"Managing Happiness Together – Farewell to Sub-divided Flats Campaign" Launching Ceremony

### Dongguan Oriental Riverside Talent Housing Project

Since 2020, COLI has been strongly supporting "Dongguan Oriental Riverside Talent Housing Project" led by Dongguan Property Management Centre and the People's Government of Dongguan Shijie Town, with the GFA of over 12,000 square metres. A total of 120 units of talent housing were included in July 2023.

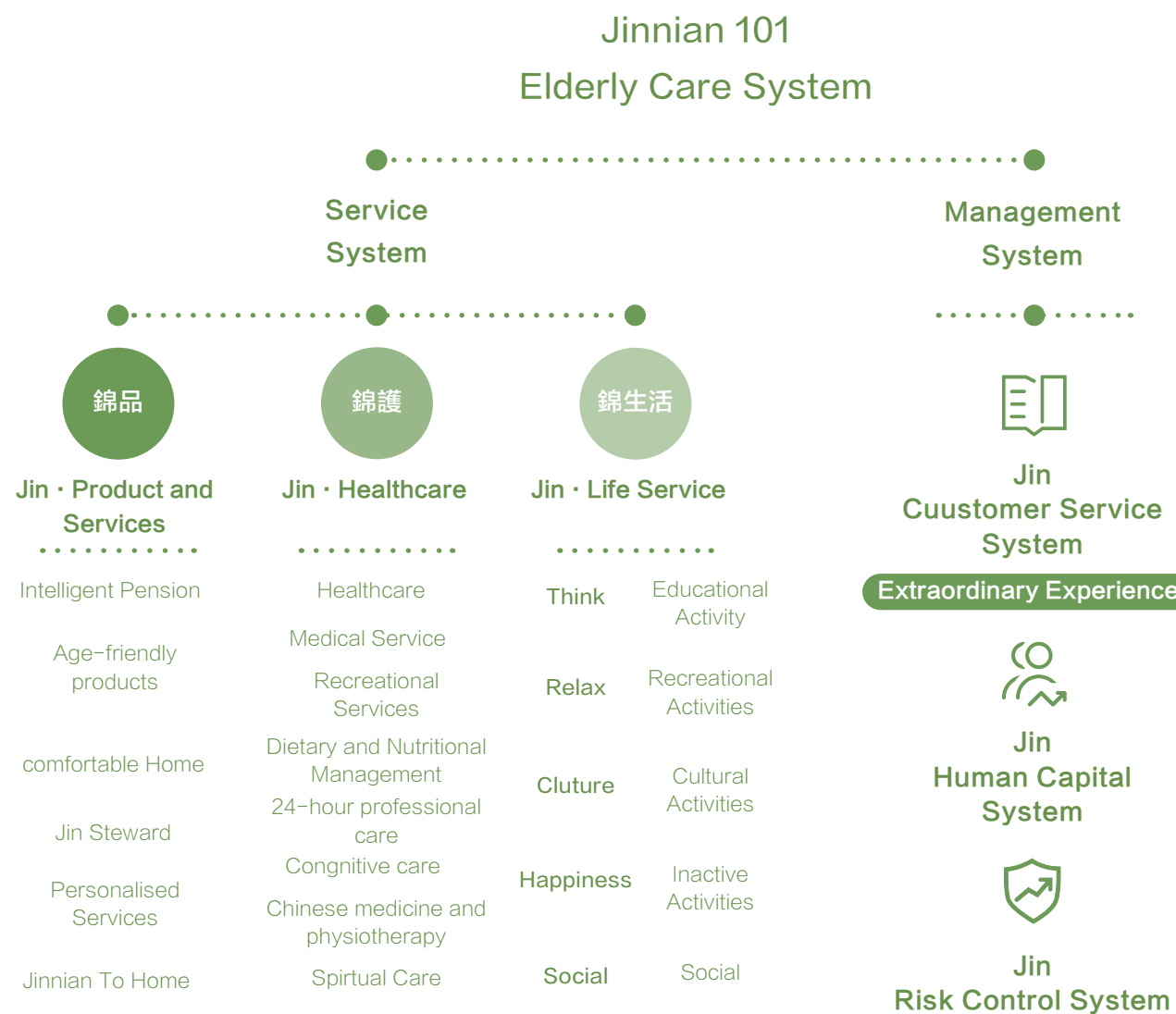
The project is located at the core of the Dongjiang waterfront area, with a complete series of humanistic, commercial, recreational, transport and industrial resources in the surrounding area. On the one hand, the favorable housing conditions of the project provide high-quality talents with convenience and comfort, and enhance the local competitiveness of talent attraction. On the other hand, such conditions drive the improvement and development of infrastructure in the surrounding area, and promote the overall development of local area.



Dongguan Oriental Riverside Talent Housing

## 10.1.2 Care for the Elderly and Children

The senior living brand "China Overseas Jinnian" is one of the major modules of our innovative business lines. COLI adheres to the brand positioning of "Creator of New Chinese-style Care for the Elderly", owns and operates senior apartments and communities, and successfully creates the "Jinnian 101 Elderly Care System", which provides rich medical and nursing care, life and product services to the elderly. In 2023, "China Overseas Jinnian" co-hosted the "2023 China Senior Living and Service Industry Expo and the 1st Senior Living Consumer Festival Press Conference", and worked with its partners in the industrial chain to explore the innovative development of the elderly care industry, and promote the upgrading of the senior living industry, fulfilling its responsibility as a state-owned enterprise.



COLI endeavors to create better living conditions for the elderly, so that they can enjoy their wonderful twilight years.

### Taking "The Most Beautiful Wedding Photos" for Elderly Homeowners

During September–October 2023, the 1st Senior Living Festival was held in COLI's communities across the country. COLI Hangzhou carried out the activity of the most beautiful silver wedding photos at The U World to record the love stories of elderly homeowners and capture their lasting love after half a century. COLI provides the sincerest care and long-lasting companionship for the elderly throughout their life, and fulfils the corporate mission of "We manage happiness" with lean services.



The Most Beautiful Silver Wedding Photos

COLI is committed to creating a child-friendly environment. Relying on our self-created education brand, we have built high-quality education parks, including K12 schools, kindergartens, and nurseries, in many cities across China to create a high-quality learning and interactive environment for the healthy growth of children and youth.

### Haiyi Experimental Kindergarten Project in Jimei District, Xiamen

In order to meet the urgent need for early childhood education in the surrounding communities and provide children with a joyful and high-quality learning environment, Haiyi Experimental Kindergarten in Jimei district, Xiamen, constructed by COLI, welcomed its first batch of new students in September 2023. The kindergarten has 12 teaching classes and provides 360 seats to meet the educational needs of the local community, allowing those little homeowners to access quality education in their neighbourhoods.

In addition, Haiyi Experimental Kindergarten project is adjacent to the Huandong romantic coast of Xiamen East Coast, covers an area of approximately 4,500 square metres, provides an ecological, environmentally friendly, safe and comfortable activity space for children, and enables them to enjoy a "joyful, harmonious, and peaceful" learning environment. The project has set a new benchmark for the delivery of kindergartens in Xiamen, and has received unanimous praise from Xiamen Education Bureau and homeowners of the community.

### 10.1.3 Urban Renewal to Revitalise Happiness

COLI actively and steadily carries out urban renewal and revitalisation. We dig into the unique urban resources, and understand the needs of the clientele and lifestyle patterns in the urban regions. To preserve local history and culture during urban renewal, we integrate old and new buildings through the innovative integration of new businesses, providing stronger support for the high-quality development of the city. Since its establishment, COLI has created a number of successful cases, revitalising the urban landscape and the life of urban people.

#### China Overseas Urban Renewal Projects (Partial)

##### Shanghai Haihua Garden

Shanghai Haihua Garden China's first shanty-transformation and off-sale residential project, the site was originally known as "Xiesan Base", with much room for improvement in environmental conditions. In 1992, COLI adopted an innovative approach of "land grant" and invested US\$23 million in the land, which was then transformed into an upscale residential neighbourhood that became a household name in Shanghai in the 1990s, giving the old site a new lease of life.

##### Beijing Beixin'an Shantytown Renovation Project

A masterpiece of the renovation and upgrading of the old urban area in Beijing. Beijing's largest shantytown renovation project with a total investment of RMB47 billion, covering the GFA of 140 square metres and a total construction area of 3.2 million square metres. The project includes 1.37 million square metres of resettlement housing for 4,364 households, accommodating tens of thousands of residents.

##### Jinan Paramount Jade Project

The largest shantytown renovation project in Shandong, and a model for the rise of a new green, ecological and cultural city. The project investment amounts to RMB53 billion, and covers the GFA of 14.6 square kilometres, of which 2.36 million square metres are affordable resettlement housing for 12,111 households. Redevelop the urban brownfield and build a 10,000-acre wetland park for ecological restoration; and the large-scale ancient building complex Huayang Palace has been renovated for the preservation of historical heritage.

##### Urban Villages Renovation Project – Shanghai Hongqi Village

A large-scale urban village renovation project in Shanghai to create a diversified urban sub-centre. With a total investment of RMB27 billion, the renovation project covers the GFA of nearly 390,000 square metres and aims to relocate 60 thousand residents and 9 major markets within two years. The project creates a super urban complex, covering the GFA of 1 million square metres, including a 230-metre-high Grade A office building, a COLI flagship shopping centre, and COLI Grand Theater. Additionally, a demonstration project of 5G community, COLI Zhenru Mansion, is also landed.

##### Shanghai Jianguo East Road Project

A large-scale renovation project in the old area of Shanghai's core urban area, focusing on preserving the urban structure and historical appearance. With a total investment of nearly RMB60 billion, the project is adjacent to the site of the First National Congress of the Communist Party of China and involves 8,500 households of approximately 40,000 residents. The project is to renovate 13 historical buildings, including the former residence of Ba Jin and the former site of Private Shanghai Academy of Fine Arts.

#### The Urban Renewal Exhibition Co-organised by COLI and Shanghai History Museum

In June 2023, China Overseas Property and Shanghai History Museum held urban renewal theme exhibition "Re-encounter Shunchang Road", receiving more than 30,000 visitors from government departments, universities, primary and secondary school teachers and students. The exhibition starts with Shunchang Road, a hustle and bustle road with a history of more than 120 years, and shows the area's geographical foundation, hydrological features, historical evolution, and the continuation of its historical style through new materials and techniques. The exhibition also puts forward the renewal concept of "Innovation-based Inheritance", with an aim to make the public feel the history and the value of culture. During urban renewal, COLI takes protective measures for renovation such as screening, surveying and mapping, dismantling, preservation, coding, restoration and reuse of nearly century-old building components on roads, and is committed to preserving the original architectural style and structure.



Holding Urban Renewal Theme Exhibition "Re-encounter Shunchang Road"

### 10.1.4 Creating a Healthy and Better Life

COLI actively promotes the concept of sustainable living, encourages communities, customers and homeowners and other stakeholders to practice the concept of sustainable development, and regularly mobilises homeowners to participate in outdoor activities to advocate green and healthy lifestyles.



## The 4th Dalian COLI Homeowners Hiking Activity

In Dalian, China Overseas Property, China Overseas Property Holdings Limited and China Overseas Property Club jointly organised a large-scale community hiking activity in 2023, which attracted more than 1,500 homeowners from 15 COLI's communities to participate in the 10-kilometre hiking. Homeowners gathered for the city and set off for environmental protection, and COLI is willing to walk together with them to build a better future.

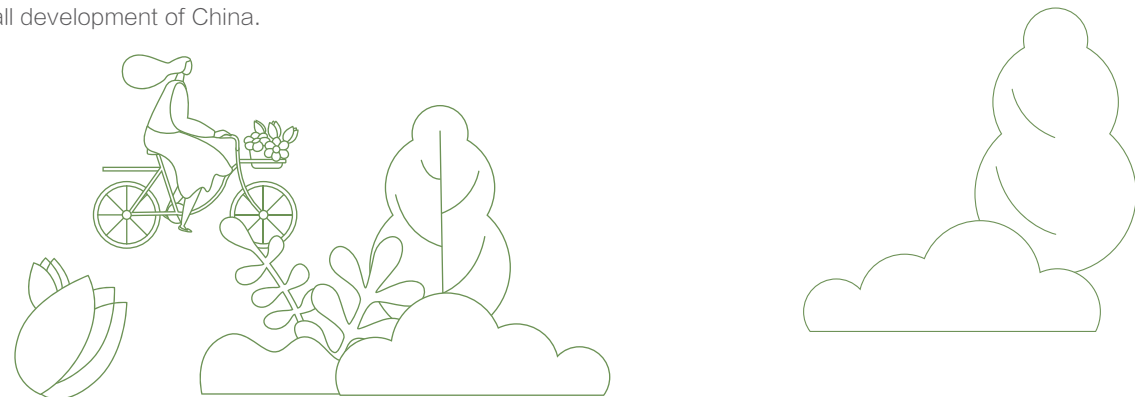


Dalian COLI's Homeowners Hiking Activity

In addition, we launched courses and activities related to environmental protection in kindergartens and primary schools. The course content is abundant, including garbage handling and classification, protection of the ecology and conservation of resources, with an emphasis on raising the environmental awareness of children and youth and enabling them to become the responsible generation.

### 10.1.5 Exchanges and Integration, and People-to-People Interactions

The youth of Guangdong, Hong Kong, and Macau are an important group that COLI pays close attention to and cares for. We are committed to deepening the understanding and strengthening connection of young people from Guangdong, Hong Kong, and Macau in the fields of science, education, culture, and health, and creating a better future together. We have leveraged the resource advantages of these regions, and organised a series of brand activities to bring young people from Guangdong, Hong Kong and Macau closer. We also inspire young people to cultivate the devotion to family and country as they strive to pursue their dreams, and contribute to the integration of Hong Kong and Macau into the overall development of China.



## "COLI's Contribution to Inclusion" – Hong Kong Youth Greater Bay Area Exchange Group's Journey to Achieve Dreams Together

In July 2023, to celebrate the 26th anniversary of Hong Kong's return to the motherland, the headquarters of China Overseas, COLI "Caring for Society" Volunteers Association branch and China Overseas Charity Fund, in collaboration with community groups and regional care groups, jointly organised the "COLI's Contribution to Inclusion" Hong Kong Youth Greater Bay Area Exchange Group activity. Representatives and members from the Liaison Office of the Central People's Government in the Hong Kong S.A.R, the Hong Kong Chinese Enterprises Association, the Legislative Council of Hong Kong S.A.R, Sham Shui Po District Office of Home Affairs Department, Kwun Tong District Council, and China Overseas' directors and deputy general managers participated in the activity.

This activity is one of the youth exchange and integration activities between Hong Kong and the Chinese mainland. Over 50 secondary school students and volunteers were recruited from the Strive and Rise Program, priority care groups and communities to form the exchange group. Members of the exchange group visited cities of the Chinese mainland in the Greater Bay Area. They toured the Zhuhai base of China State Construction Hailong Technology Company Limited to learn about innovative construction methods for the future and comprehensive solutions along the industry chain. They also visited the Zhuhai Space Centre to learn about the achievements in national aerospace, aviation, and national defense, which helped broaden their horizons through learning in a fun way.



Photo of "COLI's Contribution to Inclusion" Exchange Group Launching Ceremony



Visit to the Zhuhai Base of China State Construction Hailong Technology Company Limited



## 10.2 Improving Economic Development

COLI has long been committed to the national rural revitalisation initiative, with a focus on Kangle County, Zhuoni County, and Kang County in Gansu Province, covering counties and townships in many provinces and cities nationwide. We actively promote initiatives such as the creation of original brands for local quality agricultural products, education assistance, industrial assistance, pairing assistance, and Party building assistance. We have contributed a lot to common prosperity by promoting local economic development and establishing connections and emotions with local governments and the people. As a state-owned enterprise, we deeply understand that still water run deep and we should bear the responsibility, and the employees of COLI also show their great love and benevolence.

### 10.2.1 Sea of Hope – Consumption Support

Since 2018, COLI has provided the consumption support in Shanxi, Gansu, Chongqing, Fujian, Hainan, Guizhou, Hunan and Guangdong and designated counties, successfully created seven special agricultural products with sales of more than one million. COLI has also founded the charity brand "Sea of Hope", and provided regular industrial and consumption support and aid in a self-sustainable and self-circular model.



In 2023, **4.5** million was invested in three counties of Gansu for consumption support.

This year, COLI signed a cooperation framework agreement and a procurement assistance agreement with the agricultural and animal husbandry collective economic operations and management station in Zhuoni County and its designated cooperative enterprises, and established the brand "Zhuoni Black Fungus". COLI provided industrial assistance for the fungus industry in Zhuoni County, actively participated in all the events throughout whole process, including product selection, production, brand establishment, trademark registration, image building, online store opening, platform-based sales, and nationwide promotion. Leveraging the in-house network, promotional advantages, and the characteristics of the brand "Sea of Hope", COLI conducted comprehensive promotion involving various parties for "Zhuoni Black Fungus" both online and offline. The total investment for the year amounted to RMB900 thousand.



Since 2018, COLI's investment in various types of agricultural products consumption support nationwide has reached over RMB **25** million.

#### Online promotion

- Wrote hot articles with more than 30,000 views;
- Launched a series of character posters featuring "Zhuoni Black Fungus" growers;
- Produced the "Documentary on the 6th Anniversary of Consumption Support" to expand the brand's influence.



#### Offline promotion

- Promoted in neighbourhoods, sales offices, office buildings, shopping centres, hotels and other venues in more than 80 cities, and organised more than 60 activities of "Taste of Zhuoni – Sea of Hope, Rural Revitalisation" across the country.



### Making Promotional Materials for Zhuoni Fungus



COLI Taiyuan's "Sea of Hope" Charity Activity Brought Zhuoni Fungus into Communities to Become a Delicacy for the Mid-Autumn Festival



COLI Jinan Sold Zhuoni Fungus in its "Ten Benefits for Sea of Hope Shopping Festival"

With the efforts of COLI, "Zhuoni Black Fungus" has become a local business card, which not only increases the income of local farmers, but also provides more people with delicious and healthy food.



## COLI Xinjiang Company Carried out "Zhuoni Black Fungus" Charity Sale and Donation Activities

In October 2023, COLI Xinjiang held a charity sale of agricultural product "Zhuoni Black Fungus" in the park, and carried out a donation activity with China Overseas' Aydingkol Lake Hope School to provide school supplies and daily necessities for students there. At the charity sale site, homeowners could buy a bag of fungus at a price of "RMB1", or donate school supplies in exchange for fungus. The activity was greatly supported and welcomed, with more than 400 participants, over 300 fungus products sold and over 200 donations received in exchange for the fungus.



Xinjiang "Zhuoni Fungus" Charity Sale Activity

In addition, COLI Xinjiang added a dish made with fungus in the canteen, introduced the background of Zhuoni Fungus to the staff and invited them to taste it. COLI Xinjiang also set up a fungus gift-giving session in each sales centre, so that all visitors could get a bag of fungus for free. Therefore, all participants experienced a sense of happiness by helping farmers to increase income and tasting healthy food themselves.



Canteen Offered Delicious Dish Made with "Zhuoni Fungus"

## 10.2.2 Care for Teachers and Students – Education Support

Over the years, COLI has always been innovating the mode of education support, providing assistance for numerous students to realise their dreams and empowering local teachers. For many consecutive years, we have organised our subsidiaries to carry out education support projects and activities for rural revitalisation. Each of the donated school is a first-rate school in terms of teaching environment and facilities in the local areas. At the same time, we have carried out donation, charity and exchange activities of various kinds on a regular basis, and brought warmth and hope to more than 10,000 rural children and young people.



At the end of the reporting period:

- COLI had donated and built a total of **16** hope schools.
- COLI had carried out a total of **163** donation, charity and exchange activities of various kinds and had donated funds and goods worth more than RMB **500,000**.

## COLI's Hope Primary Schools



Dujiangyan Special Education School



Flag-raising ceremony



Visits to hope school



Xinhu Hope School in Changchun



Sanquan hope school



Wenjiahe Hope School



Jinfeng hope school for Hui people



Qinglong hope school



Shaling hope school



## "Care for Children, and Creating a Better World" Charity Activity

In June 2023, on the occasion of the 44th anniversary of COLI, COLI launched "Care for Children, and Creating a Better World" charity activity. Employees from COLI's subsidiaries in Haizhu District, Guangzhou City, Foshan City, Yunnan Province, Guizhou Province, Wuhan City, Nanchang City, etc., together with numerous homeowners, gathered to hold a donation activity for Wenjiahe Hope School in Kangle County, Gansu. COLI's employees actively participated in this activity. Over 2 weeks, more than 50 activities were held at 90 communities in over 90 cities. Homeowners and employees donated books, stationery, and sports and school supplies, accompanied by handwritten messages. The activity raised nearly 19,761 books and 3,171 sports and educational items, with a total value of about RMB500 thousand, which conveyed the warmth and love of COLI to children and demonstrated COLI's fulfilment of responsibilities as a "good corporate citizen".



Located in Kangle County, Gansu, Wenjiahe Hope School is the 15th hope school donated and built by COLI based on the overall deployment of China State Construction, supported by China Overseas Charity Fund and COLI's four listed subsidiaries. COLI funded RMB **5.5** million for the construction of Wenjiahe Hope School, which was officially delivered and put into use in 2021. The school has won the silver award of the US Muse Design Awards. Wenjiahe Hope School is currently a six-year primary school in a village with **6** teaching classes and a total of **148** staff and students.



COLI Wuhan Donated Sports and School Supplies to Hope School



Books Broaden Horizon – COLI Haizhu Donated Books



COLI Guangfo Called on Staff to Donate to Hope Schools



COLI Nanchang Organised Charity Activity

## "Care for Children, and Creating a Better World" Charity Activity



Assistance Activity of COLI's Homeowners for Wenjiahe Hope School





## COLI Yungui Conducted an Assistance Activity to visit Mei'e Hope School in Congjiang, Guizhou

Following the launch of "Care for Children, and Creating a Better World" charity action, in June 2023, representatives from COLI Yungui visited the Mei'e Hope School of COLI in Congjiang, Guizhou to conduct an assistance activity, and gave the donations to the school's teachers and students.

The principal of Mei'e Hope School, representing all the teachers and students, expressed gratitude for COLI's care and assistance over the years. The principal led a tour of the school, explained its history, philosophy, and specialised curriculum, and showed the progress that the school and students had made with the support of COLI. At the end of the activity, representatives of COLI Yungui visited some poverty-stricken students' families to understand the situation of the families and difficulties that need to be addressed, and provided them with material assistance.

COLI will strive to develop the charity brand "Little Haiyan" and work together with the school to escort students' dreams.



Since the establishment of the school in 2019, COLI Yungui interacted with the school every year, and established numerous education assistance projects such as **"Little Haiyan Scholarship"**, **"Little Haiyan Student Grant"**, and **"Little Haiyan Summer Camp"**. Additionally, COLI Yungui collaborated with homeowners and universities in Guizhou to organise multiple assistance activities.



Photo of Teachers and Students of Mei'e Hope School and Representatives from COLI

Education support should follow the principle of "giving a fish and teaching how to fish at the same time". COLI emphasises both transfer of knowledge and methods, and focuses on enhancing the ability of teachers. To this end, COLI takes the "5G" future education of Zhonghai Education as the basis for strategic planning, and implements the "Spring Bud Action" series of education support and "Future Education" special curriculum in Zhuoni County, Kangle County, and Kang County in Gansu Province. This year, COLI invested RMB324.8 thousand to organise teachers from Zhuoni County, Kangle County, Kang County and Linxia Prefecture in Gansu to go to Shenzhen for upskilling training and sharing of professional teaching concepts and methods.



Since the "Spring Bud Action" series of education support and "Future Education" special curriculum started in 2019, the total investment has exceeded RMB **1.8** million.

### Spring Bud Action

"Spring Bud Action" – Teachers from Zhuoni County, Kangle County, and Kang County in Gansu Participated in Summer Training in the Greater Bay Area

In July 2023, Zhonghai Education's "Spring Bud Action", the 2nd Greater Bay Area Summer Training Program for Hope School Teachers was officially launched. Fifteen teachers from Kangle County, Zhuoni County, and Kang County in Gansu Province participated in the training at Dongguan Nankai Experiment School, with an investment of nearly RMB150 thousand. "Spring Bud Action" actively responds to the call of education assistance, aims to improve the comprehensive competence of the teaching team, reserve outstanding education talents for the Hope Schools, and contribute to local rural revitalisation.

### Future Hope

184 Teachers Attended the 'Future Education' Experimental Courses

In August 2023, Zhonghai Education organised 2023 enhancement training course for teachers from Linxia Prefecture, Gansu Province in Shenzhen, with a total of 184 teachers participating in the course. With the theme of "Future Hope", the training focuses on advanced education and teaching concepts and teaching methods, such as class teaching, school-based teaching research, class activities, psychological counseling, education reform, campus culture, and aims to provide teachers with strategies for school management and professional skills in the new era.

### Future Education Experimental Courses

Keep Exploring the Innovative Model of Education Support

In Zhuoni County and Kang County in Gansu Province, COLI continues to develop and improve the systematic practice of the "Future Education" curriculum. Through the "dual-teacher" model (online lectures by experts, and independent learning led by school teachers), corresponding learning contents are matched according to students' cognitive development laws and interests. The program is now in its fourth year, and continues to create innovative models and introduces new areas such as artificial intelligence and psychological guidance to promote the high-quality development of rural education.

- To better support educational innovation in Zhuoni County, COLI has built artificial intelligence innovation classrooms for Liulin Second Primary School. In response to the school's needs, COLI has specially coordinated with UBTECH engineers to provide on-site teaching and training.
- In Kang County, COLI provides special psychological training lectures for groups such as college entrance examination candidates, front-line teachers, teaching administrators, and parents. Through on-site guidance and support from well-known domestic psychological experts, the activity aims to enhance the construction of psychological courses in Kang County.



In addition, COLI actively introduces third-party charity organisations to help achieve rural revitalisation and provide education support in Gansu. With the support of COLI, Zhuoni County Qingqing Fungus Tourism and Cultural Industry Development Company Limited and Zhejiang Xin Hua Compassion Education Foundation jointly promoted the "Hope for Pearl" project in three counties in Gansu. From the proceeds of "Zhuoni Black Fungus", which was established by COLI to support the development of Zhuoni County, a donation of RMB202.5 thousand was allocated to serve as the assistance fund for the "2023 COLI Pearl Class". This fund was used to establish the "COLI Pearl Class" at Zhouqu Middle School in Gansu Province. The "Pearl Class" consists of 27 students from Zhuoni County and neighbouring counties who are doing well in school but whose families have difficulty affording their further education. Each "Pearl Student" receives the living subsidy. This demonstrates our care for students from disadvantaged families with many children, students with disabilities, and students from single-parent families.

### 10.2.3 Party Building Activities to Fulfill Responsibilities

As a state-owned enterprise, COLI fulfills its responsibility in the new era, keeps in mind the rural revitalisation strategy, and strives to realise coordination among social development and enterprise progress. In 2023, COLI carried out a series of charity activities to promote the continuous increase in income and comprehensive development of rural areas, fulfilling the responsibility of state-owned corporation. In the future, COLI will continue to support the three counties in Gansu, maintaining the strength, depth and breadth of the assistance efforts to contribute to rural revitalisation.

#### August 2023

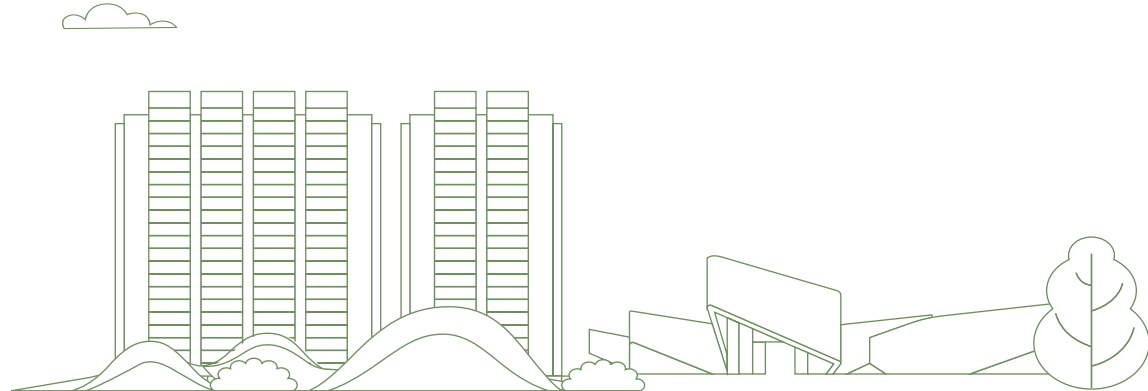
COLI organised 15 employees to visit Hadapu Memorial Hall for the Long March of the Red Army in northwest of Dangchang County, Longnan City, Gansu Province, and Lazikou Battle Memorial Hall in Diebu County, Gannan Tibetan Autonomous Prefecture for educational purposes.

#### September 2023

COLI invited the Village Committee of Wenjiahe Village to participate in China Overseas' training at Shenzhen Reform and Opening up Executive Leadership Academy. Following the principle of integrating learning and application, the training focused on "learning, thinking, practicing, and understanding" to improve the ability to perform duties through constant business training.

#### November 2023

COLI went to Wenjiahe Village, Jinggu Town, Kangle County to carry out assistance activities for 20 households in difficulty. COLI learned about their winter heating, production, and living conditions, and distributed relief funds as well as daily necessities such as rice, flour, and cooking oil.





# Appendix



# Report Content Index

| GRI Standards <sup>1</sup>                          | Guide                         | SASB Standards | Disclosure  | Chapter and/or Explanation   |
|---|-------------------------------|----------------|---|--|
| <b>GRI 2: General Disclosures 2021</b>              |                               |                |   |  |
| <b>The organisation and its reporting practices</b> |                               |                |   |  |
| 2-1   |                               |                | Organisational details  | 2. About this Report<br>3. Leading the Trend to Create Excellent Results   |
| 2-2   | Reporting scope 15            |                | Entities included in the organisation's sustainability reporting            | 2. About this Report Appendix: List of Performance Indicators  |
| 2-3   |                               |                | Reporting period, frequency and contact point                               | 2. About this Report   |
| 2-4   |                               |                | Restatements of information   | This report does not restate any information provided in previous reports  |
| 2-5   |                               |                | External assurance  | Appendix: Verification Statement   |
| <b>Activities and workers</b>                       |                               |                |   |  |
| 2-6   | GD B5<br>KPI B5.1<br>KPI B5.2 |                | Activities, value chain and other business relationships                    | 3. Leading the Trend to Create Excellent Results<br>7. Quality and Customer-oriented Buildings<br>8. Cooperation for Win-Win Results |
| 2-7   | KPI B1.1                      |                | Employees   | Appendix: List of Performance Indicators   |
| <b>Governance</b>                                   |                               |                |   |  |
| 2-9   |                               |                | Governance structure and composition  | 5. Good Governance and Compliance Management to Improve Effectiveness  |
| 2-10  |                               |                | Nomination and selection of the highest governance body                     | 5. Good Governance and Compliance Management to Improve Effectiveness  |
| 2-11  |                               |                | Chair of the highest governance body  | For details, please refer to COLI's <a href="#">Annual Report 2023</a>   |
| 2-12  | Governance structure 13       |                | Role of the highest governance body in overseeing the management of impacts | 4. Taking Responsibility to Achieve Sustainable Development  |
| 2-13  | Governance structure 13       |                | Delegation of responsibility for managing impacts                           | 4. Taking Responsibility to Achieve Sustainable Development  |
| 2-14  | Governance structure 13       |                | Role of the highest governance body in sustainability reporting             | 2. About this Report<br>4. Taking Responsibility to Achieve Sustainable Development  |
| 2-15  |                               |                | Conflicts of interest   | For details, please refer to COLI's <a href="#">Annual Report 2023</a>   |
| 2-16  |                               |                | Communication of critical concerns  | 4. Taking Responsibility to Achieve Sustainable Development  |
| 2-17  |                               |                | Collective knowledge of the highest governance body                         | 4. Taking Responsibility to Achieve Sustainable Development  |

<sup>1</sup> China Overseas Land & Investment Ltd. has reported the information cited in this Content Index by reference to the GRI Standards during the period January 1, 2023 through December 31, 2023, using GRI 1: Foundation 2021.

| GRI Standards                             | Guide                   | SASB Standards | Disclosure   | Chapter and/or Explanation  |
|---|-------------------------|----------------|--|---|
| <b>Governance</b>                         |                         |                |  |   |
| 2-18                                      |                         |                | Evaluation of the performance of the highest governance body | 4. Taking Responsibility to Achieve Sustainable Development   |
| 2-19                                      |                         |                | Remuneration policies  | For details, please refer to COLI's <a href="#">Annual Report 2023</a>  |
| 2-20                                      |                         |                | Process to determine remuneration                            | 5. Good Governance and Compliance Management to Improve Effectiveness<br>For details, please refer to COLI's <a href="#">Annual Report 2023</a>           |
| <b>Strategy, policies and practices</b>   |                         |                |  |   |
| 2-22                                      | Governance structure 13 |                | Statement on sustainable development strategy                | 4. Taking Responsibility to Achieve Sustainable Development   |
| 2-23                                      |                         |                | Policy commitments   | 5. Good Governance and Compliance Management to Improve Effectiveness<br>9. Centring on People and Growing with Employees                                 |
| 2-24                                      |                         |                | Embedding policy commitments                                 | 5. Good Governance and Compliance Management to Improve Effectiveness<br>7. Quality and Customer-oriented Buildings<br>8. Cooperation for Win-Win Results |
| 2-25                                      |                         |                | Processes to remediate negative impacts                      | There is no negative impact arising from COLI's business operations during the year   |
| 2-26                                      |                         |                | Mechanisms for seeking advice and raising concerns           | 4. Taking Responsibility to Achieve Sustainable Development<br>5. Good Governance and Compliance Management to Improve Effectiveness                      |
| 2-28                                      |                         |                | Membership associations                                      | 8. Cooperation for Win-Win Results  |
| 2-29                                      |                         |                | Approach to stakeholder engagement                           | 4. Taking Responsibility to Achieve Sustainable Development   |
| <b>GRI 3: Material Topics 2021</b>        |                         |                |  |   |
| 3-1                                       |                         |                | Process to determine material topics                         | 4. Taking Responsibility to Achieve Sustainable Development   |
| 3-2                                       |                         |                | List of material topics                                      | 4. Taking Responsibility to Achieve Sustainable Development   |
| 3-3                                       |                         |                | Management of material topics                                | 4. Taking Responsibility to Achieve Sustainable Development   |
| <b>GRI 201: Economic Performance 2016</b> |                         |                |  |   |
| 201-1                                     |                         |                | Direct economic value generated and distributed              | Appendix: List of Performance Indicators  |

| GRI Standards                                  | Guide                | SASB Standards | Disclosure   | Chapter and/or Explanation  |
|--|----------------------|----------------|--|---|
| <b>GRI 201: Economic Performance 2016</b>      |                      |                |  |   |
| 201-2  | GD A4<br>KPI A4.1    | IF-RE-450a.2   | Financial implications and other risks and opportunities due to climate change | 6. Environmental Protection and Green Development   |
| 201-3  | GD B1                |                | Defined benefit plan obligations and other retirement plans                    | 9. Centring on People and Growing with Employees  |
| <b>GRI 202: Market Presence 2016</b>           |                      |                |  |   |
| 3-3  | GD B1                |                | Management of material topics  | 9. Centring on People and Growing with Employees  |
| <b>GRI 203: Indirect Economic Impacts 2016</b> |                      |                |  |   |
| 3-3  | GD B8                |                | Management of material topics  | 7. Quality and Customer-oriented Buildings<br>10. Charity Activities for Creating a Harmonious Society            |
| 203-1  | KPI B8.1<br>KPI B8.2 |                | Infrastructure investments and services supported                              | 7. Quality and Customer-oriented Buildings<br>10. Charity Activities for Creating a Harmonious Society            |
| 203-2  |                      |                | Significant indirect economic impacts  | 10. Charity Activities for Creating a Harmonious Society  |
| <b>GRI 204: Procurement Practices 2016</b>     |                      |                |  |   |
| 3-3  | GD B5                |                | Management of material topics  | 8. Cooperation for Win-Win Results  |
| <b>GRI 205: Anti-corruption 2016</b>           |                      |                |  |   |
| 3-3  | GD B7<br>KPI B7.2    |                | Management of material topics  | 5. Good Governance and Compliance Management to Improve Effectiveness   |
| 205-1  |                      |                | Operations assessed for risks related to corruption                            | 5. Good Governance and Compliance Management to Improve Effectiveness   |
| 205-2  | KPI B7.3             |                | Communication and training about anti-corruption policies and procedures       | 5. Good Governance and Compliance Management to Improve Effectiveness   |
| 205-3  | KPI B7.1             |                | Confirmed incidents of corruption and actions taken                            | 5. Good Governance and Compliance Management to Improve Effectiveness<br>Appendix: List of Performance Indicators |

| GRI Standards                                  | Guide   | SASB Standards               | Disclosure   | Chapter and/or Explanation  |
|--|---|------------------------------|--|---|
| <b>GRI 206: Anti-competitive Behavior 2016</b> |   |                              |  |   |
| 3-3  |   |                              | Management of material topics  | 5. Good Governance and Compliance Management to Improve Effectiveness   |
| 206-1  |   |                              | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices  | 5. Good Governance and Compliance Management to Improve Effectiveness<br>Appendix: List of Performance Indicators                     |
| <b>GRI 301: Materials 2016</b>                 |   |                              |  |   |
| 3-3  | GD A2<br>GD A3<br>KPI A3.1                      |                              | Management of material topics  | 6. Environmental Protection and Green Development<br>7. Quality and Customer-oriented Buildings<br>8. Cooperation for Win-Win Results |
|  | KPI A2.5  |                              | Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. | N/A, COLI is a real estate enterprise and does not involve the consumption of large amounts of packaging materials                    |
| <b>GRI 302: Energy 2016</b>                    |   |                              |  |   |
| 3-3  | GD A2<br>GD A3<br>KPI A2.3<br>GD A3<br>KPI A3.1 | IF-RE-130a.5<br>IF-RE-410a.3 | Management of material topics  | 6. Environmental Protection and Green Development   |
| 302-1  | KPI A2.1  | IF-RE-130a.3                 | Energy consumption within the organisation   | Appendix: List of Performance Indicators  |
| 302-2  |   |                              | Energy consumption outside of the organisation   | Appendix: List of Performance Indicators  |
| 302-3  | KPI A2.1  |                              | Energy intensity   | Appendix: List of Performance Indicators  |
| 302-4  |   |                              | Reduction of energy consumption  | 6. Environmental Protection and Green Development   |
| 302-5  | KPI A2.3  |                              | Reductions in energy requirements of products and services   | 6. Environmental Protection and Green Development   |



| GRI Standards                            | Guide                         | SASB Standards               | Disclosure  | Chapter and/or Explanation  |
|--|-------------------------------|------------------------------|---|---|
| <b>GRI 303: Water and Effluents 2018</b> |                               |                              |   |   |
| 3-3                                      | GD A2<br>GD A3<br>KPI A3.1    | IF-RE-140a.4<br>IF-RE-410a.3 | Management of material topics   | 6. Environmental Protection and Green Development   |
| 303-1                                    | GD A3<br>KPI A2.4<br>KPI A3.1 |                              | Interactions with water as a shared resource  | 6. Environmental Protection and Green Development   |
| 303-2                                    | GD A3<br>KPI A3.1             |                              | Management of water discharge related impacts   | 6. Environmental Protection and Green Development   |
| 303-3                                    | KPI A2.2                      | IF-RE-140a.3                 | Water withdrawal  | Appendix: List of Performance Indicators  |
| 303-4                                    |                               |                              | Water discharge   | Appendix: List of Performance Indicators  |
| 303-5                                    | KPI A2.2                      | IF-RE-140a.3                 | Water consumption   | Appendix: List of Performance Indicators  |
| <b>GRI 304: Biodiversity 2016</b>        |                               |                              |   |   |
| 3-3                                      | GD A3<br>KPI A3.1             |                              | Management of material topics   | 6. Environmental Protection and Green Development   |
| 304-1                                    |                               |                              | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | During the reporting period, COLI did not own, lease or manage operation sites in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas |
| 304-2                                    |                               |                              | Significant impacts of activities, products and services on biodiversity  | During the reporting period, COLI did not cause any significant impact of activities, products and services on biodiversity   |
| 304-3                                    |                               |                              | Habitats protected or restored  | During the reporting period, there were no habitats protected or restored within COLI's operations  |

| GRI Standards  | Guide                                  | SASB Standards | Disclosure   | Chapter and/or Explanation   |
|--|--|----------------|--|--|
| <b>GRI 304: Biodiversity 2016</b>                      |  |                |  |  |
| 304-4  |  |                | IUCN Red List species and national conservation list species with habitats in areas affected by operations | During the reporting period, there were no species listed on the IUCN Red List and national conservation list with habitats in areas affected by COLI's operations |
| <b>GRI 305: Emissions 2016</b>                         |  |                |  |  |
| 3-3  | GD A1<br>KPI A1.5<br>GD A3<br>KPI A3.1 |                | Management of material topics  | 6. Environmental Protection and Green Development  |
| 305-1  | KPI A1.2                               |                | Direct (Scope 1) GHG emissions   | Appendix: List of Performance Indicators   |
| 305-2  | KPI A1.2                               |                | Energy indirect (Scope 2) GHG emissions  | Appendix: List of Performance Indicators   |
| 305-3  |  |                | Other indirect (Scope 3) GHG emissions   | Appendix: List of Performance Indicators   |
| 305-4  | KPI A1.2                               |                | GHG emissions intensity  | Appendix: List of Performance Indicators   |
| 305-6  | KPI A1.1                               |                | Emissions of ozone-depleting substances (ODS)  | Appendix: List of Performance Indicators   |
| 305-7  | KPI A1.1                               |                | Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions  | Appendix: List of Performance Indicators   |
| <b>GRI 306: Waste 2020</b>                             |  |                |  |  |
| 3-3  | GD A1<br>GD A3<br>KPI A1.6<br>KPI A3.1 | IF-RE-410a.3   | Management of material topics  | 6. Environmental Protection and Green Development  |
| 306-1  | KPI A3.1                               |                | Waste generation and significant waste-related impacts   | 6. Environmental Protection and Green Development  |
| 306-2  | KPI A3.1                               |                | Management of significant waste-related impacts  | 6. Environmental Protection and Green Development  |
| 306-3  | KPI A1.3<br>KPI A1.4                   |                | Waste generated  | Appendix: List of Performance Indicators   |
| <b>GRI 308: Supplier Environmental Assessment 2016</b> |  |                |  |  |
| 3-3  | GD B5                                  |                | Management of material topics  | 8. Cooperation for Win-Win Results   |
| 308-1  | KPI B5.4                               |                | New suppliers that were screened using environmental criteria  | 8. Cooperation for Win-Win Results   |
| 308-2  | KPI B5.3                               |                | Negative environmental impacts in the supply chain and actions taken                                       | 6. Environmental Protection and Green Development  |

| GRI Standards                                       | Guide    | SASB Standards | Disclosure  | Chapter and/or Explanation   |
|---|----------|----------------|---|--|
| <b>GRI 401: Employment 2016</b>                     |          |                |   |  |
| 3-3   | GD B1    |                | Management of material topics   | 9. Centring on People and Growing with Employees   |
| 401-1   | KPI B1.2 |                | New employee hires and employee turnover  | 9. Centring on People and Growing with Employees<br>Appendix: List of Performance Indicators |
| 401-2   | GD B1    |                | Benefits provided to full-time employees that are not provided to temporary or part-time employees            | 9. Centring on People and Growing with Employees   |
| <b>GRI 402: Labour/Management Relations 2016</b>    |          |                |   |  |
| 3-3   |          |                | Management of material topics   | 9. Centring on People and Growing with Employees   |
| <b>GRI 403: Occupational Health and Safety 2018</b> |          |                |   |  |
| 3-3   | GD B2    |                | Management of material topics   | 9. Centring on People and Growing with Employees   |
| 403-1   | KPI B2.3 |                | Occupational health and safety management system  | 9. Centring on People and Growing with Employees   |
| 403-2   | KPI B2.3 |                | Hazard identification, risk assessment, and incident investigation  | 9. Centring on People and Growing with Employees   |
| 403-3   | KPI B2.3 |                | Occupational health services  | 9. Centring on People and Growing with Employees   |
| 403-5   | KPI B2.3 |                | Worker training on occupational health and safety   | 9. Centring on People and Growing with Employees   |
| 403-6   | KPI B2.3 |                | Promotion of worker health  | 9. Centring on People and Growing with Employees   |
| 403-7   | KPI B2.3 |                | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 9. Centring on People and Growing with Employees   |
| 403-8   |          |                | Workers covered by an occupational health and safety management system  | 9. Centring on People and Growing with Employees   |
| 403-9   | KPI B2.1 |                | Work-related injuries   | Appendix: List of Performance Indicators   |
|   | KPI B2.2 |                |   | Appendix: List of Performance Indicators   |
| <b>GRI 404: Training and Education 2016</b>         |          |                |   |  |
| 3-3   | GD B3    |                | Management of material topics   | 9. Centring on People and Growing with Employees   |
| 404-1   | KPI B3.2 |                | Average hours of training per year per employee   | Appendix: List of Performance Indicators   |
| 404-2   | GD B3    |                | Programs for upgrading employee skills and transition assistance programs                                     | 9. Centring on People and Growing with Employees   |
| 404-3   |          |                | Percentage of employees receiving regular performance and career development reviews                          | 9. Centring on People and Growing with Employees<br>Appendix: List of Performance Indicators |

| GRI Standards   | Guide                         | SASB Standards | Disclosure   | Chapter and/or Explanation   |
|---|-------------------------------|----------------|--|--|
| <b>GRI 404: Training and Education 2016</b>                           |                               |                |  |  |
|   | KPI B3.1                      |                | The percentage of employees trained by gender and employee category (e.g. senior management, middle management). | Appendix: List of Performance Indicators   |
| <b>GRI 405: Diversity and Equal Opportunity 2016</b>                  |                               |                |  |  |
| 3-3   | GD B1                         |                | Management of material topics  | 5. Good Governance and Compliance Management to Improve Effectiveness<br>9. Centering on People and Growing with Employees   |
| 405-1   | KPI B1.1                      |                | Diversity of governance bodies and employees   | 5. Good Governance and Compliance Management to Improve Effectiveness<br>9. Centering on People and Growing with Employees<br>Appendix: List of Performance Indicators |
| <b>GRI 406: Non-discrimination 2016</b>                               |                               |                |  |  |
| 3-3   | GD B1                         |                | Management of material topics  | 9. Centering on People and Growing with Employees  |
| 406-1   |                               |                | Incidents of discrimination and corrective actions taken   | 9. Centering on People and Growing with Employee<br>Appendix: List of Performance Indicators   |
| <b>GRI 407: Freedom of Association and Collective Bargaining 2016</b> |                               |                |  |  |
| 3-3   |                               |                | Management of material topics  | 9. Centering on People and Growing with Employees  |
| <b>GRI 408: Child Labor 2016</b>                                      |                               |                |  |  |
| 3-3   | GD B4<br>KPI B4.1<br>KPI B4.2 |                | Management of material topics  | 9. Centering on People and Growing with Employees  |
| 408-1   |                               |                | Operations and suppliers at significant risk for incidents of child labor  | 9. Centering on People and Growing with Employees<br>Appendix: List of Performance Indicators  |
| <b>GRI 409: Forced or Compulsory Labor 2016</b>                       |                               |                |  |  |
| 3-3   | GD B4<br>KPI B4.1<br>KPI B4.2 |                | Management of material topics  | 9. Centering on People and Growing with Employees  |
| 409-1   |                               |                | Operations and suppliers at significant risk for incidents of forced or compulsory labor                         | 9. Centering on People and Growing with Employees  |
| <b>GRI 413: Local Communities 2016</b>                                |                               |                |  |  |
| 3-3   | GD B8                         |                | Management of material topics  | 10. Charity Activities for Creating a Harmonious Society   |

| GRI Standards                                   | Guide    | SASB Standards | Disclosure  | Chapter and/or Explanation   |
|---|----------|----------------|---|--|
| <b>GRI 413: Local Communities 2016</b>          |          |                |   |  |
| 413-1   |          |                | Operations with local community engagement, impact assessments, and development programs                    | 10. Charity Activities for Creating a Harmonious Society   |
|   | KPI B8.1 |                | Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). | 10. Charity Activities for Creating a Harmonious Society   |
|   | KPI B8.2 |                | Resources contributed (e.g. money or time) to the focus area.   | 10. Charity Activities for Creating a Harmonious Society   |
| <b>GRI 414: Supplier Social Assessment 2016</b> |          |                |   |  |
| 3-3   | GD B5    |                | Management of material topics   | 8. Cooperation for Win-Win Results   |
| 414-1   |          |                | New suppliers that were screened using social criteria  | 8. Cooperation for Win-Win Results   |
| 414-2   | KPI B5.3 |                | Negative social impacts in the supply chain and actions taken   | 8. Cooperation for Win-Win Results   |
| <b>GRI 416: Customer Health and Safety 2016</b> |          |                |   |  |
| 3-3   | GD B6    | IF-RE-410a.3   | Management of material topics   | 7. Quality and Customer-oriented Buildings   |
|   | KPI B6.4 |                |   |  |
| 416-2   |          |                | Incidents of non-compliance concerning the health and safety impacts of products and services               | 7. Quality and Customer-oriented Buildings<br>Appendix: List of Performance Indicators                         |
|   | KPI B6.1 |                | Percentage of total products sold or shipped subject to recalls for safety and health reasons.              | N/A, COLI is a real estate enterprise and does not involve in recalls of products for health or safety reasons |
|   | KPI B6.2 |                | Number of products and service-related complaints received and how they are dealt with.                     | 7. Quality and Customer-oriented Buildings<br>Appendix: List of Performance Indicators                         |
| <b>GRI 417: Marketing and Labeling 2016</b>     |          |                |   |  |
| 3-3   | GD B6    |                | Management of material topics   | 7. Quality and Customer-oriented Buildings   |
| 417-1   | GD B6    |                | Requirements for product and service information and labeling   | 7. Quality and Customer-oriented Buildings   |
| 417-2   |          |                | Incidents of non-compliance concerning product and service information and labeling                         | 7. Quality and Customer-oriented Buildings<br>Appendix: List of Performance Indicators                         |
| 417-3   |          |                | Incidents of non-compliance concerning marketing communications   | 7. Quality and Customer-oriented Buildings<br>Appendix: List of Performance Indicators                         |
| <b>GRI 418: Customer Privacy 2016</b>           |          |                |   |  |
| 3-3   | GD B6    |                | Management of material topics   | 5. Good Governance and Compliance Management to Improve Effectiveness  |
|   | KPI B6.5 |                |   | 7. Quality and Customer-oriented Buildings   |
| 418-1   |          |                | Substantiated complaints concerning breaches of customer privacy and losses of customer data                | 7. Quality and Customer-oriented Buildings   |
| <b>Intellectual Property Rights</b>             |          |                |   |  |
|   | KPI B6.3 |                | Description of practices relating to observing and protecting intellectual property rights.                 | 5. Good Governance and Compliance Management to Improve Effectiveness  |

## Summary of KPIs

### Basic Information

| Employees <sup>1</sup>                                   |        |               |
|--|--------|---------------|
| Indicator  | Unit   | Data for 2023 |
| <b>Number of Employees</b>                               |        |               |
| Total number of employees                                | Person | 3,651         |
| <b>By Geographical Region</b>                            |        |               |
| Number of employees in the Chinese Mainland              | Person | 3,515         |
| Number of employees in Hong Kong, Macau and overseas     | Person | 136           |
| Proportion of employees in the Chinese Mainland          | %      | 96.3          |
| Proportion of employees in Hong Kong, Macau and overseas | %      | 3.7           |
| <b>By Gender</b>   |        |               |
| Number of females  | Person | 1,005         |
| Number of males  | Person | 2,646         |
| Proportion of females                                    | %      | 27.5          |
| Proportion of males                                      | %      | 72.5          |
| <b>By Age</b>  |        |               |
| Number of employees aged 30 or below                     | Person | 421           |
| Number of employees aged 30 to 50                        | Person | 3,069         |
| Number of employees aged 50 or above                     | Person | 161           |
| Proportion of employees aged 30 or below                 | %      | 11.5          |
| Proportion of employees aged 30 to 50                    | %      | 84.1          |
| Proportion of employees aged 50 or above                 | %      | 4.4           |



## Employees

| Indicator   | Unit   | Data for 2023 |
|---|--------|---------------|
| <b>By Employee Category</b>                                       |        |               |
| Number of senior management                                       | Person | 56            |
| Number of middle management                                       | Person | 243           |
| Number of entry-level employees                                   | Person | 1,073         |
| Number of general employees                                       | Person | 2,279         |
| Proportion of senior management                                   | %      | 1.5           |
| Proportion of middle management                                   | %      | 6.7           |
| Proportion of entry-level employees                               | %      | 29.4          |
| Proportion of general employees                                   | %      | 62.4          |
| <b>By Type of Employment Contracts</b>                            |        |               |
| Number of full-time employees                                     | Person | 3,651         |
| Proportion of full-time employees                                 | %      | 100.0         |
| Number of part-time employees                                     | Person | 0             |
| Proportion of part-time employees                                 | %      | 0             |
| <b>Composition of Senior Management (including Board members)</b> |        |               |
| Total number of senior management (including Board members)       | Person | 59            |
| <b>By Gender</b>  |        |               |
| Female  | Person | 7             |
| Male  | Person | 52            |
| <b>By Age</b>   |        |               |
| Aged 30 or below  | Person | 0             |
| Aged 30 to 50   | Person | 33            |
| Aged 50 or above  | Person | 26            |

## Supply Chain

| Indicator   | Unit | Data for 2023 |
|---|------|---------------|
| <b>Number of Suppliers</b>  |      |               |
| Total number of suppliers   | /    | 5,853         |
| <b>By Category</b>  |      |               |
| Number of contractors and non-centralised procurement suppliers   | /    | 5,703         |
| Number of suppliers of centralised procurement  | /    | 150           |
| <b>By Geographical Region</b>   |      |               |
| Number of centralised procurement suppliers in the Southern Region  | /    | 57            |
| Number of centralised procurement suppliers in the Eastern Region   | /    | 70            |
| Number of centralised procurement suppliers in the Central and Western Region   | /    | 6             |
| Number of centralised procurement suppliers in the Northern Region  | /    | 17            |
| Number of centralised procurement suppliers in Hong Kong, Macau and Overseas Regions  | /    | 0             |
| <b>Number of Strategic Suppliers</b>  |      |               |
| Number of strategic suppliers   | /    | 101           |
| Proportion of procurement expenditure in strategic suppliers  | %    | 48            |
| <b>Suppliers Assessment</b>   |      |               |
| Proportion of new suppliers that were screened using environmental and social criteria  | %    | 100           |
| Proportion of strategic suppliers receiving annual comprehensive appraisal  | %    | 100           |
| Proportion of suppliers required to take rectifications against risks found from the annual comprehensive appraisal   | %    | 4             |
| <b>Suppliers Training</b>   |      |               |
| Training coverage of strategic suppliers of centralised procurement   | %    | 100           |
| <b>Materials Management</b>   |      |               |
| Conformity ratio of raw materials in random checks  | %    | 99            |
| Conformity ratio of raw materials in random third-party checks  | %    | 95            |
| Proportion of recyclable and green building materials centrally purchased conforming to the Environmental Product Declaration (EPD) certification and ISO 14025 | %    | 16            |

## Economic

### Economic Value Generated and Distributed

| Indicator   | Unit    | Data for 2023 |
|---|---------|---------------|
| Revenue   | RMB'000 | 202,524,069   |
| Direct operating costs                                | RMB'000 | 161,371,266   |
| Total finance cost                                    | RMB'000 | 10,115,796    |
| Dividends recognised as distributions during the year | RMB'000 | 7,565,651     |
| Income tax expenses                                   | RMB'000 | 14,073,689    |
| Profit  | RMB'000 | 27,046,645    |

### Ratio of Senior Management<sup>2</sup> Hired from Local Communities<sup>3</sup>

| Indicator  | Unit | Data for 2023 |
|--|------|---------------|
| <b>By Geographical Region</b>  |      |               |
| Proportion of senior management hired from the Chinese Mainland          | %    | 100.0         |
| Proportion of senior management hired from Hong Kong, Macau and overseas | %    | 55.6          |

### Indirect Economic Impacts

| Indicator   | Unit   | Data for 2023 |
|---|--------|---------------|
| <b>Affordable Housing</b>   |        |               |
| Floor area of completed affordable housing during the year                        | sq m   | 334,583       |
| Ratio of completed affordable housing to gross floor area of residential projects | %      | 2.4           |
| <b>Community Investment and Public Welfare</b>                                    |        |               |
| Total investment in charity   | RMB    | 6,608,000     |
| Total number of employees participating in volunteer services                     | Person | 660           |
| Total hours of employees participating in volunteer services                      | Hour   | 4,890         |

<sup>2</sup>Including Board members

<sup>3</sup>Ratio of senior management hired from local communities = number of senior management hired from local communities / total number of senior management in local communities

## Compliance Performance

| Indicator   | Unit         | Data for 2023 |
|---|--------------|---------------|
| <b>Training Regarding Anti-corruption Policies and Procedures</b>   |              |               |
| Proportion of employees being regulated under <u>Employee Code of Conduct and Compliance Commitment</u>   | %            | 100           |
| Proportion of employees of the Company and its subsidiaries, associates and joint ventures who signed the <u>Work Integrity Responsibility Statement</u>      | %            | 100           |
| Proportion of business partners who signed the <u>Supplier Code of Conduct</u> and the <u>Integrity Agreement</u>   | %            | 100           |
| Average number of anti-corruption training courses received by each director (COLI)   | /            | 7             |
| Average number of anti-corruption training sessions received by each director (COLI)  | /            | 4.7           |
| Average number of anti-corruption training hours per director (COLI)  | Hour         | 14.3          |
| Number of directors who received anti-corruption training (COLI)  | Person       | 9             |
| Proportion of directors who received anti-corruption training (COLI)  | %            | 100           |
| Number of anti-corruption training courses for employees (COLI)   | /            | 59            |
| Number of anti-corruption training sessions for employees (COLI)  | /            | 418           |
| Number of anti-corruption training hours for employees (COLI)   | Hour         | 2,289,177     |
| Number of employees who received anti-corruption training (COLI)  | Person       | 3,651         |
| Proportion of employees who received anti-corruption training (COLI)  | %            | 100           |
| Proportion of employees who received anti-corruption training (subsidiaries, joint ventures and associates)   | %            | 100           |
| <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  | /            | 4             |
| Number of training sessions on ethical conduct and conflict of interest for employees   | /            | 132           |
| Number of training hours on ethical conduct and conflict of interest for employees  | Hour         | 722,898       |
| Number of employees who received training on ethical conduct and conflict of interest   | Person       | 3,651         |
| Number of employee who received training on ethical conduct and conflict of interest  | Person-times | 14,604        |
| <b>Legal Cases</b>  |              |               |
| Total number of concluded legal cases brought against the Company or its employees  | /            | 0             |
| <b>By Case Category</b>   |              |               |
| Number of cases regarding bribery, extortion, fraud, money laundering and other corruption practices  | /            | 0             |
| Number of cases regarding unfair competition practices  | /            | 0             |
| Number of cases regarding exhaust emissions and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste | /            | 0             |

## Environmental<sup>4</sup>

### Materials<sup>5</sup>

| Indicator                             | Unit           | Property Development <sup>6</sup> | Commercial Property Operations <sup>7</sup> | Other Businesses <sup>8</sup> | 2023 Total |
|---------------------------------------|----------------|-----------------------------------|---|-------------------------------|------------|
| Construction material used – Concrete | m <sup>3</sup> | 0                                 | 23,334                                      | 0                             | 23,334     |
| Construction material used – Steel    | Tonne          | 0                                 | 5,021                                       | 0                             | 5,021      |
| Construction material used – Wood     | m <sup>3</sup> | 0                                 | 0   | 0                             | 0          |

### Energy<sup>9</sup>

| Indicator                | Unit                   | Property Development | Commercial Property Operations | Other Businesses | 2023 Total |
|--------------------------|------------------------|----------------------|--------------------------------|------------------|------------|
| Total energy consumption | MWh                    | 48,841               | 220,952                        | 12,396           | 282,189    |
| Energy intensity         | MWh/<br>RMB<br>million | 0.25                 | 34.73                          | 3.77             | 1.39       |

#### (Direct) Non-renewable Energy Consumption

|   |                        |       |        |      |        |
|---|------------------------|-------|--------|------|--------|
| Total (direct) non-renewable energy consumption | MWh                    | 3,075 | 25,112 | 980  | 29,167 |
| (Direct) non-renewable energy intensity         | MWh/<br>RMB<br>million | 0.02  | 3.95   | 0.30 | 0.14   |

#### By (Direct) Non-renewable Energy Category

|                                 |     |       |        |     |        |
|---------------------------------|-----|-------|--------|-----|--------|
| Diesel                          | MWh | 0     | 2,861  | 3   | 2,864  |
| Gasoline                        | MWh | 125   | 186    | 35  | 346    |
| LPG                             | MWh | 1,624 | 47     | 0   | 1,671  |
| LNG                             | MWh | 171   | 0      | 0   | 171    |
| Compressed/pipeline natural gas | MWh | 1,155 | 22,017 | 942 | 24,115 |

<sup>4</sup>In order to more accurately reflect the effectiveness of environmental management policies introduced and implemented by the Company and its subsidiaries, the statistical boundary of environmental information of COLI has been changed from the shareholding method to the operational control method since the current year. At the same time, we have adjusted the environmental data business segment to Property Development, Commercial Property Operations and other businesses to align them with the annual report business segment so that readers can meaningfully compare and understand environmental performance and financial performance. All data are rounded. For density calculations, the denominators are all in millions of business revenue.

<sup>5</sup>Construction material usage does not include data related to construction sites in the Property Development business.

<sup>6</sup>Covering 218 Property Development projects in which COLI holds operational control, including offices for property development and sales, self-operated staff canteens and sales centres.

<sup>7</sup>Covering 48 Commercial Property Operations projects in which COLI holds operational control, including offices for property rentals, hotels and other commercial property operations and self-operated staff canteens.

<sup>8</sup>Covering 14 Other business projects in which COLI holds operational control, including offices for material procurement and supply chain management services, construction and building design consulting services and others, and self-operated staff canteens.

<sup>9</sup>For the low calorific value of diesel, gasoline, LPG, natural gas and other energy sources, 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.

## Energy

| Indicator                                      | Unit                   | Property Development | Commercial Property Operations | Other Businesses | 2023 Total |
|--|------------------------|----------------------|--------------------------------|------------------|------------|
| <b>(Indirect) Purchased Energy Consumption</b> |                        |                      |                                |                  |            |
| Total (indirect) purchased energy consumption  | MWh                    | 45,766               | 195,840                        | 11,415           | 253,021    |
| (Indirect) purchased energy intensity          | MWh/<br>RMB<br>million | 0.24                 | 30.78                          | 3.48             | 1.25       |
| <b>By (Indirect) Purchased Energy Category</b> |                        |                      |                                |                  |            |
| Electricity                                    | MWh                    | 43,084               | 140,984                        | 10,313           | 194,380    |
| Heat   | MWh                    | 2,682                | 54,857                         | 1,103            | 58,641     |

## Water Resources

| Indicator                   | Unit                           | Property Development | Commercial Property Operations | Other Businesses | 2023 Total |
|-----------------------------|--------------------------------|----------------------|--------------------------------|------------------|------------|
| Total water consumption     | m <sup>3</sup>                 | 847,673              | 2,931,728                      | 462,919          | 4,242,320  |
| Water consumption intensity | m <sup>3</sup> /RMB<br>million | 4.39                 | 460.83                         | 140.93           | 20.95      |
| <b>By Water Source</b>      |                                |                      |                                |                  |            |
| Municipal water supply      | m <sup>3</sup>                 | 847,673              | 2,931,728                      | 462,919          | 4,242,320  |



## Emissions

| Indicator  | Unit                                    | Property Development | Commercial Property Operations | Other Businesses | 2023 Total |
|--|---|----------------------|--------------------------------|------------------|------------|
| <b>GHG Emissions<sup>10</sup></b>                    |   |                      |                                |                  |            |
| Total GHG emissions (Scope 1 + Scope 2)              | Tonne CO <sub>2</sub> e                 | 28,719               | 109,205                        | 6,528            | 144,453    |
| GHG emissions intensity                              | Tonne CO <sub>2</sub> e/<br>RMB million | 0.15                 | 17.17                          | 1.99             | 0.71       |
| Direct GHG emissions (Scope 1)                       | Tonne CO <sub>2</sub> e                 | 3,086                | 7,079                          | 210              | 10,376     |
| Energy indirect (Scope 2) GHG emissions              | Tonne CO <sub>2</sub> e                 | 25,633               | 102,126                        | 6,318            | 134,077    |
| Other indirect (Scope 3) GHG emissions <sup>11</sup> | Tonne CO <sub>2</sub> e                 | N/A                  | N/A                            | N/A              | 2,113      |
| <b>Exhaust Emissions<sup>12</sup></b>                |   |                      |                                |                  |            |
| NOx emissions  | kg                                      | N/A                  | N/A                            | N/A              | 3,364      |
| SOx emissions  | kg                                      | N/A                  | N/A                            | N/A              | 2          |
| Particulate matter                                   | kg                                      | N/A                  | N/A                            | N/A              | 297        |

<sup>10</sup>When calculating GHG emissions, for the emission factors of purchased energy such as heat, gasoline and diesel, we referred 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. For the emission factors of purchased electricity, we referred to the [Notice on the Management of Greenhouse Gas Emission Reporting of Enterprises in Power Generation Industry from 2023 to 2025 \(H.B. Climate Letter \[2023\] No. 43\)](#) issued by the Ministry of Ecology and Environment of China.

<sup>11</sup>Other indirect (Scope 3) GHG emissions include GHG emissions from flight travel of COLI employees. When calculating other indirect (Scope 3) GHG emissions, we referred to the [ICAO Carbon Emissions Calculator Methodology \(V11.1\)](#) issued by the International Civil Aviation Organisation (ICAO).

<sup>12</sup>When calculating exhaust gas emissions, the emission factors 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.

## Waste<sup>13</sup>

| Indicator   | Unit                  | Property Development | Commercial Property Operations | Other Businesses | 2023 Total |
|---|-----------------------|----------------------|--------------------------------|------------------|------------|
| <b>Hazardous Waste Generated</b>  |                       |                      |                                |                  |            |
| Total volume of hazardous waste generated                                     | kg                    | 4,510                | 51,573                         | 3,123            | 59,206     |
| Intensity of hazardous waste  | kg/RMB million        | 0.02                 | 8.11                           | 0.95             | 0.29       |
| <b>By Hazardous Waste Category</b>  |                       |                      |                                |                  |            |
| Weight of waste oil   | kg                    | 1,044                | 50,211                         | 62               | 51,317     |
| Weight of waste fluorescent tubes/bulbs                                       | kg                    | 567                  | 974                            | 2,908            | 4,450      |
| Weight of electronic waste  | kg                    | 2,614                | 94                             | 120              | 2,828      |
| Weight of waste batteries   | kg                    | 285                  | 294                            | 33               | 611        |
| <b>Non-hazardous Waste Generated (Excluding Non-hazardous Waste Recycled)</b> |                       |                      |                                |                  |            |
| Total volume of non-hazardous waste generated                                 | Tonne                 | 3,742                | 273,184                        | 19,523           | 296,449    |
| Intensity of non-hazardous waste  | Tonne/<br>RMB million | 0.02                 | 42.94                          | 5.94             | 1.46       |
| <b>By Non-hazardous Waste Category</b>  |                       |                      |                                |                  |            |
| Weight of renovation/construction/demolition waste                            | Tonne                 | 0                    | 33,403                         | 15               | 33,418     |
| Earthwork   | Tonne                 | 0                    | 760                            | 0.14             | 760        |
| Horticultural waste   | Tonne                 | 0                    | 21,203                         | 0.28             | 21,203     |
| Grease trap waste   | Tonne                 | 0                    | 2,556                          | 0.27             | 2,556      |
| Food waste  | Tonne                 | 514                  | 1,795                          | 48               | 2,356      |
| General waste/domestic waste  | Tonne                 | 3,229                | 213,468                        | 19,459           | 236,156    |
| <b>Non-hazardous Waste Recycled</b>   |                       |                      |                                |                  |            |
| Total volume of non-hazardous waste generated                                 | kg                    | 39,791               | 473,328.9                      | 6,816            | 519,936    |
| <b>By Non-hazardous Waste Category</b>  |                       |                      |                                |                  |            |
| Weight of metal   | kg                    | 9,075                | 437,878                        | 63               | 447,016    |
| Weight of paper   | kg                    | 27,654               | 15,150                         | 6,537            | 49,341     |
| Weight of glass   | kg                    | 1,016                | 11,002                         | 96               | 12,114     |
| Weight of plastics  | kg                    | 2,046                | 9,299                          | 120              | 11,464     |

<sup>13</sup>Does not include data related to construction sites in the Property Development business.

## Green Building Certifications

| Indicator  | Unit | Data for 2023 |
|--|------|---------------|
| Number of new green building certified projects during the year  | /    | 67            |
| Additional green certified area during the year  | sq m | 7,814,721     |
| Total number of green building certified projects  | /    | 636           |
| Proportion of total number of green building certified projects <sup>14</sup>  | %    | 65.8          |
| Total area of green building certified projects  | sq m | 106,506,560   |
| Proportion of total area of green building certified projects <sup>15</sup>  | %    | 74.2          |
| Proportion of total area of commercial real estate projects in operation that have obtained green building certification <sup>16</sup> | %    | 61.3          |

## Social

### Employment

| Indicator  | Unit   | Data for 2023 |
|--|--------|---------------|
| The number of cases related to remuneration and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination, and other employment matters | /      | 0             |
| <b>New employees</b>   |        |               |
| Total number of new employees  | Person | 169           |
| Proportion of new employees <sup>17</sup>  | %      | 4.6           |
| <b>By Geographical Region</b>  |        |               |
| Number of employees in the Chinese Mainland  | Person | 146           |
| Proportion of employees in the Chinese Mainland  | %      | 4.2           |
| Number of employees in Hong Kong, Macau and overseas   | Person | 23            |
| Proportion of employees in Hong Kong, Macau and overseas   | %      | 16.9          |
| <b>By Gender</b>   |        |               |
| Number of females  | Person | 47            |
| Proportion of females  | %      | 4.7           |
| Number of males  | Person | 122           |
| Proportion of males  | %      | 4.6           |

<sup>14</sup>Percentage of total number of green certified buildings projects = total cumulative number of green certified buildings projects as of the end of the Reporting Period / total cumulative number of development projects

<sup>15</sup>Proportion of total area of green certified buildings = cumulative area of completed green buildings projects as of the end of the Reporting Period / cumulative gross floor area of buildings projects completed as of the end of the Reporting Period

<sup>16</sup>Proportion of total area of commercial real estate projects in operation that have obtained green building certification = Gross floor area of commercial real estate projects in operation that have accumulated green building certification as of the end of the reporting period / Cumulative gross floor area of commercial real estate projects in operation as of the end of the reporting period

<sup>17</sup>Proportion of new employees by type = Number of new employees by type / Number of permanent full-time employees by type

## Employment

| Indicator  | Unit   | Data for 2023 |
|--|--------|---------------|
| <b>By Age</b>  |        |               |
| Number of employees aged 30 or below                     | Person | 30            |
| Proportion of employees aged 30 or below                 | %      | 7.1           |
| Number of employees aged 30 to 50                        | Person | 137           |
| Proportion of employees aged 30 to 50                    | %      | 4.5           |
| Number of employees aged 50 or above                     | Person | 2             |
| Proportion of employees aged 50 or above                 | %      | 1.2           |
| <b>By Employee Category</b>                              |        |               |
| Number of senior management                              | Person | 0             |
| Proportion of senior management                          | %      | 0             |
| Number of middle management                              | Person | 3             |
| Proportion of middle management                          | %      | 1.2           |
| Number of entry-level employees                          | Person | 43            |
| Proportion of entry-level employees                      | %      | 4.0           |
| Number of general employees                              | Person | 123           |
| Proportion of general employees                          | %      | 5.4           |
| <b>Employee Turnover Rate<sup>18</sup></b>               |        |               |
| Total number of separated employees                      | Person | 828           |
| Employee turnover rate                                   | %      | 22.68         |
| Voluntary employee turnover rate                         | %      | 8.6           |
| <b>By Geographical Region</b>                            |        |               |
| Number of employees in the Chinese Mainland              | Person | 800           |
| Proportion of employees in the Chinese Mainland          | %      | 22.8          |
| Number of employees in Hong Kong, Macau and overseas     | Person | 28            |
| Proportion of employees in Hong Kong, Macau and overseas | %      | 20.6          |
| <b>By Gender</b>   |        |               |
| Number of females  | Person | 221           |
| Proportion of females                                    | %      | 22.0          |
| Number of males  | Person | 607           |
| Proportion of males                                      | %      | 22.9          |

<sup>18</sup>Employee turnover rate = Number of separated employees by type / Number of permanent full-time employees by type

## Employment

| Indicator  | Unit   | Data for 2023 |
|--|--------|---------------|
| <b>By Age</b>  |        |               |
| Number of employees aged 30 or below                     | Person | 149           |
| Proportion of employees aged 30 or below                 | %      | 35.4          |
| Number of employees aged 30 to 50                        | Person | 644           |
| Proportion of employees aged 30 to 50                    | %      | 21.0          |
| Number of employees aged 50 or above                     | Person | 35            |
| Proportion of employees aged 50 or above                 | %      | 21.7          |
| <b>By Employee Category</b>                              |        |               |
| Number of senior management                              | Person | 2             |
| Proportion of senior management                          | %      | 3.6           |
| Number of middle management                              | Person | 13            |
| Proportion of middle management                          | %      | 5.4           |
| Number of entry-level employees                          | Person | 140           |
| Proportion of entry-level employees                      | %      | 13.0          |
| Number of general employees                              | Person | 673           |
| Proportion of general employees                          | %      | 29.5          |
| <b>Employee Satisfaction and Engagement</b>              |        |               |
| Coverage of employee satisfaction and engagement surveys | %      | 100           |
| Employee satisfaction                                    | Score  | 84            |
| Employee engagement                                      | Score  | 92            |

## Occupational Health and Safety

| Indicator  | Unit   | Data for 2023 |
|--|--------|---------------|
| Number of violations involving occupational safety and health      | /      | 0             |
| <b>Occupational Health and Safety of Employees</b>                 |        |               |
| Number of work-related injuries                                    | /      | 0             |
| Number of severe work-related injuries                             | /      | 0             |
| Lost days due to work-related injuries                             | Day    | 0             |
| Lost-Time Injury Frequency Rate (LTIFR) per million hours worked   | /      | 0             |
| Number of work-related fatalities                                  | Person | 0             |
| Proportion of employees covered by medical check-up                | %      | 100           |
| Proportion of employees covered by supplementary medical insurance | %      | 100           |
| <b>Construction Sites</b>  |        |               |
| Number of work-related injuries                                    | /      | 0             |
| Number of severe work-related injuries                             | /      | 0             |
| Lost days due to work-related injuries                             | Day    | 0             |
| Number of injuries suffered by workers on construction sites       | /      | 0             |
| Lost-Time Injury Frequency Rate (LTIFR) per million hours worked   | /      | 0             |
| Number of work-related fatality cases                              | /      | 1             |
| Number of work-related fatalities                                  | Person | 1             |

## Training and Education

| Indicator   | Unit   | Data for 2023 |
|---|--------|---------------|
| <b>Employees Receiving Trainings<sup>19</sup></b> |        |               |
| Employees receiving trainings                     | Person | 3,651         |
| Proportion of employees receiving trainings       | %      | 100           |
| <b>By Gender</b>                                  |        |               |
| Number of females                                 | Person | 1,005         |
| Proportion of females                             | %      | 100           |
| Number of males                                   | Person | 2,646         |
| Proportion of males                               | %      | 100           |

<sup>19</sup>Proportion of employees receiving trainings = Number of employees receiving trainings by type / Number of permanent full-time employees by type



## Training and Education

| Indicator  | Unit         | Data for 2023 |
|--|--------------|---------------|
| <b>By Employee Category</b>  |              |               |
| Number of senior management  | Person       | 56            |
| Proportion of senior management  | %            | 100           |
| Number of middle management  | Person       | 243           |
| Proportion of middle management  | %            | 100           |
| Number of entry-level employees  | Person       | 1,073         |
| Proportion of entry-level employees  | %            | 100           |
| Number of general employees  | Person       | 2,279         |
| Proportion of general employees  | %            | 100           |
| <b>Training Hours for Employees</b>  |              |               |
| Total training hours for employees   | Hour         | 325,028       |
| Average training hours per employee  | Hour         | 89            |
| <b>By Gender</b>   |              |               |
| Training hours for female employees  | Hour         | 89,445        |
| Average training hours per female employee   | Hour         | 89            |
| Training hours for male employees  | Hour         | 235,583       |
| Average training hours per male employee   | Hour         | 89            |
| <b>By Employee Category</b>  |              |               |
| Training hours for senior management   | Hour         | 5,415         |
| Average training hours per senior management                                       | Hour         | 97            |
| Training hours for middle management   | Hour         | 26,730        |
| Average training hours per middle management                                       | Hour         | 110           |
| Training hours for entry-level employees   | Hour         | 99,168        |
| Average training hours per entry-level employee                                    | Hour         | 92            |
| Training hours for general employees   | Hour         | 193,715       |
| Average training hours per general employee  | Hour         | 85            |
| <b>ESG Training for Employees</b>  |              |               |
| Number of ESG training sessions for employees                                      | /            | 15            |
| Number of participants in employee ESG training                                    | Person-times | 1,143         |
| Hours of employee ESG training   | Hour         | 1,166         |
| <b>Performance Management</b>  |              |               |
| Proportion of employees covered by the performance management system <sup>20</sup> | %            | 100           |

<sup>20</sup>Including cases where supervisors and subordinates were requested to agree on measurable or quantitative performance targets for conducting multi-dimensional evaluation and performance ranking of employees.

## Employee Grievance

| Indicator   | Unit | Data for 2023 |
|---|------|---------------|
| Number of discrimination cases reported                                   | /    | 0             |
| Number of basic human rights, employment and labour rights cases reported | /    | 0             |

## Child Labour

| Indicator   | Unit | Data for 2023 |
|---|------|---------------|
| Operation sites and suppliers at significant risk of child labour | /    | 0             |
| Number of child labour cases                                      | /    | 0             |

## Forced or Compulsory Labour

| Indicator  | Unit | Data for 2023 |
|--|------|---------------|
| Operation sites and suppliers at significant risk of forced or compulsory labour | /    | 0             |
| Number of forced or compulsory labour cases                                      | /    | 0             |

## Product Responsibility

| Indicator  | Unit | Data for 2023 |
|--|------|---------------|
| <b>Customer Health and Safety</b>  |      |               |
| Incidents of non-compliance regarding the health and safety impacts of products and services                         | /    | 0             |
| Proportion of engineering project staff receiving product quality and/or product safety training                     | %    | 100           |
| Proportion of commercial project staff receiving product quality and/or product safety/or product safety training    | %    | 100           |
| Proportion of residential projects receiving external certifications regarding product quality and/or product safety | %    | 39            |
| <b>Marketing and Labeling</b>  |      |               |
| Incidents of significant non-compliance regarding product and service information and labeling                       | /    | 0             |
| Incidents of significant non-compliance regarding marketing  | /    | 0             |
| Proportion of employees and suppliers receiving responsible marketing training                                       | %    | 100           |

## Product Responsibility

| Indicator   | Unit   | Data for 2023 |
|---|--------|---------------|
| <b>Information Security and Customer Privacy</b>                                  |        |               |
| Number of confirmed complaints relating to breach of customer privacy             | /      | 0             |
| Number of confirmed cases relating to leakage, theft or loss of customer data     | /      | 0             |
| Total number of customers and employees affected by information security breaches | Person | 0             |
| <b>Customer Complaints</b>  |        |               |
| Number of customer complaints received  | /      | 3,012         |
| Number of complaints about service problems                                       | /      | 0             |
| Number of customer follow-ups   | Time   | 86,532        |
| <b>Customer Satisfaction</b>  |        |               |
| <b>Customer Satisfaction of Residential Projects</b>                              |        |               |
| Customer satisfaction   | Score  | 90            |
| Proportion of customers covered in the customer satisfaction survey               | %      | 10            |
| <b>Customer Satisfaction of Long-term Leased Apartment Projects</b>               |        |               |
| Customer satisfaction   | Score  | ≥ 80          |
| Proportion of customers covered in the customer satisfaction survey               | %      | 10            |
| <b>Customer Satisfaction of Office Building Projects</b>                          |        |               |
| Customer satisfaction   | Score  | 90            |
| Proportion of customers covered in the customer satisfaction survey               | %      | 10            |
| <b>Customer Satisfaction of Shopping Mall Projects</b>                            |        |               |
| Customer satisfaction   | Score  | 93            |
| Proportion of customers covered in the customer satisfaction survey               | %      | 10            |
| <b>Intellectual Property Rights</b>   |        |               |
| Incidents of non-compliance regarding intellectual property rights                | /      | 0             |

## Innovative R&D

| Indicator             | Unit        | Data for 2023 |
|-----------------------|-------------|---------------|
| Innovation investment | RMB billion | 1.139         |

## List of Laws, Regulations and Policies

| ESG Indicator | Major Laws and Regulations   | Policies and Management Regulations of COLI                                |
|---------------|--|--|
| Environment   | Environmental Protection Law of the People's Republic of China   | Measures for Environmental, Social and Governance Management               |
|               | Law of the People's Republic of China on Environmental Impact Assessment                                     | <a href="#">Sustainable Development Policy</a>                             |
|               | Law of the People's Republic of China on the Prevention and Control of Environment Pollution by Solid Wastes | <a href="#">Environmental Policy</a>                                       |
|               | Water Pollution Prevention and Control Law of the People's Republic of China                                 | <a href="#">Responding to Climate Change Policy</a>                        |
|               | Atmospheric Pollution Prevention and Control Law of the People's Republic of China                           | Measures for the Administration of Ecological and Environmental Protection |
|               | Soil Pollution Prevention and Control Law of the People's Republic of China                                  | Green Building Technical Manual  |
|               | Law of the People's Republic of China on Noise Pollution Prevention and Control                              | Daily Norms and Contingency Plans on Wind, Flood and Lightning Prevention  |
|               | Energy Conservation Law of the People's Republic of China  | Implementation Plan for Carbon Dioxide Peak of COLI                        |
|               | Land Administration Law of the People's Republic of China  | Climate Change Action Plan   |
|               | Regulations of the People's Republic of China on Nature Reserves   | Climate Adaptation Strategy  |
|               | Urban and Rural Planning Law of the People's Republic of China   | Research Report on Characteristics of Green Buildings                      |
|               | Regulations on the Administration of Construction Project Environmental Protection                           | Measures for Promotion and Implementation of Green Buildings               |
|               | Administrative Measures for the Prevention and Control of Environmental Pollution by Electronic Waste        | Technical Guide on Green Building Technology                               |
|               |  | Green Environment Pact of COCP   |
|               |  | Green and Healthy Residential Property Standards of COLI                   |
|               |  | Sustainable Fit-out Handbook   |
|               |  | Management Measures for Special Support to Low-Carbon Office Buildings     |
|               | Net Zero Handbook for Tenants in COOC  |  |
|               | COOC Green Leasing Cooperation Plan  |  |
| Employment    | Labour Law of the People's Republic of China   | <a href="#">Corporate Code of Conduct</a>                                  |
|               | Labour Contract Law of the People's Republic of China  | <a href="#">Labour Rights and Interests Policy</a>                         |
|               | Employment Promotion Law of the People's Republic of China   | Director and Employee Remuneration Policy                                  |
|               | Social Insurance Law of the People's Republic of China   | Code of Professional Conduct for COLI Employees                            |
|               | Provisions on the Prohibition of Using Child Labour  | Measures for the administration of Recruitment                             |
|               | Law of the People's Republic of China on the Protection of Minors  | Employee Handbook  |
|               | Company Law of the People's Republic of China  |  |
|               | Provisions on Minimum Wages  |  |
|               | Provisions on the Democratic Management of Enterprises   |  |
|               | Employment Ordinance (Hong Kong)   |  |

| ESG Indicator            | Major Laws and Regulations   | Policies and Management Regulations of COLI   |
|--------------------------|--|---|
| Health and Safety        | <p>Labour Law of the People's Republic of China</p> <p>Fire Protection Law of the People's Republic of China</p> <p>Work Safety Law of the People's Republic of China</p> <p>Law of the People's Republic of China on the Prevention and Control of Occupational Diseases</p> <p>Regulation on Work-Related Injury Insurance</p> <p>Emergency Response Law of the People's Republic of China</p> <p>Construction Law of the People's Republic of China</p> <p>Labour Dispute Mediation and Arbitration Law of the People's Republic of China</p> <p>Provisions on the Administration of Occupational Health at Workplaces</p> <p>Regulations on the Reporting, Investigation and Disposition of Work Safety Accidents</p> <p>Interim Provision on the Screening, Identification and Control of Work Safety Accident Hazards</p> <p>Provisions on the Negotiation and Mediation of Enterprise Labour Disputes</p> <p>The Administrative Regulations on the Work Safety of Construction Projects</p> | <p><a href="#">Occupational Safety and Health Policy</a></p> <p>Measures for the Investigation of the Responsibility for Work Safety Accidents</p> <p>Production Safety Management Handbook</p> <p>Safety and Civility Construction Guidelines</p> <p>Safety Guidelines for Individual Project</p> <p>Temporary Electricity Guidelines for Construction</p> <p>Control Measures for Major Hazards</p>   |
| Development and Training | /  | <p>Measures for Training Management</p> <p>Measures for Employee Relationship Management</p> <p>Measures for Organisational Performance Appraisal and Incentive Management</p>  |
| Labour Standards         | <p>Labour Law of the People's Republic of China</p> <p>Labour Contract Law of the People's Republic of China</p> <p>Regulation on Public Holidays for National Annual Festivals and Memorial Days</p> <p>Implementation Measures for Paid Annual Leave for Employees of Enterprises</p> <p>Regulations on the Medical Treatment Period of Sickness or Non-Work-Related Injury of Enterprise Employees</p>  | <p><a href="#">Board Diversity Policy</a></p> <p><a href="#">Labour Rights and Interests Policy</a></p>   |
| Supply Chain Management  | <p>Civil Code of the People's Republic of China</p> <p>The Bidding Law of the People's Republic of China</p> <p>Government Procurement Law of the People's Republic of China</p>   | <p><a href="#">Supplier Code of Conduct</a></p> <p><a href="#">Sustainable Procurement Policy</a></p> <p>Integrity Agreement</p> <p>Standard of Indoor Homing Movement in Residential Public Area</p> <p>Supplier Management Manual</p> <p>Guidelines for Management of Qualified Central Procurement Suppliers</p> <p>Measures for the Contract Management</p> <p>Supplier Performance Scoring Process</p> <p>Management Measures for the Scientific and Technological Research and Development Projects</p> |

| ESG Indicator          | Major Laws and Regulations  | Policies and Management Regulations of COLI  |
|------------------------|---|--|
| Product Responsibility | <p>Civil Code of the People's Republic of China</p> <p>Product Quality Law of the People's Republic of China</p> <p>Construction Law of the People's Republic of China</p> <p>Advertising Law of the People's Republic of China</p> <p>Cybersecurity Law of the People's Republic of China</p> <p>Data Security Law of the People's Republic of China</p> <p>Personal Information Protection Law of the People's Republic of China</p> <p>Trademark Law of the People's Republic of China</p> <p>Copyright Law of the People's Republic of China</p> <p>Patent Law of the People's Republic of China</p> <p>Information Security Technology Guidelines for the Security of Personal Information (Draft for Public Consultation)</p> <p>Regulatory Measures on the Sale of Commercial Houses</p> <p>Regulation on the Quality Management of Construction Projects</p> <p>Residential Properties (First-hand Sales) Ordinance (Hong Kong)</p> | <p><a href="#">Code of Responsible Marketing</a></p> <p>Information Security Management Measures of COLI</p> <p>Intellectual Property Management</p> <p>COOC Healthy Building Standard</p> <p>Measures for Project Quality Control</p> <p>Quality and Safety Assessment System Management Manual</p> <p>Operation Manual on Comprehensive Assessment</p> <p>Fair Hospitality Management Code</p> <p>Sales Management Measures</p> <p>Operational Guidelines for Risk Avoidance at Sales Sites</p> <p>Standards for Disclosure of Sensitive Information to Customers at Sales Sites</p> <p>Standard Operating Procedure (SOP) for Project Admission</p> <p>Guidelines for Customer Information Security Management</p> <p>Customer Information Management Specifications</p>    |
| Anti-Corruption        | <p>Company Law of the People's Republic of China</p> <p>Securities Law of the People's Republic of China</p> <p>Anti-Money Laundering Law of the People's Republic of China</p> <p>Anti-monopoly Law of the People's Republic of China</p> <p>Anti-Unfair Competition Law of the People's Republic of China</p> <p>Prevention of Bribery Ordinance</p> <p>Competition Ordinance (Hong Kong)</p>   | <p><a href="#">Anti-Corruption Code of Conduct</a></p> <p>Anti-Corruption Policy</p> <p>Compliance Management Measures</p> <p>Compliance Commitment Letter</p> <p>Risk Management Measures</p> <p><a href="#">Tax Code of Conduct</a></p> <p><a href="#">Shareholders' Communication Policy</a></p> <p><a href="#">Inside Information Disclosure Policy</a></p> <p>Whistleblower Policy</p> <p>Measures for the Administration of Complaints and Reports</p> <p>Working System for Supervision</p> <p>Administrative Measures for COLI Integrity Construction Responsibility System</p> <p>Measures for Handling Disciplinary Inspection and Supervision Cases</p> <p>Administrative Measure for Conversations on Integrity</p> <p>Work Integrity Responsibility Statement</p> |
| Community Investment   | <p>Charity Law of the People's Republic of China</p> <p>Measures for the Information Disclosure of Charitable Organisations</p>   | <p><a href="#">Community Management Policy</a></p> <p><a href="#">Sustainable Finance Framework</a></p>  |



## List of new certified green building projects in 2023

| No. | Region                   | Project   | Type                              | Progress           | Green Building Certification Scheme | Certification Level | Certified Area (sq m) | Total GFA (sq m) |
|-----|--------------------------|---|-----------------------------------|--------------------|-------------------------------------|---------------------|-----------------------|------------------|
| 1   | Beijing Company          | Mid Town – Fu Yuan (Yongfeng Project 13)/ Full Phase / Group 2                                | Residential                       | Under Construction | China Green Building                | Three Stars         | 79,424                | 79,424           |
| 2   | Beijing Company          | Mid Town – Fu Yuan (Yongfeng Project 13)/ Full Phase / Group 1                                | Residential                       | Under Construction | China Green Building                | Three Stars         | 40,522                | 40,522           |
| 3   | Beijing Xincheng Company | Beijing CITIC City Block B/ Full Phase / Group 2 (Building 1–2)                               | Residential                       | Under Construction | China Green Building                | Three Stars         | 120,609               | 120,609          |
| 4   | Beijing Xincheng Company | Beijing CITIC City Block B/ Full Phase / Group 3 (Construction control commercial area)       | Commercial –Integrated Commercial | Under Construction | China Green Building                | Three Stars         | 87,492                | 87,492           |
| 5   | Beijing Xincheng Company | Beijing CITIC City Block B/ Full Phase / Group 1 (Building 3–7)                               | Residential                       | Under Construction | China Green Building                | Three Stars         | 158,485               | 158,485          |
| 6   | Chengdu Chaota Company   | Qinhuangsi No. 1 Site Project/ Full Phase / Whole Group                                       | Commercial –Integrated Commercial | Under Construction | China Green Building                | Three Stars         | 406,100               | 538,107          |
| 7   | Nanjing Company          | ANTARA (Land Parcel, Zhongxin Avenue Jianye District)/ Full Phase / Whole Group (Block A & B) | Residential                       | Under Construction | China Green Building                | Three Stars         | 129,800               | 130,068          |
| 8   | Ningbo Company           | The Bund Mansion (Yinfeng Project, Haishu District)/ Full Phase / Whole Group                 | Residential                       | Under Construction | China Green Building                | Three Stars         | 179,328               | 179,328          |
| 9   | Ningbo Company           | Luxurious (Zhonghe Project, Yinzhou District)/ Full Phase / Whole Group                       | Residential                       | Under Construction | China Green Building                | Three Stars         | 68,625                | 68,631           |
| 10  | Shenzhen Company         | Feel Time (Shenzhen – Phoenix Project, Guangming District)/ Full Phase /Whole Group           | Residential                       | Under Construction | China Green Building                | Three Stars         | 233,237               | 233,237          |
| 11  | Beijing Company          | Mid Town – Hui Yuan (Yongfeng Project 15 &16)/ Full Phase /Whole Group                        | Residential                       | Under Construction | China Green Building                | Two Stars           | 151,434               | 151,434          |
| 12  | Beijing Company          | One Sino Residences (Da Hong Men Project, Fengtai District)/ Full Phase /Whole Group          | Residential                       | Under Construction | China Green Building                | Two Stars           | 141,271               | 141,271          |
| 13  | Beijing Company          | Time Villa (Fook Wan Villa Project)/ Full Phase / Townhouse Group                             | Residential                       | Under Construction | China Green Building                | Two Stars           | 251,044               | 251,044          |

| No. | Region                         | Project  | Type        | Progress           | Green Building Certification Scheme | Certification Level | Certified Area (sq m) | Total GFA (sq m) |
|-----|--------------------------------|--|-------------|--------------------|-------------------------------------|---------------------|-----------------------|------------------|
| 14  | Beijing Company                | Wise Lane (Innovation Centre Project)/ Full Phase / Whole Group                                | Residential | Under Construction | China Green Building                | Two Stars           | 191,264               | 191,264          |
| 15  | Beijing Xincheng Company       | La Cité Genius (North Xin'an Parcel 673, Parcel 658)/ 673-A / Whole Group                      | Residential | Completed          | China Green Building                | Two Stars           | 51,920                | 51,920           |
| 16  | Beijing Xincheng Company       | La Cité Genius (North Xin'an Parcel 673, Parcel 658)/ 673-B, 676 / Whole Group                 | Residential | Completed          | China Green Building                | Two Stars           | 173,797               | 173,797          |
| 17  | Beijing Xincheng Company       | Wisdom Mansion (Parcel 713, Yamenkou)/ Full Phase / Whole Group                                | Residential | Under Construction | China Green Building                | Two Stars           | 122,061               | 122,061          |
| 18  | Beijing Xincheng Company       | Changan Reputation (Lao Gu Cheng Village 626 Parcel)/ Full Phase /Whole Group                  | Residential | Under Construction | China Green Building                | Two Stars           | 105,728               | 105,728          |
| 19  | Chendu Company                 | Elite Lakes (333.3 acres east of Luhu)/ Full Phase /Group 1                                    | Residential | Under Construction | China Green Building                | Two Stars           | 99,447                | 98,766           |
| 20  | Dongguan Company               | Renaissance Mansion (Yuanmei Project in Nancheng, Dongguan) / Full Phase / Whole Group         | Residential | Completed          | China Green Building                | Two Stars           | 77,923                | 78,511           |
| 21  | Fujian Company                 | Xiamen – COLI · Metropolis (Da Tang Centre)/ Full Phase /Whole Group                           | Residential | Under Construction | China Green Building                | Two Stars           | 173,838               | 173,838          |
| 22  | Guangzhou and Foshan Companies | Foshan – Jade Lane (Beijiao Line 7 Terminal, Shunde District)/ Full Phase / Commercial Group 3 | Residential | Under Construction | China Green Building                | Two Stars           | 76,136                | 46,068           |
| 23  | Hangzhou Company               | MAISON D'EMERAUDE (Parcel 37, Shibe Road, Xiaoshan District) / Full Phase / Whole Group        | Residential | Under Construction | China Green Building                | Two Stars           | 193,289               | 193,290          |
| 24  | Nanjing Company                | The Noble Nature (Jiangbei New Area G15)/ Full Phase / Whole Group                             | Residential | Completed          | China Green Building                | Two Stars           | 201,500               | 237,600          |
| 25  | Nanjing Company                | The Noble Lake (G80, Tianyou Road, Qixia District)/ Full Phase / Group 3                       | Residential | Completed          | China Green Building                | Two Stars           | 72,886                | 72,886           |
| 26  | Nanjing Company                | The Noble Lake (G80, Tianyou Road, Qixia District)/ Full Phase / Group 1 (Residential)         | Residential | Completed          | China Green Building                | Two Stars           | 76,560                | 76,560           |
| 27  | Nanjing Company                | The Glorious Mountain (Jiangning Ji Yin Avenue)/ Full Phase / Group 2                          | Residential | Under Construction | China Green Building                | Two Stars           | 65,000                | 65,284           |

| No. | Region                         | Project  | Type        | Progress           | Green Building Certification Scheme | Certification Level | Certified Area (sq m) | Total GFA (sq m) |
|-----|--------------------------------|--|-------------|--------------------|-------------------------------------|---------------------|-----------------------|------------------|
| 28  | Nanjing Company                | The Glorious Mountain (Jiangning Jiying Avenue)/ Full Phase / Group 1                        | Residential | Completed          | China Green Building                | Two Stars           | 60,500                | 60,778           |
| 29  | Shenzhen Company               | New Metropolis Project (CITIC Full City Phase II) / Full Phase / Whole Group                 | Residential | Under Construction | China Green Building                | Two Stars           | 126,100               | 125,263          |
| 30  | Suzhou Company                 | Wise Mansion (Chefang Project) / Full Phase / Whole Group                                    | Residential | Completed          | China Green Building                | Two Stars           | 85,600                | 88,474           |
| 31  | Tianjin Company                | Philosopher Meijiang (Meijiang Parcel 16)/ Full Phase / Group 1                              | Residential | Under Construction | China Green Building                | Two Stars           | 43,123                | 43,123           |
| 32  | Tianjin Company                | Mirrors of Time (Parcel 32-34, South Jiefang Road)/ Full Phase / Group 2 (North Land Parcel) | Residential | Under Construction | China Green Building                | Two Stars           | 119,369               | 119,369          |
| 33  | Tianjin Company                | Mirrors of Time (Parcel 32-34, South Jiefang Road)/ Full Phase / Group 1 (South Land Parcel) | Residential | Under Construction | China Green Building                | Two Stars           | 83,875                | 83,875           |
| 34  | Dalian Company                 | Aixian (No.1 Aixian Street, Gaoxin District)/ Full Phase / Whole Group                       | Residential | Under Construction | China Green Building                | One Star            | 52,751                | 52,751           |
| 35  | Fujian Company                 | Xiamen - Private Mansion (Parcel 2022P15, Siming District)/ Full Phase / Whole Group         | Residential | Completed          | China Green Building                | One Star            | 141,800               | 141,877          |
| 36  | Guangzhou and Foshan Companies | Foshan - The Paragon (Guicheng Pingzhou Guanggang South) / Full Phase / Whole Group          | Residential | Completed          | China Green Building                | One Star            | 242,818               | 245,747          |
| 37  | Guangzhou and Foshan Companies | Foshan -Lakes Mansion/C6 high-rise / Whole Group   | Residential | Under Construction | China Green Building                | One Star            | 112,661               | 120,849          |
| 38  | Guangzhou and Foshan Companies | Guangzhou - Cloud View (Nanzhou Road, Haizhu District)/ Full Phase / Whole Group             | Residential | Completed          | China Green Building                | One Star            | 164,832               | 164,832          |
| 39  | Guangzhou and Foshan Companies | Asian Games City (trader)/ Block C / Group 2 (C3)  | Residential | Under Construction | China Green Building                | One Star            | 18,308                | 34,577           |
| 40  | Hangzhou Company               | Maison D'è lite (Century City Parcel 02, Xiaoshan District)/ Full Phase / Whole Group        | Residential | Under Construction | China Green Building                | One Star            | 60,262                | 60,520           |

| No. | Region                | Project   | Type        | Progress           | Green Building Certification Scheme | Certification Level | Certified Area (sq m) | Total GFA (sq m) |
|-----|-----------------------|---|-------------|--------------------|-------------------------------------|---------------------|-----------------------|------------------|
| 41  | Jiaodong Company      | Qingdao - Celestial Heights (Taihang Garden North Block)/ Full Phase / Whole Group                                | Residential | Under Construction | China Green Building                | One Star            | 141,148               | 141,138          |
| 42  | Jiaodong Company      | Qingdao - Metropolis Times (No. 245 South Siliu Road)/ Full Phase / Group 2                                       | Residential | Under Construction | China Green Building                | One Star            | 57,005                | 57,048           |
| 43  | Jiaodong Company      | Qingdao - Metropolis Times Celestial (Jieneng North Block)/ Full Phase / Group 1                                  | Residential | Under Construction | China Green Building                | One Star            | 146,423               | 146,423          |
| 44  | Jiaodong Company      | Qingdao - Lakeside Mansion (Forest Lake) / BeiHu 5 / Whole Group  | Residential | Under Construction | China Green Building                | One Star            | 77,860                | 77,860           |
| 45  | Shenyang Company      | The Rarity (East Gaoshen Road)/ Full Phase / Group 1  | Residential | Completed          | China Green Building                | One Star            | 76,244                | 76,244           |
| 46  | Shenyang Company      | Origin Mansion (Xinle Street, Huanggu District)/ Full Phase / Group 1   | Residential | Completed          | China Green Building                | One Star            | 70,926                | 70,926           |
| 47  | Shiji-azhuang Company | Main - Peak (Keda Project, Yuhua District, Shijiazhuang City)/ Full Phase / Group 2 (East Land Parcel)            | Residential | Under Construction | China Green Building                | One Star            | 35,000                | 44,541           |
| 48  | Shiji-azhuang Company | Main - Peak (Keda Project, Yuhua District, Shijiazhuang City)/ Full Phase / Group 1 (West Land Parcel)            | Residential | Under Construction | China Green Building                | One Star            | 95,000                | 101,996          |
| 49  | Tianjin Company       | Nankai Philosopher (University of Traditional Chinese Medicine section)/ Full Phase / Group 1 (Planning Phase I ) | Residential | Under Construction | China Green Building                | One Star            | 90,770                | 90,770           |
| 50  | Tianjin Company       | Elite Source (Jinjiangli)/ Full Phase / Group 1 (Planning Phase I )   | Residential | Under Construction | China Green Building                | One Star            | 99,308                | 99,308           |
| 51  | Xianggan Company      | Changsha - The U World (Pioneer Industrial Reform Land Parcel)/ Phase II / Block C (Group 2)                      | Residential | Under Construction | China Green Building                | One Star            | 108,728               | 184,812          |
| 52  | Xianggan Company      | Changsha - The U World (Pioneer Industrial Reform Land Parcel)/ Phase I / Whole Group                             | Residential | Under Construction | China Green Building                | One Star            | 75,152                | 90,641           |
| 53  | Xianggan Company      | Changsha - The U World (Pioneer Industrial Reform Land Parcel)/ Phase I / Whole Group                             | Residential | Completed          | China Green Building                | One Star            | 209,004               | 283,029          |

| No. | Region            | Project  | Type        | Progress           | Green Building Certification Scheme | Certification Level | Certified Area (sq m) | Total GFA (sq m) |
|-----|-------------------|--|-------------|--------------------|-------------------------------------|---------------------|-----------------------|------------------|
| 54  | Xianggan Company  | Changsha – Kinosphere Mansion (Hongxing Tianhua Land Parcel)/ Full Phase / Group 2 (South Land Parcel) | Residential | Under Construction | China Green Building                | One Star            | 148,329               | 148,329          |
| 55  | Xianggan Company  | Changsha – Kinosphere Mansion (Hongxing Tianhua Land Parcel)/ Full Phase / Group 1 (North Land Parcel) | Residential | Completed          | China Green Building                | One Star            | 136,990               | 136,990          |
| 56  | Xianggan Company  | Changsha – Xiangjiang Mansion (South Land Parcel, No. 24 Nanhu) / Full Phase / Whole Group             | Residential | Under Construction | China Green Building                | One Star            | 272,386               | 341,823          |
| 57  | Chongqing Company | Nine Scenes (Konggang New City)/ Phase I (Parcel F22-6)/ Whole Group                                   | Residential | Completed          | China Green Building                | One Star            | 72,551                | 72,551           |
| 58  | Chongqing Company | Jing. L (Yuao Avenue)/ Full Phase / Whole Group  | Residential | Completed          | China Green Building                | One Star            | 41,122                | 41,122           |
| 59  | Chongqing Company | Jing. Y (Nanqiao Temple)/ Full Phase / Whole Group   | Residential | Completed          | China Green Building                | One Star            | 34,320                | 34,320           |
| 60  | Chongqing Company | Riverside Terrace (Dashiba)/ Full Phase / Group 2  | Residential | Completed          | China Green Building                | One Star            | 32,895                | 32,895           |

| No.      | Region            | Project   | Type        | Progress           | Green Building Certification Scheme | Certification Level | Certified Area (sq m) | Total GFA (sq m) |
|----------|-------------------|---|-------------|--------------------|-------------------------------------|---------------------|-----------------------|------------------|
| 61       | Chongqing Company | Riverside Terrace (Dashiba)/ Full Phase / Group 1                             | Residential | Completed          | China Green Building                | One Star            | 76,159                | 76,159           |
| 62       | Shanghai Company  | East Jianguo Road Project / Block 69 / Whole Group                            | Residential | Under Construction | China Green Building                | Base level          | 135,326               | 135,326          |
| 63       | Shenyang Company  | The Rarity (East Gaoshen Road)/ Full Phase / Group 2                          | Residential | Under Construction | China Green Building                | Base level          | 106,984               | 106,984          |
| 64       | Shenyang          | Origin Mansion (Xinle Street, Huanggu District)/ Full Phase / Group 2         | Residential | Under Construction | China Green Building                | Base level          | 47,429                | 47,429           |
| 65       | Xi'an Company     | The New Times / Phase 3, Area B / Whole Group                                 | Residential | Under Construction | China Green Building                | Base level          | 62,632                | 62,632           |
| 66       | Xi'an Company     | Private Mansion (Xitai Road Project)/ Full Phase / Whole Group                | Residential | Under Construction | China Green Building                | Base level          | 266,949               | 266,949          |
| 67       | Xianggan Company  | Nanchang – Chaoyang Mansion (Chaoyang Central Park)/ Full Phase / Whole Group | Residential | Under Construction | China Green Building                | Base level          | 57,362                | 57,362           |
| In Total |                   |   |             |                    |                                     |                     | 7,814,721             | 8,234,867        |



# INDEPENDENT ASSURANCE OPINION STATEMENT

Statement No: SRA-HK 804873

## China Overseas Land & Investment Limited Environmental, Social and Governance Report 2023

The British Standards Institution is independent of China Overseas Land & Investment Limited, and its subsidiaries (hereafter referred to as "COLI" collectively in this statement), and has no financial interest in the operation of China Overseas Land & Investment Limited other than for the assessment and assurance of China Overseas Land & Investment Limited's Environmental, Social and Governance Report 2023 (the "Report").

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of Environmental, Social and Governance Report 2023 presented by COLI. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and adequate.

### Scope

The scope of engagement agreed upon with China Overseas Land & Investment Limited includes the following:

1. The assurance scope is consistent with the description of China Overseas Land & Investment Limited's Environmental, Social and Governance Report 2023. The Report is prepared in accordance with HKEX's ESG Reporting Guide and refer to the GRI Standards.
2. Type 1 Moderate Level of Assurance in accordance with the AA1000 Assurance Standard v3 ("AA1000AS v3") evaluates the nature and extent of China Overseas Land & Investment Limited adherence to four reporting principles: Inclusivity, Materiality, Responsiveness and Impact. Therefore the reliability of specified sustainability performance information/data disclosed in the Report has not been evaluated.

### Opinion Statement

We conclude that the Report provides a fair view of China Overseas Land & Investment Limited's sustainability plan and performance in the reporting year. We believe that the environmental and social general disclosures and key performance are fairly represented in the Report, in which China Overseas Land & Investment Limited efforts to pursue sustainable development are widely recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations. We considered China Overseas Land & Investment Limited has provided sufficient evidence that China Overseas Land & Investment Limited's self-declaration of compliance with the "HKEX's ESG Reporting Guide" and refer to the GRI Standards were fairly stated.

...making excellence a habit.™

Statement No: SRA-HK 804873

### Methodology

Our work was designed to gather evidence on which to base our conclusion.

We undertook the following activities:

- A top level review of issues raised by external parties that could be relevant to China Overseas Land & Investment Limited policies to provide a check on the appropriateness of statements made in the Report.
- Discussion with senior executives on China Overseas Land & Investment Limited's approach to stakeholder engagement. We had no direct contact with external stakeholders.
- Interview with staff involved in sustainability management, report preparation and provision of report information.
- Review of key organizational developments.
- Review of supporting evidence for claims made in the Report, and.
- An assessment of the China Overseas Land & Investment Limited reporting and management processes concerning reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles 2018 Standard ("AA1000AP (2018)").

### Conclusions

A review against the AA1000AS v3 principles of Inclusivity, Materiality, Responsiveness and Impact is set out below: Based on our work described in the verification report, nothing has come to our attention that causes us to believe that data and information stated in the Reporting Organization's ESG Report is not correctly presented or with omission, in any material respects or that Inclusivity, Materiality Responsiveness and Impact based on AA1000 criteria are not correctly addressed."

### Assurance Level

The Type 1 Moderate Level of Assurance provided in our review is defined by the scope and methodology described in this statement.

### Responsibilities

It is the responsibility of China Overseas Land & Investment Limited senior management to ensure that the information being presented in the Report is accurate. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

### Ability and Independence

The assurance team was composed of Lead Assurer and Assurer, who are experienced in the industrial sector, and trained in a range of sustainability, environmental and social standards including GRI Series Standards, AA1000, ISO14064, ISO 14001, ISO50001, ISO45001, ISO 9001, etc. British Standards Institution is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI

Michael Lam - Managing Director Assurance, APAC  
28 March 2024

Verifier of the Report

Bell Deng  
Lead Assuror







**China Overseas Land & Investment Ltd.**

10/F, Three Pacific Place, 1 Queens Road East, Hong Kong  
Tel: 2988 0666 Fax: 2865 7517

[www.coli.com.hk](http://www.coli.com.hk)