



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



2014

China Overseas Land & Investment Ltd.  
Corporate Social Responsibility Report

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# 1

## Message from Chairman

We have persisted in implementing our “three sustainable” development strategies encompassing our operations, the environment and the society.

Sustainable growth with quality has remained as our long-term development goal and we also regard it as a long-standing responsibility to our shareholders and investors. Confronted with strong headwinds including the decreasing transaction volume and price in the Chinese property market during 2014, nonetheless our contract sales amount, turnover and profit attributable to equity shareholders climbed to a record high. In the past 12 years (2003-2014), our net profit exceeded 20% per year, and net profit attributable to equity shareholders recorded a CAGR of 40% with an average ROE of 23%. In 2014, COLI was selected as a constituent of the Hang Seng Corporate Sustainability Index for the fifth consecutive year. We have been active on the financial front, issuing US\$2 billion of bonds and secured a record-high HK\$14 billion syndicated loan. These efforts have been viewed favorably as three major international ratings agencies, Moody's, S&P and Fitch, have also granted us the highest rating, reflecting the strong recognition of capital markets and investors for our long-term sustainable development prospects.

While the Chinese property market has begun to consolidate after the previous high growth stage, we have confidence that our business will continue to steadily grow guided by the experience accumulated through navigating previous industrial cycles in the Hong Kong and Mainland China property markets over the past 30 years. We believe we can reward the strong confidence of our shareholders and investors with a continued outstanding performance.

Environmental degradation has become one of the major issues facing the Chinese economy and society. Creating a sustainable environment is easier said than done. With China's increasing urbanization, energy consumed in construction has risen to around 30% of total energy consumption, which has created a pressing need for energy-saving initiatives in this sector. As the leader in the property industry and the team leader of the Green Real Estate Group of the China Green Building Committee, COLI is committed to promoting and implementing green construction with modern technologies. In 2007, the Company has implemented “Technical Guidelines for Green Building” and “Measures for the Promotion and Implementation of Green Building”. We have also combined the “Green Construction Assessment Standards” from China, the standards under the US LEED certificate and our decades of project construction and design experiences. As a result, we possess highly adaptable environmental technologies that save land, energy, water and raw materials resources complemented by indoor environmental technologies and green construction standards. As at the end of 2014, we have secured 26 green construction certificates for an aggregate GFA of more than 3 million square meters. In 2014, we have completed the first full life-cycle green construction technology model project by passing the

green construction technology inspection and acceptance for the Suzhou International Community 233-2 Project. This project was designed and built guided by the three main concepts of “low carbon footprint, health and intelligence”, and incorporated 28 green construction technologies including the solar PV power generation system, prefabricated parts, electrochromic glass and humidity controlling ceramics tilts. In this way we realized a good combination of technology, environmental protection, economy efficiency and comfortable environment, making this project a demonstration model for the Company and property industry.

We believe that the smooth progress in implementing the “three sustainable” development strategies was a result of the cooperation of thousands of our suppliers. These strategies also provide the foundation for us to continue to grow together in different cooperation modes in order to ensure tens of thousands of material and service contracts that we signed in the year were fair, transparent and legal.

Another reason for successful implementation of our strategies was the high appreciation and solid support from our extensive customer base, enabling us to build communities with superior construction, invest more than tens of millions of dollars to rebuild the facilities in more than 60 old communities, organize various cultural and leisure activities in hundreds of communities across the country and ultimately build happy homes and communities together.

Last but not least, the care and support of communities was another important contributing factor. In return, we have fully endeavored to contribute to society by supporting the government and building affordable housing and public facilities. In 2014, the Company has constructed more than 1 million square meters of affordable housing. The Company has delivered approximately 382,000 square meters of various types of affordable housing for low-income families during the year. In 2014, the foundation was laid for the 11th China Overseas Hope School at Yantai and construction started. Until now, the Company has donated more than HK\$140 million in offering scholarships, poverty alleviation and disaster relief.

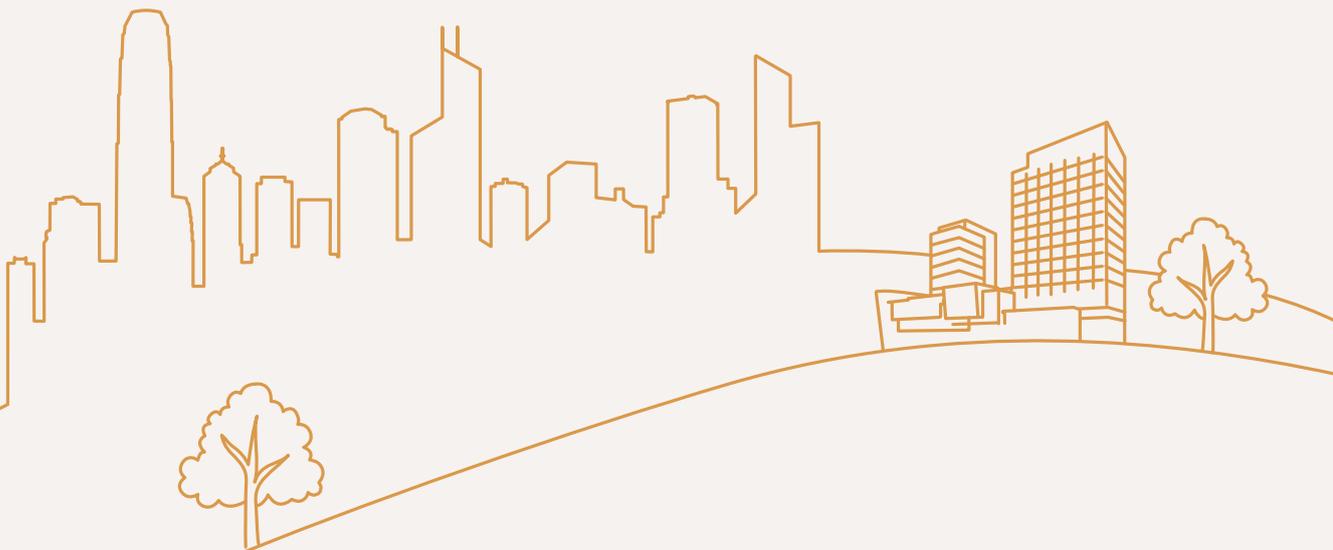
Therefore, we believe our “three sustainable” development strategies over operations, environmental protection and the community will facilitate our steady progress towards our objective of building a prosperous business over the long term, and we will advance together with our customers, shareholders, staff and partners, as well as the communities and cities and achieve a mutually beneficial situation for all.



Chairman & Chief Executive Officer  
China Overseas Land & Investment Ltd.



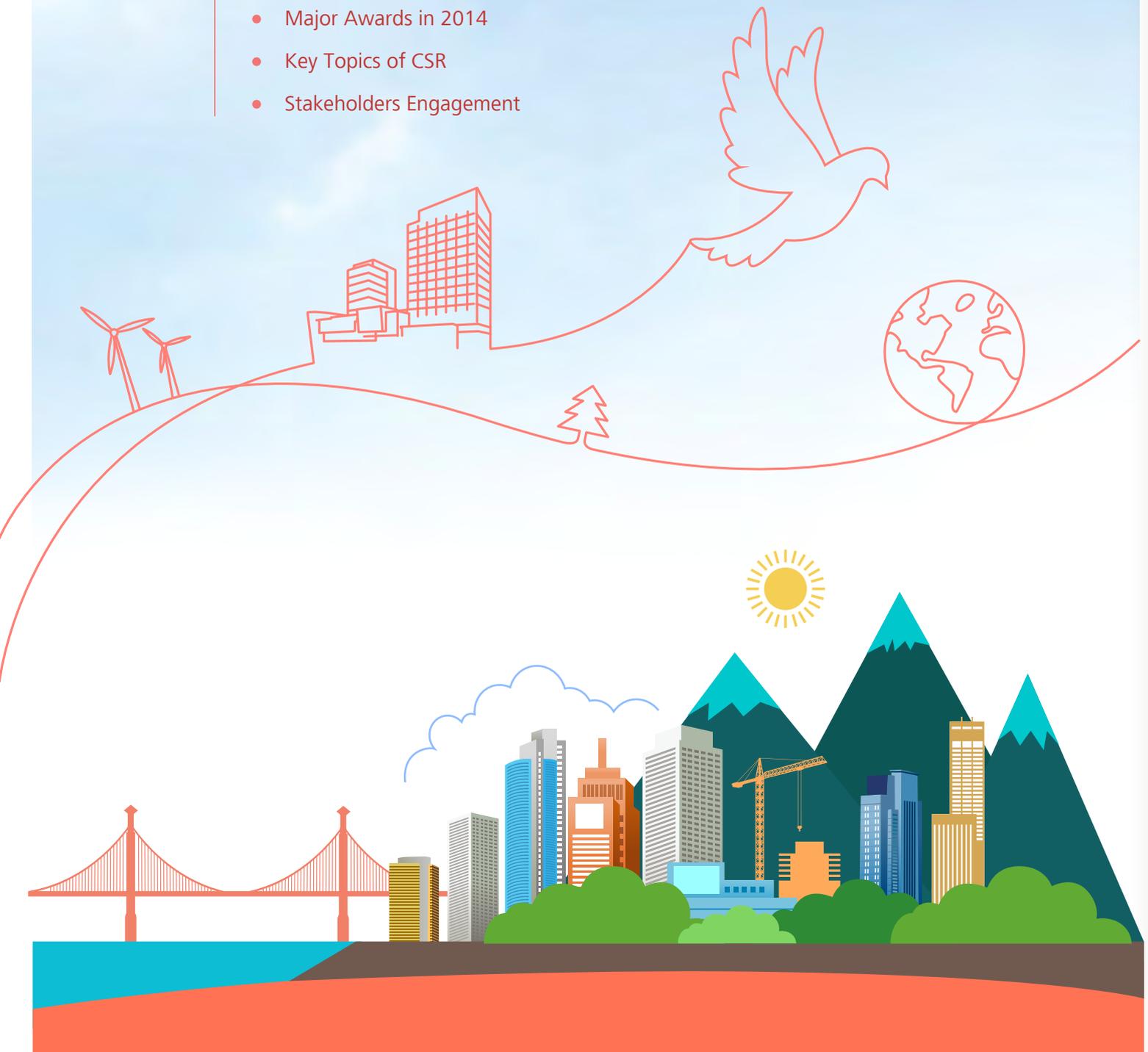
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# 2

## High Standard and Reliable Quality

- Business Network
- Business Structure
- Financial Performance
- Major Awards in 2014
- Key Topics of CSR
- Stakeholders Engagement



## Business Network

COLI has expanded its business from Hong Kong to Mainland China, successfully seizing opportunities presented by the stages of economic development of China. Currently, it has expanded to provide balanced coverage in six regions, namely Hong Kong and Macau, the Pearl River Delta, the Yangtze River Delta, the Bohai Rim, Northeast China and Central and Western China.



Currently, COLI has property development businesses covering 47 cities, including Hong Kong, Macau, Beijing, Shanghai, Shenzhen, Guangzhou, Foshan, Suzhou, Hangzhou, Shenyang, Chongqing, Xi'an, Changchun, Changsha, Chengdu, Dalian, Ji'nan, Kunming, Nanchang, Nanjing, Ningbo, Qingdao, Tianjin, Wuhan, Xiamen, Yantai, Zhongshan, Zhuhai, Changzhou\*, Guilin\*, Ganzhou\*, Jilin\*, Hefei\*, Hohhot\*, Lanzhou\*, Nanning\*, Nantong\*, Yangzhou\*, Yinchuan\*, Yancheng\*, Harbin, Fuzhou, Shaoxing\*, Wuxi, Shantou\*, Zhengzhou, Taiyuan.

\* The cities where China Overseas Grand Oceans Group Limited ("COGO", 00081.HK) has operations.

## High Standard and Reliable Quality

## Business Structure



Property  
Development



China Overseas Land & Investment Ltd. was incorporated in Hong Kong in 1979 with property development as its core business. In August 1992, the Company was listed on the Stock Exchange of Hong Kong Limited. It was the first Chinese enterprise to acquire the listing status by its own local business or assets located in Hong Kong. In December 2007, COLI (00688.HK) became a constituent stock of the Hang Seng Index.

Ever since its establishment, the Company is committed to advancing its professionalism and expanding scale of development. It has built a nationwide market distribution network, with major focuses on Hong Kong and Macau, the Yangtze River Delta, the Pearl River Delta, Bohai Rim, and the Northeast, Central and Western parts of Mainland China. It currently operates businesses in Hong Kong, Macau and over 50 economically vibrant cities in China, offering excellent residential choices and satisfactory living experiences for millions of customers. Over more than three decade's development, the Company has successfully established "China Overseas Property" as the industry-leading brand. The Company has also participated in other property-related areas, such as property investment, property management and construction design businesses.

Up until the end of 2014, the Company's total assets reached HK\$350.9 billion. Its accumulated realized property sales and net profit reached HK\$140.8 billion and HK\$27.68 billion respectively in 2014, maintaining its top position in terms of operational efficiency in the industry. As at the end of December 2014, the Company's total land reserves were 49.42 million m<sup>2</sup>.



Brand website: <http://www.coli688.com>

Official website: <http://www.coli.com.hk>

COLI's WeChat | COLI's APP



Commercial  
Property

China Overseas Commercial  
Properties Co., Ltd.

Incorporated in Shenzhen in 2012, China Overseas Commercial Properties Co., Ltd. manages projects in more than 20 tier-1 and tier-2 cities including Hong Kong, Beijing, Shanghai, Shenzhen, Nanjing, Shenyang and Chengdu. Its scope of business covers three major product series including Grade A office under the brand name "China Overseas", the Unipark shopping malls and star-rated hotels. As at the end of 2014, the operational area of commercial property projects spanned 1,100,000 m<sup>2</sup>, while the area of projects under construction and earmarked for construction exceeded 6 million m<sup>2</sup>, some of which involve participation in the operation of urban charity facilities. We are committed to building a collaborative platform on which customers, partners, shareholders and the city can continuously and beneficially interact, thereby enhancing value for business alliances, while creating shareholder value and brand value, so as to achieve the objective of "generating wealth and sharing resources to create a bright future together for everyone."

Official website for Unipark: <http://www.unipark.net.cn>

Official website for Coli office: <http://colioffice.com>





## Property Management



Established in Hong Kong in 1986 and entering the Mainland China market in 1991, China Overseas Property Management Ltd. is among the first group of first-class quality property management companies under the Ministry of Construction. It is also a Council Member of the China Property Management Institute, Deputy President of the Guangdong Property Management Association and Deputy President of Shenzhen Property Management Association. In 2014, the Company's income amounted to HK\$2.01 billion, representing an increase by 13.6% as compared to 2013. GFA under management exceeded 50 million sq m.



Official website: <http://www.copm.com.cn>  
COPM's APP



## Construction Design



HuaYi Design Consultants Ltd. was incorporated in Hong Kong in 1986, which has attained "Grade A Architectural Design Qualification" and "Grade A Urban Planning Qualification". Currently HuaYi has ten branches in Shanghai, Nanjing, Wuhan, Beijing, Chongqing, Guangzhou, Xiamen and Chengdu, etc. Boasting of more than 1,000 top professional designers, HuaYi has the capability and project experience to apply "Building Information Modeling (BIM) Design" technologies in the entire design process. For more than 20 years, HuaYi has upheld the principle "Creativity and quality are top priority" and has completed approximately 1,500 design projects for construction of a wide range of edifices. It has already won more than 360 outstanding design awards for more than 150 projects at state, provincial, ministerial and Shenzhen municipal levels. The company was also honoured with the title of "National High-Tech Enterprise", "Top 100 Famous Modern Construction Design Companies in China" and "National Double-A Grade Foreign Investment Enterprise in China".

In 2014, new contracts signed by Hua Yi exceeded HK\$700 million.

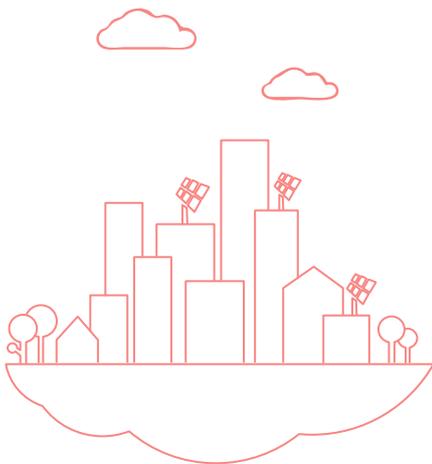
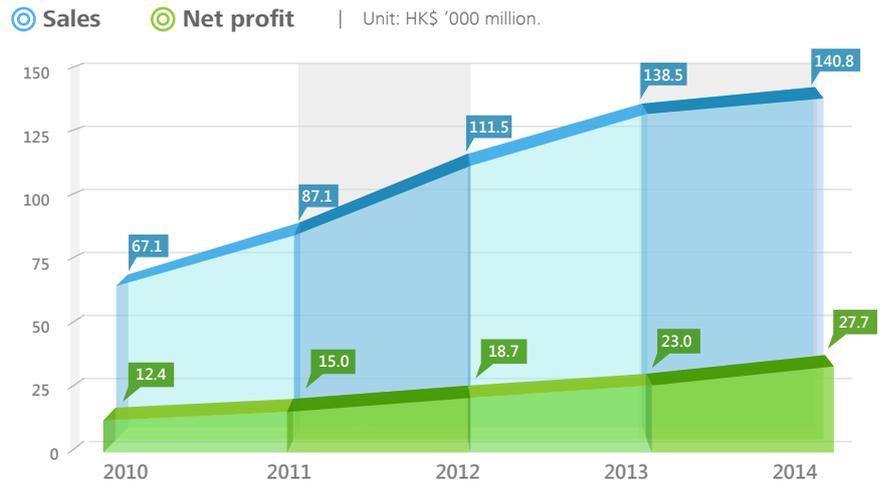
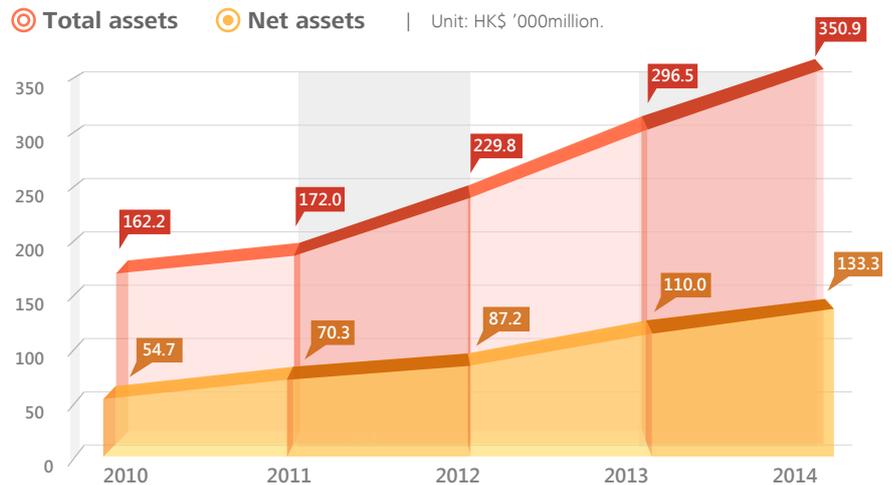


Official website: <http://www.huayidesign.com>  
HuaYi's WeChat



## High Standard and Reliable Quality

### Financial Performance



The audited profit attributable to equity shareholders of the Company for the year ended 31 December 2014 increased by 20.1% to HK\$27.68 billion. Basic earnings per share were HK\$3.39, an increase of 20.1%. Total shareholders' funds increased by 21.2% to HK\$133.3 billion. Net assets per share were HK\$16.3, an increase of 20.7% on 2013, and average return on shareholders' funds reached 22.8%.

In 2014, COLI's total sales of properties amounted to HK\$140.8 billion, while the corresponding area sold was 9.4 million sq m. Over the past 12 years from 2003 to 2014, net profit growth of COLI exceeded 20% each year. Over the past five years from 2010 to 2014, the compound growth rate of net profit attributable to shareholders reached 29.3%.

## Major Awards in 2014

COLI has strived to promote the growth of our business in terms of economic progress, environmental protection and social development. Our efforts aimed at sustainable development have gained recognition from domestic and international authoritative organizations, as seen in our selection in the Hang Seng Corporate Sustainability Index and the Dow Jones Sustainability Indices for several years. This recognition has encouraged us to improve our business management and brand building on an ongoing basis.



**2014.12.11**  
The Asset Corporate Awards  
-Titanium Award  
The Asset Triple A – The Greater  
China Award for Corporates



**2014.09.19**  
Leading Brands of China Real  
Estate Companies  
**No. 1 in China Real Estate Brand  
Value** (Brand Value: 34.25 billion  
yuan)



**2014.09.17**  
**No. 1 in China Real Estate Brand Value Top 50**  
(Brand Value: 31.94 billion yuan)  
**China Overseas Property Management Ltd.**  
- **No. 3 in Top 10 Brand Value**



**2014.09.01**  
Rankings of Chinese Enterprises  
in Hong Kong Stock Market –  
Best Market Value Award



**2014.07.26**  
China Valuable Real Estate Awards  
–Valuable Real Estate Enterprise  
of the Year  
–Corporate Citizenship of the Year



**2014.07.25**  
The 12th ChinaHR Best  
Employers Award  
–Top 10 in Real Estate Industry



**2014.07.27**  
China Blue Chip Real Estate  
Developer



**2014.06.20**  
Best Performers 50 China



**2014.06**  
**No. 1 in Top 100 China Real  
Estate Enterprise Brand Value**



**2014.05.29**  
Top 100 China's Real Estate Developers  
• **No. 3 in Overall Performance**  
• **No. 1 in Top 10 China's Real Estate  
Developer (H Shares)**  
• **No. 1 in Top 5 China's Real Estate  
Developer (Risk Management)**

DRC,ERI 国务院发展研究中心企业研究所



**2014.05.16**  
Top 10 Mainland China Real Estate  
Companies Listed in Hong Kong  
• **No. 2 in Top 10 Overall Ranking**  
• **No. 1 in Top 10 Wealth Creating  
Capability**  
• **No. 1 in Top 10 Financial Stability**  
• **No. 2 in Top 10 Investment Value**



**2014.02.27**  
China Overseas Property Services  
Limited in Hong Kong was awarded  
the "Occupational Safety &  
Health Award"



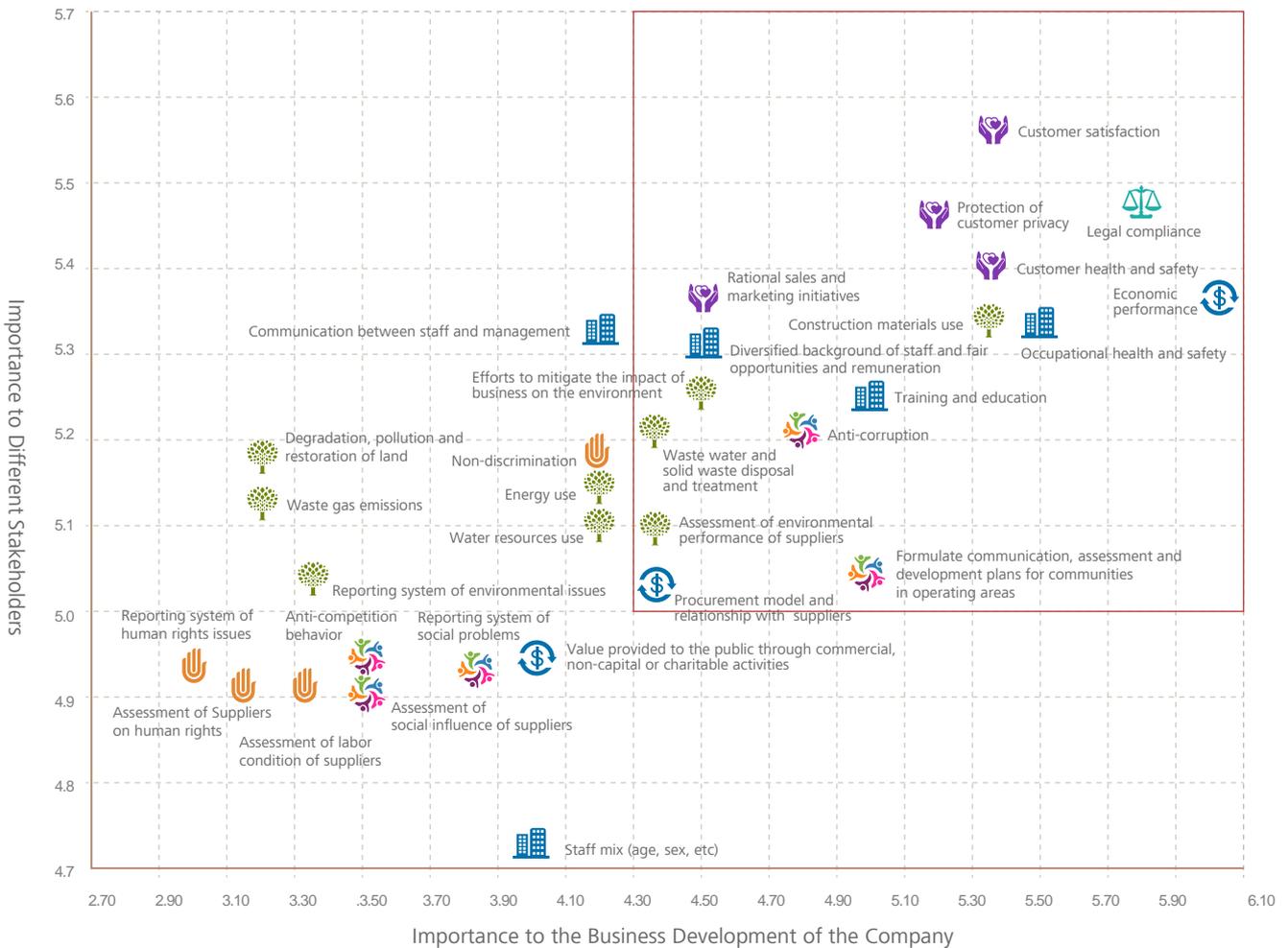
**2014.02.26**  
China Overseas Property Services Limited in Hong Kong  
was awarded the "Best Property Services Agent  
(Safety Management)" and the "Best Property Services  
for Public House"

## High Standard and Reliable Quality

# Key Topics of Corporate Social Responsibility (“CSR”)

COLI assigns high priority to the close liaison and timely communication with its different stakeholders. Starting from 2010, to stay in line with the Global Reporting Initiative (“GRI”), the Company has increased the transparency of its efforts to attain sustainability. It has carefully listened to the advice and opinions of these stakeholders including government departments, suppliers, investors, customers, the communities and staff across its different operations. Particularly noteworthy, in November and December 2014, the Company appointed an independent third party to establish communication with internal and external stakeholders through online and telephone surveys, focus groups, and workshops in order to collect their expectations about its 2014 CSR report and related communications activities, as well as advice for further improvement. Under the GRI G4 guidelines, the Company has formulated the key topics for the CSR report and a matrix diagram to more clearly outline its content.

### COLI CSR Key Topics Matrix



Economy |
 Environment |
 Workplace |
 Labor and human rights |
 Community |
 Product responsibility |
 Legal compliance

Illustration: As the matrix shows, through clear and careful communications between internal and external stakeholders of the Company and after a comprehensive assessment, the 16 topics within the framework were of great concern to the Company’s stakeholders as well as highly relevant to its businesses. Thus, these topics have become key points for discussion in this year’s report as well as reference and guidelines for the Company to implement ongoing and formulate new CSR initiatives in the future.

## Stakeholders Engagement

Stakeholders	Expectation and Requests	Methods of Communications and Feedback
 <b>Customers/ Property owners</b>	<ul style="list-style-type: none"> <li>• Information transparency</li> <li>• Integrity and fulfillment of promises</li> <li>• High-quality products</li> <li>• Attentive services and experience</li> <li>• Opinions and complaints handling</li> <li>• Privacy protection</li> </ul>	<ul style="list-style-type: none"> <li>• Information disclosure</li> <li>• Open and fair sale</li> <li>• Quality control</li> <li>• Satisfaction Survey</li> <li>• Open complaint channels</li> <li>• Confidentiality of customer information</li> </ul>
 <b>Employees</b>	<ul style="list-style-type: none"> <li>• Equal opportunity</li> <li>• Democratic management</li> <li>• Health and safety</li> <li>• Benefits</li> <li>• Career development</li> <li>• Caring for people</li> </ul>	<ul style="list-style-type: none"> <li>• Open recruitment</li> <li>• Collective decision making</li> <li>• Protection of interests</li> <li>• Implementation of labour contracts</li> <li>• Education and training</li> <li>• Benefits and caring for employees</li> </ul>
 <b>Shareholders/ Investors</b>	<ul style="list-style-type: none"> <li>• Information disclosure and transparency</li> <li>• Returns on investment</li> <li>• Protection of interests</li> <li>• Management and control of operating risks</li> </ul>	<ul style="list-style-type: none"> <li>• Timely disclosure of operating information</li> <li>• Enhancing operational efficiency</li> <li>• Maintaining good investor relations</li> </ul>
 <b>Government</b>	<ul style="list-style-type: none"> <li>• Legal compliance</li> <li>• Fulfilment of tax obligation</li> <li>• Asset value enhancement</li> <li>• Win-win cooperation</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance and legal management</li> <li>• Timely tax payment</li> <li>• Proper governance and operation</li> <li>• Responsive to government policies</li> <li>• Performance reports and public consultation</li> </ul>
 <b>Business partners and Suppliers</b>	<ul style="list-style-type: none"> <li>• Fulfilment of promises</li> <li>• Win-win cooperation</li> <li>• Sharing of resources</li> <li>• Open and fair procurement</li> <li>• Mutual development</li> </ul>	<ul style="list-style-type: none"> <li>• Sincere cooperation</li> <li>• Mutual visits by senior management</li> <li>• Regular meetings</li> <li>• Regular inspections</li> <li>• Negotiations and interaction</li> </ul>
 <b>Community</b>	<ul style="list-style-type: none"> <li>• Collaborative development</li> <li>• Boost employment</li> <li>• Public welfare and charities</li> <li>• "Go green"</li> </ul>	<ul style="list-style-type: none"> <li>• Co-building of enduring and excellent products</li> <li>• Local recruitment</li> <li>• Participation in the community development</li> <li>• Construction of affordable housing</li> <li>• Public welfare initiatives</li> </ul>
 <b>Cities</b>	<ul style="list-style-type: none"> <li>• Mutual growth</li> <li>• Participation in the urban community development</li> <li>• Enhance urban image</li> </ul>	<ul style="list-style-type: none"> <li>• Product design and development</li> <li>• Participating and driving urban development</li> </ul>
 <b>Labour</b>	<ul style="list-style-type: none"> <li>• Employment opportunities</li> <li>• Health and safety</li> <li>• Labour protection</li> </ul>	<ul style="list-style-type: none"> <li>• Protection of interests</li> <li>• Implementation of labour contracts</li> </ul>

COLI has always deeply believed that active response to the expectation and requirements of stakeholders is an integral part of its corporate operations and development. COLI's stakeholders include internal and external members or organizations which have a direct or indirect major impact on the Company's businesses.

## 3

# Corporate Governance

- Core Values
- Corporate Governance
- Investor Relations
- Internal Control and Management
- Anti-corruption Mechanism



## [ CORE VALUES ]

**Vision** Become a leading property developer, leading the industry through excellence in performance.

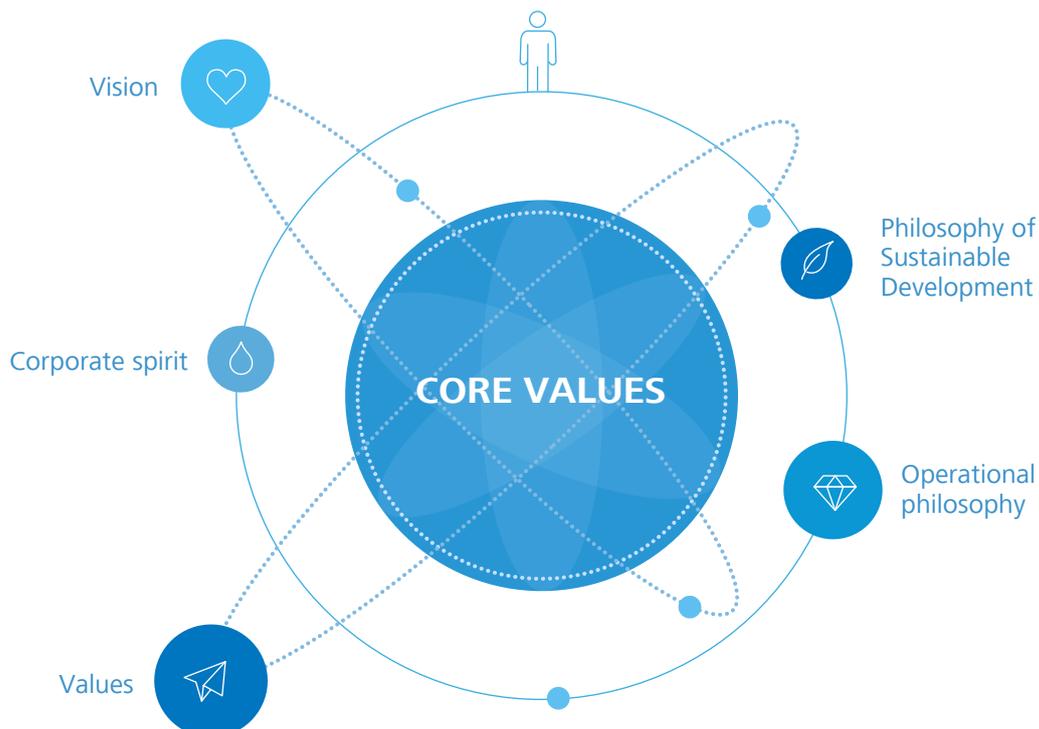
**Values** Integrity, Practicality, Innovation, Excellence. To cope with individual's needs by the long-term development of the company.

**Operational philosophy** Excellent Integrity, Eternal and Excellent Products.

**Corporate spirit** To Unite Faithfully, To Strive Arduously,  
To Progress Vigorously, To Demand Rigorously,  
and To Contribute Actively.

### Philosophy of Sustainable Development

Based on its philosophy of "exercise caution in details and implementation, build a strong foundation to seek greater success", COLI is committed to maintaining high corporate governance standard and top quality in all phases of its operations. Through precisely and carefully managing the entire industry chain from property development to operation, the Company continuously fulfills its corporate social responsibility with an aim to bring the greatest benefit to its own operations, as well as society and the environment.



# Corporate Governance

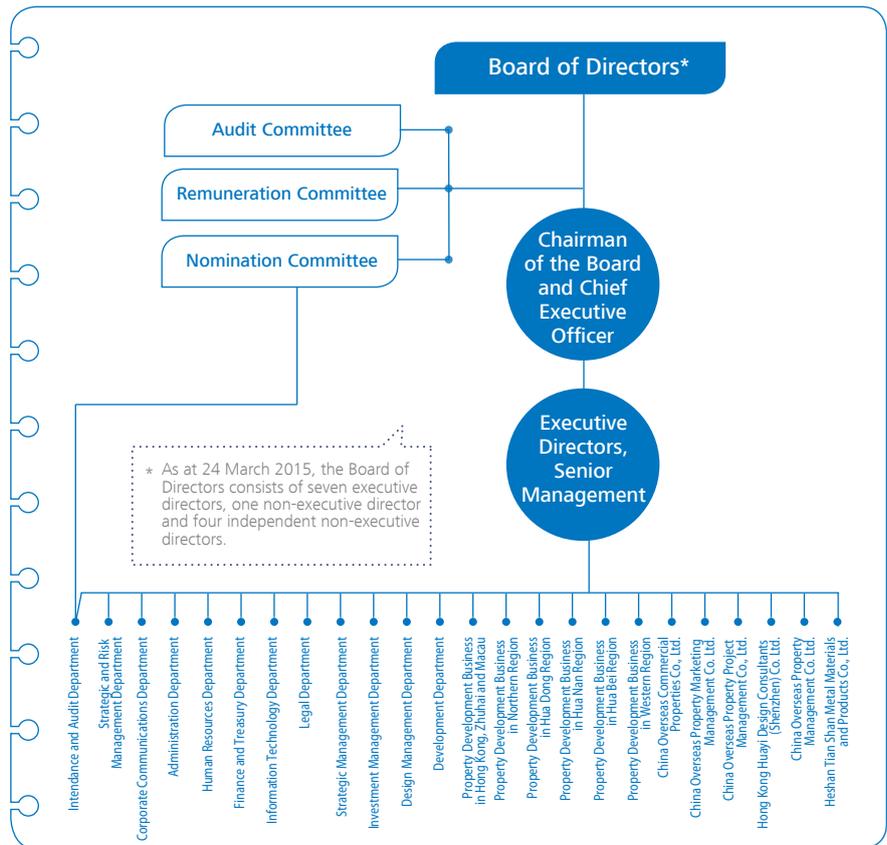


## Corporate Governance

### Governance Structure

The Board of Directors of COLI believes that its prime duty is to protect and best utilise resources in the Company and thereby to enhance the value for shareholders. A high standard of corporate governance is the key to improving corporate profit and facilitating sustainable development. COLI has actively enhanced its corporate governance standard, taking into consideration of the hopes and interests of all stakeholders while striving for the best in every aspect of its businesses and operating with highest standard of integrity and efficiency. Thus the Company has always been dedicated to pushing forward and improving corporate governance standards at three levels.

- ① Ensure COLI and its subsidiaries comply with respective laws, regulations and ethical codes.
- ② Use the corporate governance principles as guidance for the Company to enhance its competitiveness and increase stakeholders' value.
- ③ Continue to improve operational management systems and mechanisms to secure the interests of different stakeholders group.

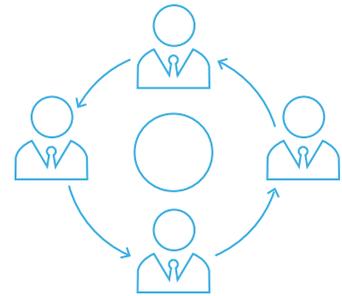


In line with the best corporate governance practice, the Company has established an Audit Committee, a Remuneration Committee and a Nomination Committee. The Board and all subordinate committees evaluate and monitor their respective effectiveness on a regular basis in accordance with their terms of reference. Over the past few years, the Company has been sustainably improving overall transparency and independence, as well as establishing effective power and responsibility mechanism, strengthening internal audit and risk management functions.

## Board of Directors

The Board is responsible for leading Company's development, establishing the Company's strategic goals, by formulating overall strategies and policies of the Company to ensure the availability of financial and other resources necessary for the Company to achieve pre-set strategic goals. The Board is also responsible for performing the Corporate Governance duties set out in the terms of reference in Code Provision (The Corporate Governance Code in Appendix 14 in Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited)D.3.1 (include the determining of the corporate governance policy of the Company) and supervising the work of the management and reviewing business performance of the Company.

During the year, the Company has four Independent Non-Executive Directors which is a sufficient number representing at least one third of the Board (including twelve directors), and one of them has appropriate professional qualifications or accounting or related financial management expertise. The Board believes that the balance between Executive and Non-Executive Directors (including Independent Non-Executive Directors) is reasonable and adequate to provide sufficient checks and balances to safeguard the interests of shareholders, other stakeholders and the Company. Besides, the board composition is well diversified to bring different concerns and questions to the table, and allow the Board to consider a wider range of options and solutions to corporate issues and establishes a good base for the sustainable development of the Company.



At the 10th Corporate Governance Asia Recognition Awards organized by Corporate Governance Asia, the Company was selected as one of "Asia's Outstanding Companies on Corporate Governance" for the third time and Mr. Hao Jian Min, Chairman of the Board and CEO of COLI, garnered the "Asian Corporate Director Recognition Award" for the first time. Previously, he was named "Asia's Best CEO" at the 4th Asian Excellence Recognition Awards.



At the Directors Of The Year Awards 2014 organized by The Hong Kong Institute of Directors, Mr. Hao Jian Min, Chairman of the Board and CEO of the Company, was named as "Listed Companies – Outstanding Executive Director."



COLI was ranked among Asia's Best Companies by FinanceAsia in the categories of Best Corporate Governance, Best Managed Company and Best Investor Relations .



## Corporate Governance

### Investor Relations



In 2014, the Company communicates and connects closely with the capital market through its Corporate Communications Department. By participating in various kinds of capital market activities and investor meetings, we ensure timely response to the requests of shareholders and investors, and collect feedback from the capital market for the management. The Company maintains its multi-dimensional platform for information distribution, highly facilitating effective communication with the capital market.

Since January 2014, the Company has been publishing announcements about monthly property sales results and new land acquisitions on the Hong Kong Stock Exchange, upholding its leading position on transparent information disclosure. During the year, the Company sought opportunities to interact with investors through proactive participation in 20 major investor meetings, as well as organizing company visits for approximately 300 guests, around 500 telephone conferences and 217 site visits to our property projects with more than 1,000 participating investors. Our analyst meetings conducted for interim and annual results have recorded a total of 400 participants and over 1,000 views by investors worldwide for live webcast and replay.

The Company always persists in fostering productive exchange and effective communication with shareholders and the investment community. We are responsive to enquiries and open to suggestions. The Company strives to boost the transparency of information, strengthen corporate governance standards and enhance our ability to deliver value to shareholders. The Company's investor relations efforts are also widely recognized by the capital market.



# Internal Control and Management

## Legal Compliance

To further optimize the mechanism of corporate governance, internal control and compliance, COLI has established the Legal Department at the beginning of 2014 to organize and manage the establishment of various management and control procedures. Areas to be covered include initial investment in land acquisition, registration and filing of industrial and commercial licenses, shareholding structure, contract, litigation, intellectual property rights, external lawyer, legal informatization, legal risk, etc, with the aim to build an all-round, systematic and standardized mechanism for the minimizing of legal risks.

During the year, the Company has formulated the "Legal Affairs Management System" and issued several sets of operational guidelines comprising "Legal Affairs Works Guidelines", "Guidelines on Contract Affairs", "Litigation Filing Guidelines", "Intellectual Property Rights Management Guidelines", etc. Objectively assessing its conditions, the Company has also compiled an "Analysis on Legal Risks of Property Sales" which summarizes the potential legal conflicts across the entire property sales process with actual cases to enhance the awareness and knowledge of potential risk exposure of frontline sales staff. Besides, the Company has organized the "Learning Laws through Case Studies" training which effectively enhanced the staff knowledge of and its compliance with business laws, regulations and rules at different companies to maintain alertness of any possible legal risks in operations and prevent transgressions of the law and regulations.



## Establishment of Procedures and Systems

After considering the management requirements and standards of modern enterprises and our "Three Key Issues and One Influential Issue" guidelines, as well as our business development needs, COLI has optimized the structure and procedures of management meetings of both the headquarters and subsidiaries. At the same time, it compiled precise and rational rules, which improved the efficiency of decision making across all companies and speeded up the response to changes in the market.

In light of the needs to optimize its management performance, the Company revised and issued several important documents on management rules during the year including "System Management Measures", "Review and Approval Management Guidelines" and "Management Authority and Coordination System on Major Procedures of Property Development". The Company also completed a comprehensive review on its current systems and procedures. To implement the new system, nearly 300 training sessions were held and attended by more than 1,460 staff. The visitation of system platforms within the Company's intranet exceeded 96%. These arrangements have effectively transmitted the management concepts throughout the Company, supported the implementation of relevant procedures and rules, and further improved overall management efficiency.



## Review of the Termination of Management of its subsidiaries

Based on the changes of general managers of subsidiaries during the year, the Company reviewed the termination of the general managers in nine subsidiaries. The Intendance and Audit Department at headquarters has evaluated the operation and management conditions during the management's term of services through on-site visits, inspections, audits, and compliance review, in order to address the outstanding problems, make suggestions for improvement, and ultimately enhance the internal control and management of subsidiaries.



## Corporate Governance

# Anti-corruption System

COLI has created and nourished a corporate culture characterized by integrity and self-discipline, with the aim to discover and address the problems and weakness in the Company's operational management procedures in a timely fashion and to prevent dereliction of duty or improper fulfillment of responsibility on the part of staff of all levels. To keep abreast of the prevailing corporate management trends, the Company has set up a dedicated department( rename "Intendance & Audit Dept." in 2014) for supervising efficiency since 2006 in order to broaden its internal and external reporting channels and enhance its internal and external supervision.

By implementing a range of measures such as education on eliminating corruption, strengthen a sound supervision system and enhancement of reporting and accountability mechanisms, continuously standardize the Company's decision-making procedure and establish a working mechanism so that staff are restricted and supervised by each other. At the same time, continue the attitude building, risk warning and awareness of anti-corruption strengthening within all the business units, so as to protect the Company's financial and management benefits.

### Public Education and Activities

To follow the spirit of the Central Government's eight-point code to bureaucracy and maintain close ties with the people, COLI has organized a number of activities closely related to its core operations, such as the promotion of "Four Winds "Campaign, and has supervised and facilitated the implementation of relevant measures in subsidiaries. Film viewing, study groups, discussions and frontline activities have been held to better understand the needs of general staff so the Company can effectively guide, improve and implement related works, promote the education against corruption and enhance the supervision of companies at all levels.

### Optimization of Regulations and Systems

According to the change in company structure and the needs in business development, the Company's Intendance and Audit Department revised different management rules and procedures such as "Tender Management Measures", "Separation of Incompatible Positions", "Practice of Persuasion and Admonition", "Supervision and Management Measures on Business Contracts" and "Supervision and Management Measures on Three Key Issues and One Influential Issue in Respective Areas" in a timely manner. During the year, the department also formulated new "Supervision and Audit Practices" to enhance the foundation of the anti-corruption system.





### Education on eliminating corruption

Nurture the awareness and conduct regular education activities

- Promote upright behavior of self-discipline among all staff under the "Staff's Code of Conduct"
- Publish and distribute "Anti-corruption Comics" materials
- Publish and distribute "Anti-corruption and Efficiency" materials
- Publish and distribute illustrated literature on enterprise risk prevention
- Send anti-corruption text messages through mobile phones
- Include anti-corruption content in corporate culture

### System restrictions

Set up rules to ensure a sound system and procedure

- Supervise the strict implementation of "Three Key Issues and One Influential Issue" guideline
- Establish Risk Prevention Strategies
- Implement Separation Management Mechanism of Interest-conflict Positions
- Establish and implement Policies on Conversation with Integrity and Efficiency
- Establish and implement Grievance Mechanism
- Establish and implement rules and regulations in relation to assessment and enforcement of an accountability system for upholding personal and business integrity
- Issue tender management open letter: include a written document to remind participants that company staff are prohibited from accepting gifts or other benefits, as well as providing complaint and reporting channels.
- An official probity agreement should be signed together with the contract to prevent any and all kinds of improper conduct and to safeguard the interests of all parties
- Management to sign an official integrity agreement document
- Establish records for all management staff in relations to corruption issues

### Reporting and investigation

Enhance supervision and monitoring

- Push through regular supervision aimed at efficiency
- Conduct supervision and investigation on specific cases
- Promote anti-corruption and self-discipline through related publications
- Staff Satisfaction Survey covers investigation of the satisfaction towards the extent of management integrity
- Business Partner Satisfaction Survey
- Publicly announce the telephone hotline and e-mail address for complaints, and accept complaints reported by different parties

### Enhance accountability

Ensure strict implementation of accountability system

- Implement provisional regulations on accountability procedures
- "Management Procedure for Qualifications of Top Management Members of Regional Companies", "Management Procedure for Qualifications of Middle Management Members of Regional Companies" etc, clearly state the veto power of serious responsibility of integrity and self-discipline.
- The assessment system of all managerial levels clearly states the responsibility of integrity and self-discipline.

## 4

## Each and Every Detail

- Each and Every Detail of Each and Every Project
- Continuous Innovative Planning and Design
- Professional and Excellent Project Construction
- Focused and Detailed-oriented Sales and Marketing Efforts
- Exciting and Diversified Interaction with Customers
- Customer-first Property Services



## Each and Every Detail

COLI has consistently adhered to its quality product strategy which has aimed to provide expertly designed and well-constructed projects to satisfy the demand of the market and customers. The distinctive excellence and sophistication of its management make the Company stand out from its peers, aided in no small measure by a comprehensive customer services network throughout the entire process as well as professional and individualized service. All of these features have helped the Company to gain the long-term loyalty of customers.

COLI's pursuit of high quality is clearly guided by its project development philosophy of "Each and every detail of each and every project." Leveraging its abundant experience in construction and through the outstanding management and control over the entire property construction process, the Company became famous in Hong Kong more than 30 years ago through "innovative design, quality materials, outstanding quality, reasonable price and comprehensive management." Over more than 30 years, the Company has pursued constant innovation in planning and design of its projects. It has launched its fifth generation of premium residences, maintaining its role at the forefront of industry development. Through the historical ups and downs of the property market, and throughout the more than 10 million square meters of projects that COLI has completed every year, the Company has steadfastly implemented strict quality control. This careful attention spans from planning and design to construction and service, from refined renovation to attentive arrangement both before and after project delivery, from customer service and professional property management to building a quality community for its customers. COLI's employees aim to manage the company by customer-oriented approach and through its concerted effort the Company has built a strong brand, brought COLI to different regions and steadily boosted its scale of business.

## Continuous Innovative Planning and Design

### Construction Design

Contributing to its consistent success throughout its long history of project development, COLI has been guided by an international vision influenced by a significant component of urban management and planning. The Company maintains three management levels encompassing planning, design and execution. An added advantage of the Company is that it can fully integrate the resources of domestic and overseas outstanding design units, enabling it to provide an in-depth analysis of plot ratio of land parcel and characteristics to calculate the value of project mix so as to maximize its profitability and the benefits to the community at the same time.

Customer demand and satisfaction are the Company's top priority from the planning and design stage, with the aim to create an innovative design, achieve scientific management and pay careful attention to details. COLI's planning has gradually shifted its focus to pure high-rise residential projects, pure villa projects, and high-rise + townhouse / commercial street projects. To meet the expectations of its customers for a better lifestyle, the Company's projects have adopted a range of styles such as Art Deco, new classics, French, British and modern Chinese styles. To reflect the grandeur of classic design, the Company has carefully considered the profile and proportion to create a node plan and a detailed drawing. The design and layout of property is highly practical and superior materials are also used. This painstaking attention to quality and customer satisfaction has helped us to gain a wide recognition and strong reputation in the market as the Company has also gradually evolved its own distinctive design style.

### Planning Design Gold Award for National Classic Habitation on Planning and Architectural Design by Architectural Society of China (2014)

- The Kingstone, Beijing
- Eighth Mansion, Suzhou
- La Cite, Foshan
- Glorious Park, Foshan
- Eighth Academy, Kunming



The Kingstone, Beijing



Eighth Mansion, Suzhou



La Cite, Foshan



Eighth Academy, Kunming

## Each and Every Detail

### Innovative residential properties

China Overseas Property combines years of planning and design experience with the result of analysis of localized products. All products have been examined by several departments from the design stage, and in-depth assessments have been conducted to review the comfort, practicality and safety of these products. Consumer requirements for different products have been carefully evaluated so the Company can upgrade and provide the ideally designed projects and services to accommodate their needs. COLI is committed to continuous innovation. Products are customized to meet local needs. Low carbon emission features and energy-saving designs have been adopted, for example, in how building plans affect sunshine and ventilation. The Company considers these factors to maximize the energy efficiency of every building. To see examples of its innovative green building design and application of technology, please refer to the "Environmental Roadmap" section.

#### Residence Nine in Shenzhen

The Company has added new personalized features to its famous "High Rise + Townhouse" series of projects which significantly increased the product premium and popularity of the project. In just 12 months, the project has become the best seller in Shenzhen in 2014.



#### Elite Villa in Xi'an

The first "Western and Chinese Hybrid" project featuring Han and Tang Dynasty styles. Although the property transaction price continued to drop in Xi'an, 80% of the units have been sold and the sales amount of this project accounted for one-third of total villas with a selling price exceeding ten millions dollars in Xi'an during 2014, reflecting the strong brand of COLI.



#### International Community in Ningbo

With an innovative corridor design, the 89 square meter units which comprise a living room and two bedrooms could all face south. The project has large gardens and good schools nearby, making it a popular pick among customers.



■ 89 Square Meter Units

## Innovate together with suppliers



### Case study: Standardization of planning and design

In 2014, COLI conducted an extensive exchange and communication with more than 30 design companies to review every facet of the entire planning and design process, define the common features of different types of products, formulate design standards and models, and publish a series of standards from the analysis including a “Standardized Duties Book”, a “Standardized Sales Center”, a “Standard Handbook for Interior Designers”, a “Standard Handbook for Landscape Designers”, etc. This exercise has helped to convey its professional concepts about standardization, scalable development and workflow of property development across the entire design industry through use of advanced products, and by improving the traditional operating model of a “small workshop” to strengthen productivity, eliminate duplicate manpower, speed up design and construction, conserve construction materials and create economic and social value.

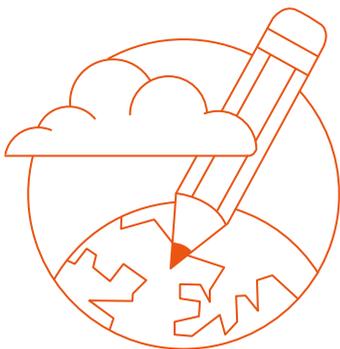


### Case study: Standardization of elevators

In 2014, China Overseas Property conducted a study on the standardization of elevators with Mitsubishi Electric and Kone Elevator. A set of implementation standards were set up to shorten the lead time of elevator suppliers, improve product quality and reduce energy consumption.

In the property industry, the design and model selection of elevators are basically executed by the design department or architect who chooses the appropriate model, functions, configuration and decoration based on the specification of the project. As a result there are many models and varieties (over hundreds) of products which present difficulties to suppliers to speed up production for large orders and create challenges for on-site installation and maintenance. With in-depth studies on the elevator market, production technology and application, as well as extensive communication and coordination with suppliers, the Company has issued design and construction standards including a “Standard Design Proposal for Elevators for Residential/ Commercial Properties”, “Guidance on Elevator Handover Procedures”, and achievements obtained for main contractor management and coordination on design standards and construction standards which have been implemented in the Company. The standardization of elevator products has improved the efficiency of suppliers, reduced production waste and lowered engineering cost, thus saving resources and addressing the difficulties in product design, operation and maintenance that suppliers typically face.

## Each and Every Detail



## Professional and Excellent Project Construction

In 2014, COLI has established a construction management company to manage the engineering and contracting of project development, with the aim to push forward systematization, standardization and professionalism of construction, hence realizing its goal of delivering premium products. To do so, it can keep the product quality live up to the expectation of property owners, and ultimately to achieve "building excellent properties".

### Construction planning

Construction planning is a unique operating mode in its project management. It requires frontline construction management staff to "formulate plans before starting the project and make plans about implementation in advance". Construction planning does not merely cover simulated construction, it also requires thorough consideration of the layout, workflow and transportation and logistics arrangements of the project. Staff need to consider how to adopt the plan into a contract, and to make sure the plan and content is executed, thus implementing comprehensive and professional control and management over the works and increasing the extent of the overall management of the project.

### Use of construction materials

COLI strictly executes its strategy for procuring quality construction materials in all projects under construction, in order to ensure that large orders can secure quality materials and efficiently utilize resources, thus promoting the technological development of construction materials companies. In 2014, the Company optimized the categorization of the central procurement system and set up construction materials procurement guidelines. A set of standards for ceramic tiles, kitchen and bathroom fixtures, doors, windows and hardware, electromechanical equipment, electrical equipment, and water and heating systems were also issued. It also compiled and shared a list of qualified suppliers within the Company while updating the list of unqualified suppliers.

- The construction management company has set up a specialized technology management department which closely monitors industry and market trends, in order to summarize and promote widely accepted new technologies, materials and equipment to avoid a recurrence of quality problems and ensure the works proceed on schedule, within budget and are safe.
- The Company closely monitors, manages and controls procurement sourcing, production processes, technology, delivery, storage and cost of suppliers. All materials must undergo environmental inspections. Through a daily rating system, grades are included in the annual appraisal of suppliers so as to encourage suppliers to maintain low carbon production and green operations.



### Case Study: Show flats use environmentally-friendly materials

Depending on actual project situation, the walls of the show flat use bio emulsion paint which has many color choices, making it easy to decorate or repaint or clean. This paint can retard mould growth inside the wall and create a colorful home. Besides, the decorative painting, sanitary fixtures, household products (such as furniture, bed and electrical appliances) of the show flat are displayed through illustration to reduce energy consumption.



### Case Study: Railings made of innovative environmentally-friendly materials

In 2014, China Overseas Property worked with railing material suppliers to conduct a study and comparison on railing materials, achieving a breakthrough in product use. With the prerequisites of maintaining good material quality and cost control, an alloy coating is formed from the reaction of the molten metal with the iron substrate through utilizing innovative hot-dip galvanizing technology (HDG). As the base metal is tightly bonded with the coating, the coating can wrap around the railings with a uniform thickness, offering better durability, corrosion resistance and appearance.

Compared with ordinary iron railings, HDG railings offer superior protection through a layer of zinc, so the corrosion rate due to exposure to air is just one-seventeenth of ordinary steel railings. With a higher corrosion resistance, the product can reduce the environmental pollution from corrosion or rusting of railings. Besides, because the material is harder than steel, HDG railings also perform better against any impact or abrasion for better longevity using less material in production while also delivering lower maintenance cost. As a smaller volume of steel is used, production is more environmentally friendly. This innovation is a combination of technology and material, offering comprehensive benefits in terms of cost control and environmental protection.



## Construction Safety

The Company has established and clarified the accountability of safety management and has put into place rules for safety checks, special requirements for fire and theft prevention, identified major hazards at projects, implemented contingency measures for project safety and formulated contingency plans for safe production. For projects with greater hazards such as deep foundation pits, high and large formworks and operations at heights 30m and above, it has formulated construction safety plans for specific items, which have been tested and verified by experts. These aimed to ensure safe production of all the development projects and minimize impact of the construction projects on the safety and environment of the surrounding communities.

- In 2014, the construction management company conducted 44 inspections within the regional companies and issued alerts against hidden safety risks and commissioned improvement works to be done. Seven projects, namely Beijing Old City project, One Lagoon in Suzhou, Changsha International Community, Shenzhen Museum of Contemporary Art and Urban Planning Exhibition Hall, The Piedmont in Guangzhou and Blossom Cove in Guangzhou, have attained the Safe and Civilized Construction Site and Quality Works certificates.



## Each and Every Detail

### Quality and safety management

COLI has placed quality as its first priority, so improving quality has always been a key guideline in project management. The Company has issued a management document “Further Measures for Improving Quality Management” in 2014. A quality management committee was set up, which is responsible for the quality management of all the projects. Quality and safety management positions were also set up in different offices. In order to enhance the satisfaction of property owners and make quality management a core feature of its daily operations, the Company aims to promote related works by expanding the coverage and bolstering quality control performance.

#### ● Goal

Execute the contract, implement strict quality control procedures, conduct on-site measurement and achieve better control on quality, in order to deliver premium products to every customer.

#### ● Specific measures

- ① To establish a five-layered assessment and management system that covers contractors, supervision departments, project departments, local construction management companies, and headquarters of the construction management company in order to motivate all staff to impose comprehensive quality and safety control measures across the entire process.
- ② To establish a “Quality Management Committee” to manage the strategy and implement specific measures and organize and coordinate the entire process, so that staff at all levels pay careful attention to quality and safety from the beginning to completion and delivery.
- ③ To assign staff to be responsible for quality management and comply with the headquarters’ standards. The local construction management officer has primary responsibility for quality control.
- ④ To further enhance inspection procedures incorporating details and making improvements based on actual execution results.
- ⑤ To conduct in-depth quality and safety trainings and organize a “Safe Construction Month” campaign, enabling the staff to inspect and discover and solve problems by themselves and strengthen the awareness of quality and safety of project management staff, ensuring every staff pays careful attention to quality.



### On-site measurement

COLI has appointed third parties to conduct on-site measurement in recent years. The move has improved the overall quality of properties and the Company has received fewer complaints after delivery. Therefore, the Company is to retain this practice, and continues to optimize the inspection content in order to set up quality control standards step by step.

- ① **Points to note** – The three principal elements to uphold construction quality are structure, water-proofing and materials. The headquarters of the construction management company has issued a “Quality and Safety Assessment and Operation Handbook” which has been continuously revised and optimized. Local companies have compiled on-site measurement rules based on their projects.
- ② **Inspection content** – Different on-site measurements have been conducted during the construction of the main structure, brickwork and painting stages with the aim to precisely measure the dimensions, inspect the techniques employed and check for hidden leaks, thus eliminating defects and preventing the discrepancies and shortcomings in advance.
- ③ **Cyclical arrangements** – Contractors conduct all inspections in different construction stages. Engineering and supervision departments conduct weekly checks, local construction management companies conduct monthly inspections, and headquarters of the construction management company arrange quarterly examinations which are conducted by independent third parties. Assessment reports are subsequently issued to provide guidelines for further improvement.



## On-site management

The Company has applied lessons learned from experience in environmental practices at its construction sites in Hong Kong to set up green building standards and maintain safe and well-managed construction sites.

- ① **Prevent airborne dust** – Appropriate land hardening treatment; dust covers installed on mixers; trucks transporting loose materials must be properly covered; maintaining a clean construction site and not bringing the dust and mud outside of the site.
- ② **Noise suppression** – Install temporary noise barriers and strictly follow operation hours; install noise prevention or suppression parts on mixers, air compressors and wood tools that generate loud noise.
- ③ **Waste water treatment** – Build waste water collection pipes and pools to collect household and construction waste water and, ensure that industrial waste water is properly discharged into municipal waste water piping system according to the regulations. Appoint specific professionals to be responsible for waste water treatment and cleaning. Keep careful records and implement standardized management.
- ④ **Disposal of solid waste** – Solid waste produced from construction will be collected and disposed according to the city management rules. Hazardous waste will be disposed of by qualified units according to laws and regulations.



## Protection of labor rights

In 2014, the Company has more than 10 million square meters under construction, which creates nearly one hundred thousand jobs for workers. As such, the Company has enhanced the management of employment practices of suppliers, in order to protect the rights of these workers.

- ① To build a reliability system of contractors, under which tender participants will be evaluated for credibility.
- ② Prevention is the first priority realized by building a comprehensive labor management system, under which all business partners are required to sign employment contracts with workers to clearly define the rights and obligations of each party. It has also compiled tables for construction costs and workers' salaries and conducted regular checks.
- ③ It has implemented a daily duty and supervision system with the complaint hotline displayed at the construction site. Contractors must protect the rights of workers.
- ④ It holds talks about laws and regulations for workers occasionally to enhance their awareness of their own rights.



## Each and Every Detail

### Property examination

To maintain good quality at each and every project and promptly solve the problems related to quality, one to three months before the delivery of its products, the Company sets up a project construction management department, a customer service department dedicated to after-sale service and a third-party property inspection company for cross-checking before delivery. Its customer service department also collects suggestions and opinions before and after delivery and directs this feedback to its planning, design and construction departments, so its comprehensive quality control and supervision system covers the entire process, and through informatization and professional innovation, it can continue to deliver premium products up to customers' satisfaction.

- Complaints via iPad: All properties undergo internal inspection before delivery. The units are checked from the perspective of its customers and all problems are recorded in its "CRM system". All indoor and public areas are checked and problems are promptly fixed.
- In 2014, regional companies appointed third party property inspection companies to conduct property checks. This measure is intended to learn from professional management experience in the market and enhance the professionalism of property inspection.
- Local customer service departments are conducting surveys on products and service quality. Problems are to be reported to the Company and follow-up actions are to be undertaken to optimize its products and services.
- The "Property Maintenance Centre" will be set up a month before the delivery to fix the problems found in internal checks or reported by property owners after the delivery, receive and handle the complaints about construction quality, manage after-sale and maintenance services of contractors, inspect public areas, transfer property management, etc.



### Open Day at the construction site

To express its care and concern to property owners, Open Day of the construction site are held at the appropriate time in the construction progress. Property owners are invited to the site and pictures are used to illustrate the process from vacant land to topping out. Its staff also leads property owners to visit the site, to gain a better understanding about its property quality standards and details.



## Focused and Detailed-oriented Sales and Marketing Efforts

The customer is the foundation and motivation for the Company's sustainable development and the stimulus for its product innovations. COLI insists on providing customer services throughout the entire process from positioning, planning, construction, sales, flat in-take to post stage property services, and includes the customer satisfaction levels for all regional companies into the Company's performance appraisal. This exercise enables the Company to be involved in all business processes of property development operations from the customers' perspective and assigns the benefits of customers as first priority, thus driving the improvement of its products and services.

### Management of Sales and Marketing

COLI has strictly managed the legal and regulatory compliance of the promotional materials during the sales stage of its projects with the aim to enhance transparency in sale and purchase of its properties. In Hong Kong, the marketing and promotional materials related to all of the Company's projects for sale have strictly complied with requirements of the Residential Properties (First-hand Sales) Ordinance. In Mainland China, the Company has followed regulatory requirements of local governments in relation to the sale and purchase of commercial properties by displaying the related documents at all property sales offices and disclosing them to the public. Actions here include displaying sales licenses and supporting documents, notices about unfavorable factors within and beyond the regulatory requirements, risk notices such as sand table models, sample rooms, etc. These actions have been taken in order to prevent potential customer complaints caused by discrepancies between on-site product displays at the sales venue and the final delivery standard of the products. The Company has continued to upgrade its project sales staff in all regions with the training on presentation of project information and potential sales risks. It has also devised a series of standardized procedures from reception of customers during project sales through to signing a contract, and set up a hotline for directing complaints to the project sales manager in order to improve management of sales and marketing.



### Protection of Customer Privacy

To further strengthen the privacy and protection of customer information, the Company has issued a "Notice on Enhancing Management of Customer Information" in 2014. A range of measures were announced, including print and electronic records of customer information to be managed by the staff in designated positions, processed within dedicated computers and under special management on a regular basis. The Company has strived to enhance the safety and security of customer information by delegating the responsibility to designated personnel to avoid or minimize the legal risks due to leakage of customers' personal information and has stressed the importance of customer information management so as to better safeguard customer privacy.



## Each and Every Detail

# Exciting and Diversified Interaction with Customers

The "China Overseas Property Club", an association promoting interaction among property owners at COLI's projects, was established in 2004. Its vision is "Wonderful Livelihood, Remarkable Life." As at the end of 2014, the China Overseas Property Club had branches in more than 30 cities with more than 300,000 members and nearly 500 business alliances.

### Major purpose of China Overseas Property Club

①

To enhance and promote the liaison of COLI, customers (principally property owners) and the community, and share the latest updates of China Overseas Property's operations and services;

②

To enrich living experience through organising a range of social, charity, leisure and entertainment and sports activities

③

To expand the business alliance network of China Overseas Property Club and provide value-added services such as special offers and group purchases for property owners

④

To improve and optimise the products and services of China Overseas Property through collecting feedback from customers

### Lohas Sports Season

As a national branding activity of China Overseas Property Club, Lohas Sports Season aims to encourage everybody in the country to participate in the activity and to exercise. The wide range of sports activities include major ball games such as football and basketball; other team competitions and fun-filled sports activities such as family orienteering.



### China Overseas Happiness Talent Show

Co-organized by China Overseas Property, China Overseas Property Management and China Overseas Property Club, the "China Overseas Happiness Talent Show" has been held for several consecutive years and has become a platform exclusively for the property owners of China Overseas communities to demonstrate their artistic talents. It has attracted the broad participation of the property owners from different communities and across a range of age groups. After rounds of selection through initial screening, semi-final and final championship matches as well as performance at the talent show, the communications between the Company and the property owners have been broadened and the cultural life of the China Overseas communities has also been greatly enriched.



## China Overseas Old Time Event

In consideration of the customers' needs, the Company has organized the first-ever branding community activity – “China Overseas Old Times Event” during September and November 2014. With the theme of “Good Old Times”, the activity mainly featured classical fun-filled games and traditional food for participants. More than 70 similar events have been held across more than 10 cities of the country enjoying an overwhelming response. More than 60,000 people from all communities of China Overseas participated as the events generated extensive media coverage.



## Charity Activities

During 2014, more than 300 activities featuring different charity themes have been held by all communities. The activities included tree-planting festivals, Earth Hour, No Smoking Day, Waste Separation Education, Car Free Day, etc. More than 200 projects were covered with more than 50,000 property owners and residents participating.



## Each and Every Detail

# Customer-first Property Services

All of the projects developed by COLI are under the management of the Company's property service brand – COPM. As a pioneer of the modern property management business in China, COPM has been fulfilling its pledge of "Providing superior support and services to all properties" by continuously launching innovations in safety management of residential communities, environmental management, engineering and maintenance management, community culture management and business service management. At the same time, it is actively enhancing its operational quality so as to provide high quality services to property owners and residents.

As at the end of 2014, COPM provided management services to a total area exceeding 50 million square meters, had nearly 300 projects (including all regional sales offices) under management and provided professional property services for the property owners of more than 300,000 residential units.

### Health and Safety of Customers

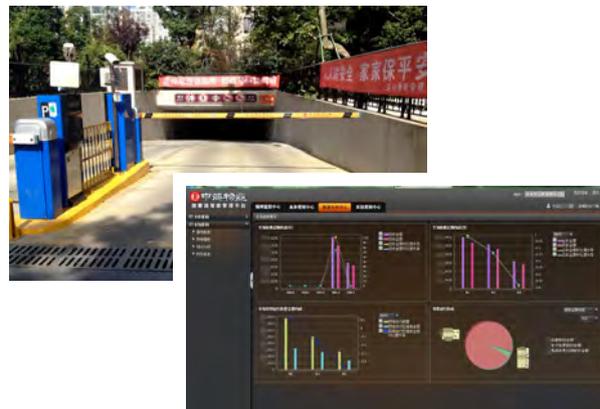
All property management offices have been assigned with dedicated safety and security supervisory staff responsible for monitoring and managing the health and safety of residential communities. Regular training on security and cleaning are provided to relevant staff and safety training and fire drills are organized for property owners and tenants. Moreover, the property service company has enhanced its management on the environment quality of the public area in residential communities as well as the indoor environment quality of commercial projects in order to provide healthy and safe living areas for customers, property owners and tenants.



### Promoting a Smart Community

#### [ IT based national car parking system ]

To extend the standardization and uniformity of the car parking business operation of all project under management, improve car parking management service, maintain operating income and minimize financial management risks, COPM has pushed forward the development of an IT-based control platform and upgrading of ancillary hardware for car parking. As at the end of 2014, COPM has completed the connection of IT-based car parking network systems for 62 projects. On-site evaluation for 214 projects prior to transformation and upgrade were already completed and the works of these projects are scheduled to commence in 2015.



### [ Smart Visitor Management ]

Leveraging many years of its management experience of COPM, the Company's self-developed visitor management software features visitor management, access control response and mobile APP functions. This functionality enables the Company to provide a wide range of convenient management services including customers' visitor appointments for entry and exit to the residential communities, a reminder to customers about overdue payments during entry and exit to the residential communities and authorized management for the entrance of workers. In August 2014, the handheld enquiry device installed with the visitor management system was awarded a national patent certificate after assessment by the Copyright Protection Center of China.



### [ Happy Residence in China Overseas APP ]

China Overseas' cloud service for its management module "Happy Residence in China Overseas" APP has gone live. With a focus on managing the communities, this property service application has carried out a pilot implementation in more than 10 projects and is expected to accelerate the development of a smart community. The APP features a wide range of convenient functions. Highlights include an information-related service such as notice and community activity alerts; basic property services such as enquiry and payment for property charges, filing complaints, reporting damage or malfunctions and requesting needed repairs; communicating preferential offers provided by the merchants in surrounding areas; and special services such as prior appointments for visitors, or enquiries for public assets in the community.



### [ On-site quality control management ]

The Company believes that the enhancement of on-site services of frontline property staff is the core of its property management service. To ensure stable service quality, COPM has officially launched the "Online Video Surveillance System" ("OVS System") in July 2014. By integrating the computer back-office system and mobile front-end operation, the OVS System delivers mobile office functions for the daily services of housekeepers and maintenance workers such as "task notification, on-site inspection, follow-up on rectification and improvement". As a result, the efficiency of detecting and solving problems during the housekeepers' daily routines is enhanced and the timeliness of rectification and improvement works among professional business lines can also be effectively monitored. Therefore, remote surveillance on routine management works can be realized.



### Energy-Saving LED Lighting Upgrading Project

In view of apparent energy-saving effect and long product life of LED lighting, COPM has implemented an energy-saving LED lighting upgrading project in the properties under its management. As at the end of 2014, it has completed 84 projects. After upgrading to energy-saving lighting, approximately 10,650,000 kWh of electricity can be saved per year, equivalent to saving about 4,262 tonnes of standard coal and reduction of carbon dioxide emissions by 10,625 tonnes per year.



## Each and Every Detail

### Waste Separation Education in the Communities

To realize an environmentally-friendly living concept in the communities, apart from allocating waste separation bins and used battery collection boxes to all of its projects, the Company has actively cooperated with local governments, related authorities and organizations to act as a demonstration unit for waste separation at specified times and locations, and also introduced professional companies to centralize the collection of empty bottles and packing of cleansing and agricultural chemicals after use to eliminate such hazardous pollution sources. In 2014, various projects under the Company's management have been designated as an "Advanced Demonstration Community for Waste Reduction and Separation" and a "Pilot Demonstration Community for Waste Separation" in Beijing, Shanghai, Guangzhou and Shenzhen.



### Customer Satisfaction Survey

In 2014, COLI continued to engage a third party research organization to conduct surveys on product and service satisfaction with its randomly-selected owners who purchased property during the sales stage or moved into the properties at different periods across China. The survey also focused on the sale, design and quality of the products of the developers, and also collected opinions and suggestions from customers on the daily services of the property management company for continuous improvement in customer service and property management quality of the Company.

Besides, it has listened to customers' opinions expressed through telephone hotlines, written documents, property owner forums and social media. It has quickly responded to customers' needs, with an aim to improve its customer services.



### Co-building of Eternal and Excellent Products

Guided by the vision of "steady progress lays a solid foundation for sustainable development" and its objective "care for customers", the Company's property development division and property companies joined hands to initiate an activity "Co-Building an Exemplary Model of a Top Property Projects" in 2011. Selected projects having been already occupied for two or more years were upgraded in order to optimise the facilities and improve property service, with an aim to enhance the living environment and experience. All expenses incurred in the projects of "Co-building of Eternal and Excellent Products" have been subsidised by the Company proactively. It is a significant investment to reward property owners continuously and to preserve and add value to the communities. The Company is a pioneer in the industry in providing such innovative service to better serve property owners. To date, the Company has invested capital exceeding RMB90 million and completed more than 2,000 upgrade and transformation works in more than 60 projects across China.

In early 2014, the first batch of 13 "COPM Demonstration Projects" in China has been selected as outstanding cases in respect of "repairing defects and damage, upgrading of property services as well as value retention and enhancement of the communities" during the process of "co-building of eternal and excellent products". The procedure involved the self-inspection of property management company, the double inspection of property developers and assessment of external experts. The "COPM Demonstration Projects" have gained high praise and wide recognition in industry and society, underscoring the Company's efforts to fulfill the social responsibility of "building excellent properties".

### [ List of COPM's Sample Projects ]

Top View, Guangzhou	One Honey Lake, Shenzhen	Park Royal, Guangzhou	Star Crest East, Foshan	One City South, Chengdu
Champion Court, Beijing	Windsor Pavilion, Beijing	Dragon Manor, Ji'nan	Royal Court, Changchun	International Community, Chongqing
Star Plaza, Nanjing	International Community, Shenyang		Noble House, Suzhou	

### [ Case Study Sharing: Management Achievement of Sample Projects ]

To demonstrate sample projects as exemplary models, COPM has published "A Collection of Management Achievement of the First Batch of Sample Projects for Demonstration and Promotion". The publication summarized the management highlights and work achievement during the process of "co-building of eternal and excellent products" and encouraged every employee to learn from those past experiences and adapt to the local conditions, thus achieving continuous improvement in the service quality provided at the properties.



#### ● Case Study: Visitor Management System

A smart management system for external renovation workers was installed at the south and north entrances of the No.1 Honey Lake project in Shenzhen. The system has replaced a paper pass previously required. The external renovation workers can be identified after putting their identity card into the system. A real-time cross-check of the information of the visitor with the database can be made through access to the Public Security System over the internet. When an unauthorized person is found, the system will automatically alert the police. As a result, not only the management of external visitors, but also the safety of the residential communities is enhanced while potential hidden safety issues in the surrounding areas are reduced or eliminated.



#### ● Case Study: Smart Car Parking Management System

Housing residents for more than 10 years, The Arch in Beijing has introduced a smart car parking management system and Bluetooth card reading technology, on top of the existing safety and protection system, to improve management of the vehicles and the safety of entrance and departure of the vehicles. At the same time, a total of 177 new video surveillance devices have been installed at the small communities to provide around-the-clock surveillance without blind spots to assure personal safety and premises protection of the property owners.



## 5

## People-oriented sustainability

- Philosophy and Overview of Human Resources
- Staff Nurturing and Development
- Occupational Health and Safety
- Communications between Staff and Management
- Staff Association
- Anti-corruption Education to Staff



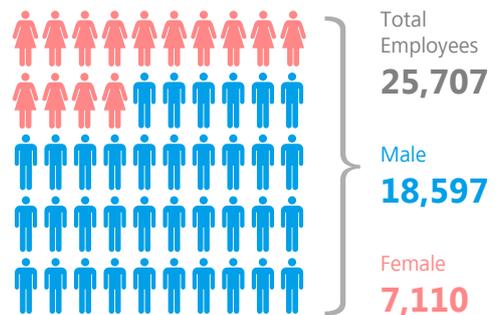
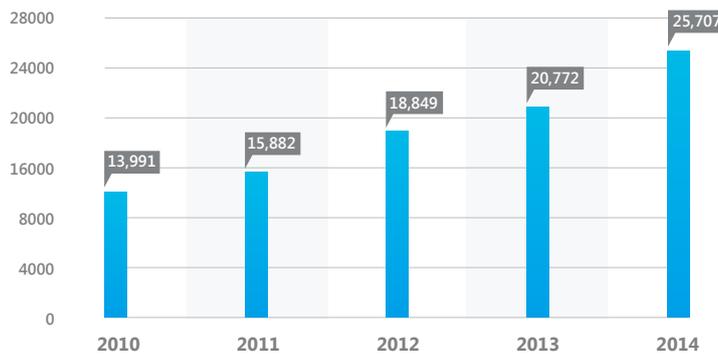
## Philosophy and Overview of Human Resources

COLI has maintained its strategic focus on human resources management. Through creating and maintaining two human resources approaches – “Sons of the Sea” and “Sea’s Recruits”, the Company has continued implementing its human resources strategy by “providing internal training and promotion opportunities” for key positions, establishing its position as a “Whampoa Military Academy” in human resources for cultivating industry talent.

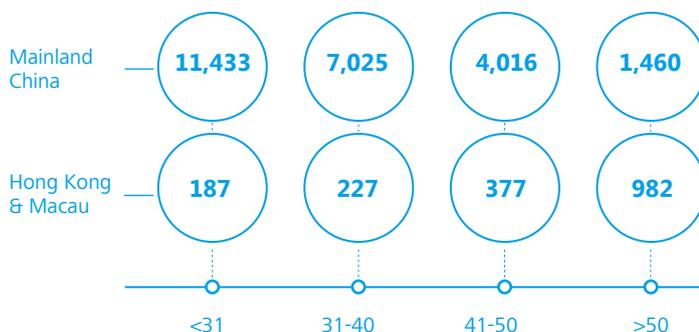
Building on the foundation of solid human resource infrastructure and talent pool management, the Company adhered to the sound system and culture already in place, while seeking to achieve a balanced development of staff, guiding employees to incorporate their personal goals into the long-term corporate development objectives, resulting in a simple, transparent, positive and promotional working environment. The Company has also continued to optimize its appraisal, remuneration and welfare procedures, improve the office environment and organize different recreational activities to boost staff satisfaction and nurture their sense of belonging.

Its outstanding performance in talent development and corporate governance has garnered for the Company the honors of “Best Employer in China” and “The Most Respected Company” for several consecutive years.

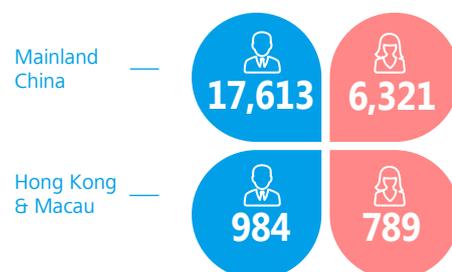
### No. of Employees



### Workforce by gender and region



### Workforce by age and region



## People-oriented sustainability

# Staff Nurturing and Development

Over the years, COLI has set up a cultivation system and procedures to develop its talent highlighted by a number of distinctive features. The Company has implemented fair staff deployment procedures to create a positive working atmosphere and also placed great emphasis on the continuous improvement of staff professionalism and management of their career path. It has also provided a comprehensive mechanism to protect and resources to support its staff and understand the Company's strategies, adapt to the corporate culture, enrich their professional knowledge and strengthen their management capability. In 2014, the Company has designed the "Management Method for Subsidizing Staff to Receive Degree Education" to enrich staff training and development and facilitate core staff to update their knowledge and enhance their professionalism to fulfill job requirements. Through this mechanism, the Company encourages and subsidizes its staff to attain degree education while working in their positions so as to provide opportunities and scope to its staff for sustainable development.

Under the current operating environment and stage of development, the Company is pursuing improvement in its organizational management and manpower allocation management systems. It is focusing on optimizing its management model and system, enhancing its platform for talent recruitment, deployment, development and retention, and maintaining its competitive edge including human capital efficiency and integrated human resources effectiveness in order to realize its strategic goals.



**Sons of the Sea:** Collectively refers to staff that COLI has recruited directly from universities. The Company has registered this trademark, utilising it to represent its corporate image to recruit staff among freshly graduated students, as well as its commitment to recruit and cultivate their professionalism, thereby enabling them to give full rein to their talents. Ever since the Company launched its "Sons of the Sea" branded recruitment scheme in 2001, the staff recruited from university campuses every year has expanded from a trickle of people to several hundred during recent years. The "Sons of the Sea" scheme has generated strong interest among the universities and society at large and has had far-reaching implications due to its branding, large scale of recruitment, systematic development and institutionalized management.



**Sea's Recruits:** Collectively refers to the experienced staff that COLI has recruited directly from society and is an important constituent of the Company's human resources team. "Sea's Recruits" programme has become a distinctive symbol of COLI to attract the highly-qualified talents in the society as well as its recruitment platform open to experienced professionals.

Official website for recruit: <http://www.cohi.net>

In 2014, China Overseas Property has organized **2,987** training sessions with a total of **20,888** participants. The staff attended **11,270** online self-learning program logging more than **21,025** total online learning hours, representing an average of **21** online learning classes per participant.

COLI serialized and branded industry talent nurturing program comprises the "Career Development Workshops", "Pilot Training Class", "Career Foundation Program", "Professional Workshops for Managers", "Training Camp for Potential Employees" and "Motivation Workshop for Senior Management," complemented by its E-learning Academy of COP, a knowledge sharing learning platform. The program has made the Company a pioneer enterprise in emphasizing protection of intellectual property rights in human resources management, talent selection and brand development in China.



## Study Program

During April to July 2014, "Career Development Workshops" have been organized by the Company at 13 major tertiary institutions, including Tsinghua University, Southeast University, Chongqing University, Tianjin University, Zhejiang University, Xiamen University, Tongji University, Harbin University of Science and Technology, Huazhong University of Science & Technology, South China University of Technology, Dalian University of Technology, Shenyang Jianzhu University and Xi'an University of Architecture and Technology, and attracted 281 students. Through presentations by internal and external lecturers, simulated corporate situations and practice in various positions in regional offices, the Company has been acknowledged by teachers and students of tertiary institutions for providing a career development and expertise enhancement program to outstanding university students.



## Internship Program

During July and September 2014, due to demand from actual internal positions, the Company offered more than 150 internship opportunities at the operating cities of China Overseas Property to outstanding students of tertiary institutions and recruited 276 interns. The well-organized internship program created ample practicing opportunities with unique features for the students to enhance their understanding of the corporation and optimal development, thereby achieving mutual benefits among the students, staff, tertiary institutions and society.



## Nurturing New Comers

In 2014, the Company has organized the "Training Program" for 380 new "Sons of the Sea". Through a range of activities including familiarization with its corporate culture, a themed training month and an oral debate, the Company has implemented a phased career development scheme and provided guidance on personal development for new employees.



## People-oriented sustainability



### Professional Training

To enhance professional operating capability and the management standard of its staff, different member companies have organized a wide range of professional training courses in 2014. During March to December, the sales and management companies have held nine sessions of "Sharing on Sales and Marketing" series training; from May to December, the Company also held 14 themed planning and design seminars in the Southern China region covering more than 10 topics such as key tasks of project architects, planning and design processes and development and analysis of design concepts. The human resources division in Southern China region held a seminar "Integration of CE Assessment System and Potential Talent Nurturing" to discuss and evaluate nurturing methods of potential staff. Meanwhile, the engineering and management company has organized 12 themed training sessions under two major themes of "Engineering and Management" and "Contract Management" during the year. The Nanjing branch has organized training courses under the "Professional Management Enhancement Season" series across business segments starting from August to boost the communications and coordination capabilities of various companies and departments.



### Sea's Recruits Orientation Camp

In 2014, its regional offices in the western and northern regions organized a series of Sea's Recruits Orientation Camps to familiarize new recruits with its corporate culture and enhance their professionalism. Its regional offices in the western region held two professional training courses in April and December respectively while those in the northern region organized a three-day Sea's Recruits Orientation Camp in April. The training covered corporate culture, lectures on key topics, project site visits, introduction of professional salons and enhancement of professional quality. The offices in the western region have utilized WeChat to provide live broadcasting and real-time sharing of the training activities.



### Job Rotation Acceleration Scheme

During 2014, the Company provided learning opportunities through job rotation to more than 390 staff and also offered the chance for development to more than 150 staff through job rotation across different businesses to boost the professional growth of its staff.

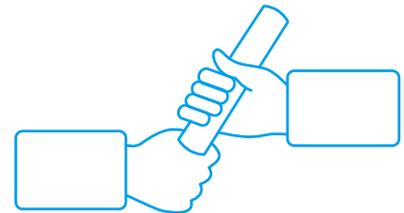
### E-learning Academy of China Overseas Property

"E-learning Academy of China Overseas Property" established by the Company has become a platform for general staff training and self-development. The "E-learning Academy of COP" provides general background training by way of sharing videos, through which professional knowledge and experience are exchanged cross-regionally, cross-divisionally and cross-hierarchically.

## Staff Satisfaction Survey

To bolster the Company's management standard and promote the spirit of democracy, COLI has since 2008 been conducting the Annual Staff Satisfaction Survey for all staff of the Company on their satisfaction levels through its intranet platform. Both the participation rate and the satisfaction scores have been constantly rising year-on-year.

The survey on staff satisfaction levels comprises 48 indicators structured within six parts, namely overall satisfaction, satisfaction with the working environment, the working atmosphere, the rewards of work, professional status and the Company operational management. The Company consolidates the basic data obtained and then analyzes its corporate governance as well as human resources management before preparing the annual satisfaction analysis report. This report identifies the priorities for improvement of the Company's operational management and human resources at the next stage. Moreover, the open questions included in the survey together with the annual staff forum invites staff to contribute ideas or suggestions for the corporate development. At the beginning of every year, the Company collects opinions and suggestions for corporate development from its staff, forwarding them to relevant units to evaluate, implement and feedback to the staff in a timely fashion.



## Equal Opportunities and Fair Treatment

COLI has established a comprehensive human resources management policy and system, setting up standard procedures for salaries and fringe benefits, staff recruitment and promotion, transfer and exchange, management of resignation and termination, number of working hours, holidays, job qualification, awards and evaluation. When the Company determines recruitment and promotion of individuals, including basic salaries and fringe benefits of new employees, it focuses mainly on their past experience, qualifications and professional competence without discrimination against gender, age, family status, disability, race and religion. As the Company's business presence covers nearly 50 cities in Mainland China as well as Hong Kong and Macau, the composition of teams within member companies have become more diversified.

The Company respects all staff and their freedom and rights to participate in relevant industry associations. The human resources policies and measures adopted by the Company support the basic principles and initiatives of the United Nations Global Compact. All workplaces under the Company do not engage in child labor and forced labor conditions or any practices that are in violation of the Compact.



## People-oriented sustainability

# Occupational Health and Safety



As a leading property enterprise with a focus on property development and investment, the occupational health and safety risk related to daily business and workplace operations of all of its staff is relatively low. The Company has continued to optimize its work practices and daily management of its staff's health and safety with the aim to create a safe, healthy and comfortable work environment.

### Safety Inspections (daily and during festivals and holidays):

A number of departments and member companies were required to offer safe production and security services and underwent safety inspections to office premises and project sites, with particularly close attention to potential safety risks in areas such as water and electricity. Appropriate measures on fire safety and theft prevention were also stipulated and adopted.

### Annual Medical Checkup for Staff:

According to its staff welfare policy, the Company arranges an annual medical checkup for all staff to bolster their mental and physical health.

### Staff Insurance for Traffic Accidents:

Apart from providing general social security insurance covering medical issues, pension planning and unemployment, the Company also offers Traffic Accidental Injury Insurance for the staff who constantly go on business trips, so that they do not require additional insurance for air, automotive or ship travel for business trips.

### Safety Management for Projects under Construction:

As a responsible property developer emphasizing project quality, the Company actively promotes occupational health and safety supervision at project sites under construction to its business partners, in particular contractors and subcontractors. They are required to conduct stringent safety checks, training and third party safety risk assessment to ensure safe construction operations.

### Occupational Health and Safety of Property Staff:

Its property company has implemented responsibility for safety across all staff levels. It has signed a safe production responsibility memorandum with its secondary companies to strictly implement safety checks. It has also organized a variety of activities such as an elevator safety campaign, an inspection on flood control facilities and a "Work Safety Month" to further enhance the safety awareness of property owners and all staff so as to prevent and minimize the impact of safety incidents.



## Communications between Staff and Management

COLI fully supports positive interactive communications between management of different member companies and the staff in a bid to create an open, transparent and positive work environment and optimize management systems and policies in all aspects of the Company's operations. The Company utilizes various online and offline channels such as the OA intranet system, working conferences and regular meetings to communicate the policies as well as the strategies and directions of the Company. It also regularly discloses the latest company news and provides a platform for its staff in Hong Kong, Macau and the Mainland to share their personal living and work experience through its "China Overseas" magazine.

## Staff Association

COLI has set up the Staff Association in 1992, with a mission to enhance the communications and interaction between all levels of the staff through diverse activities such as recreation, sports, seminars and gatherings. With its business presence expanding in an ever-greater number of cities, the Staff Association has also been set up in the new locations of its business operations so as to enrich the leisure time of the staff and serve as an important means to boost the sense of belonging and cohesion of the staff.

## Anti-corruption Education to Staff

COLI has taken the initiative to educate the leaders and staff of member companies to raise the awareness of personal and business ethics including law-abiding behavior and practices, as well as the importance of integrity, honesty, self-discipline and professionalism. It aims to build a comprehensive anti-corruption mechanism covering ethical education, prevention and restrictions on behavior and instill within employees and management that corruption in any form will not be tolerated at any time under any circumstance.

During April to August 2014, the Company has launched an educational campaign "Being a Pragmatic and Incorruptible Citizen". Beginning with the tenet of "Opposing Formalism, Bureaucratism, Hedonism and Extravagance", the Company has organized six sessions of specifically-themed learning activities. Through the educational efforts on anti-corruption and prevention of corruption and the opinions and recommendations provided by the entire staff, senior management members can set criteria for an in-depth cross reference and examination so as to strengthen the integrity, self-discipline and anti-corruption mechanism within the Company.

In early 2014, the Company signed the "Letter of Undertaking of Integrity and Self-discipline for the General Manager of Regional Companies" and "Letter of Undertaking of Integrity and Self-discipline for Senior Leaders of Regional Companies" along with the senior leaders of different regional companies. The aim of this exercise is to provide education and guidance on integrity to senior staff in the form of voluntary commitment to prevent corruption, enhancing the education on anti-corruption. On the other hand, the Company has continued to improve the reporting system of the integrity records and personal particulars (including key financial items) of the senior leaders of regional companies. It has recorded and managed the information related to personal integrity in their positions and duties, status of family members, condition of part-time work and handover of cash gifts. At the same time it has conducted an accountability audit to ensure that the department of disciplinary inspection and supervision obtains first-hand information related to the integrity of senior leaders of the regional companies. The Company has also reminded senior leaders to uphold integrity and disciplined behavior through requests for information and reports.



## 6

## Philanthropy Roadmap

- The Sea Has no Limit and Love Has no Boundary
- Caring for the Youth
- Construction of Affordable Housing and Urban Charity Facilities
- Community Charitable Activities



## The Sea has no Limit and Love has no Boundary

Guided by its CSR strategy, the Company's development efforts are executed as systematic operations on the basis of company policies. In this regard, the Company has registered the "China Overseas Charity Fund Limited" and its brand slogan "The Sea has no Limit and Love has no Boundary". The Company has formulated a mid- and long-term development plan for CSR and outlined a blueprint for its sustainable development, with community development, teenager education and charitable donations as the three main areas of focus.

As for community development, the Company is leveraging its expertise as a property developer and participate in affordable housing projects. COLI continues to extend its contribution to the building of China Overseas Hope Schools in Mainland China as well as to strengthen its long-term partnerships with non-profit organisations through involvement in fundraising, and community and education events in order to continue giving back to society. The Company has so far donated over HK\$140 million to disaster relief, education and public charity causes.

Adhering to COLI's philosophy of building "eternal and excellent products", all Hope Schools built by the Company are of high specification and high quality with an investment cost of millions of dollars for each school, thus the local Hope School typically offers the best hardware in its vicinity. Among these schools, the investment cost of Xinjian Special Education School in Dujiangyan exceeded HK\$30 million, while China Overseas Sanxia Hope School was honoured as "The Most Beautiful Hope School in China."

Website for Hope School: <http://www.cohl.com/Practice/list/66.html>



China Overseas Qinglong Hope School (Hanzhong, Shaanxi)



China Overseas Sanquan Hope School (Nanchuan, Chongqing)



China Overseas Xihu Hope School (Changchun, Jilin)



China Overseas Sanxia Hope School (Yunyang, Chongqing)



Dujiangyan China Overseas Xinjian Special Education School



China Overseas Shaling Hope School (Shenyang, Liaoning)



China Overseas Dougou Hope School (Ji'nan, Shandong)



China Overseas Jinfeng Hope School (Yinchuan, Ningxia)



China Overseas Majin Hope School (Kaihua, Zhejiang)



China Overseas Yuanling Hope School (Huaihua, Hunan)



China Overseas Tingkou Hope School (Qixia, Shandong, Under Construction)

## Philanthropy Roadmap

### Caring for the Youth

Through various charitable events including "Summer Camps", "Visits" and "Drawing Competitions" for China Overseas Hope Schools, COLI aims to encourage staff to actively participate in the charitable events held in their cities and make a contribution to fulfilling the Company's corporate social responsibilities.

- In January 2014, the Company and the Sichuan Charity Federation set up the "China Overseas Youth Education and Development Special Charity Fund for Areas Affected by the 420 Lushan Earthquake" raising more than HK\$2.7 million in donations to support local charity activities.
- In February 2014, China Overseas Yuanling Hope School was officially completed and commenced operation. Occupying a total area of 23,275 square meters and a GFA covering 5,650 square meters, it can offer nine-year education for 1,200 students.
- During May to October 2014, visits to China Overseas Hope Schools were organized (for the seventh year) by respective regional companies where the schools are located. Incentive cash awards and scholarship were distributed (for the second year) to the worthy teachers and students of the Hope Schools.
- In September 2014, the groundbreaking ceremony of China Overseas Tingkou Hope School was officially held. Occupying a total area of 21,770 square meters and a GFA of 7,861 square meters, it is planned to open 21 classes to accept a total enrollment of 855 students and is scheduled to be delivered and commence classes in September 2015.





## "Children's Dreams, Children's Art" COLI x TREATS Art Exchange Program

During March to July 2014, the COLI x TREATS Art Exchange Program, which was jointly initiated by COLI and a Hong Kong charity organization, launched the "Children's Dreams, Children's Art" collage drawing competition across China. The competition attracted nearly 1,700 entries from Hong Kong mainstream primary schools, special education schools, China Overseas Hope Schools in Mainland China and various China Overseas communities, transcending geographical location, race and ability, and demonstrating the children's artistic creativity. During the period, 56 art workshops themed "Adventure", "Perseverance" and "Contribution" were held. A total of 133 artworks were collectively created by the participants using the hexagonal collage drawing. Of these, 41 artworks were exhibited at the Exhibition Hall of Hong Kong Visual Arts Centre during 3-6 July.

## Cheers Mate!

During 1 to 5 August 2014, the cultural exchange program "Cheers Mate! China Overseas Summer Camp for Mainland & Hong Kong Youth 2014" was successfully hosted by China Overseas Holdings Limited, co-organized by TREATS and China Overseas Property branch in Hangzhou, sponsored by China Overseas Charity Fund with the support from China Overseas Property Club. A total of 77 participants, including teachers and students from nine China Overseas Hope Schools in the Mainland and Dr. Catherine F. Woo Memorial School in Hong Kong as well as the children of property owners of China Overseas communities in Hangzhou were involved. The organization of the entire activity was assisted by some of the sales representatives of the third Zhejiang University-China Overseas Property "Career Development Workshop".



## Experience Camp for Children of Property Owners

In 2014, all communities continued to organize the "Experience Camp for Children of Property Owners" and optimize and innovate the activities based on local conditions. For example, the Chengdu branch added the sessions of fire-fighting knowledge and escape training; the Xi'an branch introduced lectures related to "Ancient Chinese Literature" and the Yancheng branch organized a "Children Road Safety Experience" activity. Particularly noteworthy, the Foshan branch collaborated with AIESEC, an international student organization, inviting 30 university student volunteers from nine countries including Korea, Italy and Egypt to act as mentors. This activity added some distinctive programs such as the international cultural carnival, world culture experience class, fun-filled English courses, orienteering, international food festivals, etc. The activity attracted more than 300 children of property owners from different communities, setting a new trend for summer camp activities across the China Overseas communities.



## Philanthropy Roadmap

# Construction of Affordable Housing and Urban Charity Facilities

As far back as 1987, the construction business under COLI participated in the erection of Tsui Ping Estate in Hong Kong. Since then, the Company has also witnessed first-hand the expansion of Hong Kong's public housing through participating in many public housing projects of the Hong Kong Housing Authority. There are four principal types of affordable housing units, namely low-rent housing, public rental housing, economical housing and commodity housing, each designed to meet the residential needs of different people.

In 2014, the Company has commenced the construction of affordable housing in more than 10 cities. Various types of affordable housing covering a GFA of approximately 1,070,000 square meters was under development, with approximately 439,000 square meters completed. The Company has delivered approximately 382,000 square meters of various types of affordable housing during the year. In 2014, the Company had newly added land reserve of affordable housing of about 332,000 square meters in five cities including Guangzhou, Beijing, Zhengzhou, Xi'an and Lanzhou.

### List of COLI's Affordable Housing in 2014 (Unit: sq.m.)

City	Projects	Types	GFA	Complete Projects with GFA	Occupation Area
Qingdao	The Peaceland Phase 1 9-10#	Economical Housing	19,626	19,626	-
Qingdao	International Community Phase 1 1-2#	Commodity Housing	384,995	384,995	57,635
Harbin	The Majestic Phase 2 17#	Low-rent Housing + Public Rental Housing	16,773	-	-
Beijing	Old City Project D	Public Rental Housing + Commodity Housing	23,473	23,473	-
Shanghai	Riverside Palace	Economical Housing	19,548	-	-
Shanghai	La Cite	Public Rental Housing	13,193	-	-
Hangzhou	One Regent 40,42#	Public Rental Housing	59,600	-	-
Shenzhen	Tiansong Garden	Limited-price Housing	318,320	-	318,320
Xi'an	Upper City 5#	Low-rent Housing	6,486	6,487	-
Xinjiang	Garden Full of Aroma Hetanbei Project	Limited-price Housing	7614.6	-	-
Hohhot	The Bund	Public Rental Housing	4,046	4,046	-
Hohhot	The Azure	Public Rental Housing	4,444	-	-
Hohhot	Zuoan Project	Public Rental Housing	2,842	-	-
Yinchuan	Lianhu Garden	Low-rent Housing	71,126	-	-
Nanning	The Green Peak	Public Rental Housing	3,732	-	-
Lanzhou	The Arch Phase 1-2	Public Rental Housing	34,716	-	6,006
Lanzhou	Glorious Shire	Public Rental Housing	56,176	-	-
Yancheng	The Arch	Commodity Housing	18,800	-	-
Total			1,065,511	438,627	381,961

In May 2014, Fairview Park, the affordable housing project of the Shenzhen Company, and the Housing and Construction Bureau of Shenzhen Municipality have completed the handover works related to residential and public area entities and data files. Arrangements have also been made for the follow-up repair and maintenance works and lease management of the project. Fairview Park represents a major project to foster the well-being of Shenzhen citizens, with both economic and social benefits.



### Land Replenishment of COLI's Affordable Housing in 2014 (Unit: sq.m.)

City	Projects	Types	GFA
Guangzhou	Liwan Project #1	Commodity Housing	214,200
Beijing	Shijingshan Project	Limited-price Housing	89,848
Zhengzhou	Jinshui Project	Public Rental Housing	19,841
Xi'an	Chanba Project	Low-rent Housing	8,051
Lanzhou	Beibinhe Project	Public Rental Housing	55,872
Total			331,940



## Shenzhen Contemporary Art Center and Urban Planning Exhibition Hall

Shenzhen Contemporary Art Center and Urban Planning Exhibition Hall (the "Halls") are located at the northeastern section of Civic Centre in the heart of Shenzhen. It is the latest key infrastructure project on the axial line of Shenzhen. This landmark building occupies around 30,000 m<sup>2</sup>, with a total gross floor area of 87,800 m<sup>2</sup>. It is to stand 40 meters tall comprising five storeys, with two added storeys of basement. COLI secured the right of construction and operation of the Halls in 2012. The project is expected to be completed and commence operation in 2016, and it will be opened to the public free of charge.



The preliminary exploratory forum related to the operation cum academic and cultural salon of the "Twin Museums" in Shenzhen was held in Shenzhen on 10 May 2014. Representatives of relevant government departments in Shenzhen, consultancy units of the "Twin Museums" and representatives of the art sector attended the event. The conference involved in-depth discussions over the naming of the "Twin Museums", as well as the operating mechanisms such as the composition of the council and supervisory board and the duties of the various entities at "Twin Museums". The cultural salon held in the afternoon attracted renowned local and overseas artists, organizers, dramatists, architects and curators of art museums to express their views on the academic and cultural positioning and management of the "Twin Museums".



## Philanthropy Roadmap

### Community charitable activities



In February 2014, the Ningbo Company hired professional horticulturists and organic vegetable cultivators to provide instruction and share their views about the site, arranging a green and healthy tour combining popular science and recreation to customers, and introduce a natural courtyard life to owners of Delicate Mansion, a villa project in Ningbo.



On 28 March 2014, the Guilin Company held the "Sending Love and Giving Hope through Books – China Overseas Property Charitable Education Fund" campaign. More than a hundred volunteers, including all people with a caring heart, owners of The Chief Palace and staff of property companies participated in the event, donating books and stationery to students of four primary schools located in remote areas in Quanzhou, Guilin.



On 29 March 2014, staff of the Nanning Company led local volunteers to participate in the "Earth Hour" environmental protection activity at Nanning Et Plaza and Minzu Square, which gained the wide support from the local residents.



The Company has been supporting the measures initiated by the WWF to combat climate change with real action. For example, on 29 March 2014, Grade A offices under the brand name "China Overseas" in Beijing, Shanghai, Chengdu, Qingdao and Xi'an all participated in the "Earth Hour" activity highlighted by the turning off of unnecessary lights and promoting the commercial culture of working in a healthy and green office environment. To maintain the impact of environmental protection activities, the commercial companies under "China Overseas" have launched a multi-dimensional promotion to advance a philosophy embracing a green, low carbon footprint and healthy working environment. They have also initiated an interactive forum with the theme "Low-carbon Life to Create a Blue Sky" using new social media such as WeChat and Weibo, and also provided a series of value-added services to tenants.



In June 2014, the Hangzhou Company held a riding campaign in 2014 which attracted citizens who concern about the environment and enjoy exercises to participate in the "Ride Around Xixi Wetland" and "Trick Cycling Competition" to draw the public's attention to the green transportation concept.



During April 2014, China Overseas Property, COPM and China Overseas Property Club jointly organized the "2014 Exploring Positive Energy in Spring" — The Fifth Quarter "China Overseas Green Alliance" campaign. A series of activities including "Dedication of Plant", "Green Redemption", environmental protection games and rubbish categorization competition were arranged.



In June 2014, COPM organized an innovative and environmentally-friendly fair at the Chongqing International Community. Booths were set up to sell environmentally-friendly products. There was also a goods exchange area for exchanging commodities such as old toys and books, as well as interactive experimental workshops covering topics such as an environmental-friendly handcraft zone and environmentally-friendly creative home. All of these activities have guided owners to engage in environmental protection initiatives during their daily lives.

## 7

## Green Construction

- Green Construction Technology Pilot Project
- The Project's Application of Green Construction Technology
- Demonstration of Green Construction Technologies
- Economic and Social Benefits
- Green Construction Certification and Exchange



As one of the leading players in the real estate industry, COLI has actively responded to the call of the country to save energy and reduce emission, and has led way in the development of green energy-saving residential properties.

## Green Construction Technology Pilot Project

### International Community, Suzhou 233-2 Project

The Company has completed the International Community, Suzhou 233-2 Project (Spring Project), the first full life-cycle green construction technology pilot project emphasizing “high tech, low energy consumption and low emissions”. Centering on three key concepts of “low carbon, health and intelligence”, the project which focuses on “people-oriented sustainability” has adopted 28 green construction technologies according to local conditions which integrate technology functions, environmental-friendliness, cost-effective management and comfort. The project has had a demonstrated positive impact within and outside the Company. Technology inspection and acceptance of the project were completed in December 2014. Since then a full life-cycle green construction in the areas of green technology systems, design objectives, application technology, economic benefits and social impact has commenced. The model has gained the acclaim and recognition from authoritative organizations such as the China Green Building Council.

### Project Overview

The International Community, Suzhou 233-2 Project is located at the core district on the eastern side of the secondary axis of the city in Hudong, Suzhou Industrial Park. It is close to the east bank CBD of Jinji Lake with convenient transportation and ancillary facilities for daily life. The project comprises 121 low-rise residential buildings and two 150-meter super high-rise residential buildings. Overlooking a scenic 5,500 square meters water view, the project aims to build a natural wetland environment within the community.



- Total area: approximately 93,700 square meters
- GFA: approximately 110,600 square meters
- Green space ratio: about 50.47%
- Construction density: about 29.87%



Video of Green Construction Technology Pilot Project



▶ Technology Demonstration Area



▶ Water view of the Technology Demonstration Area



▶ Exterior of the low-rise residential buildings in the Technology Demonstration Area



▶ Low-rise residential buildings in the Technology Demonstration Area

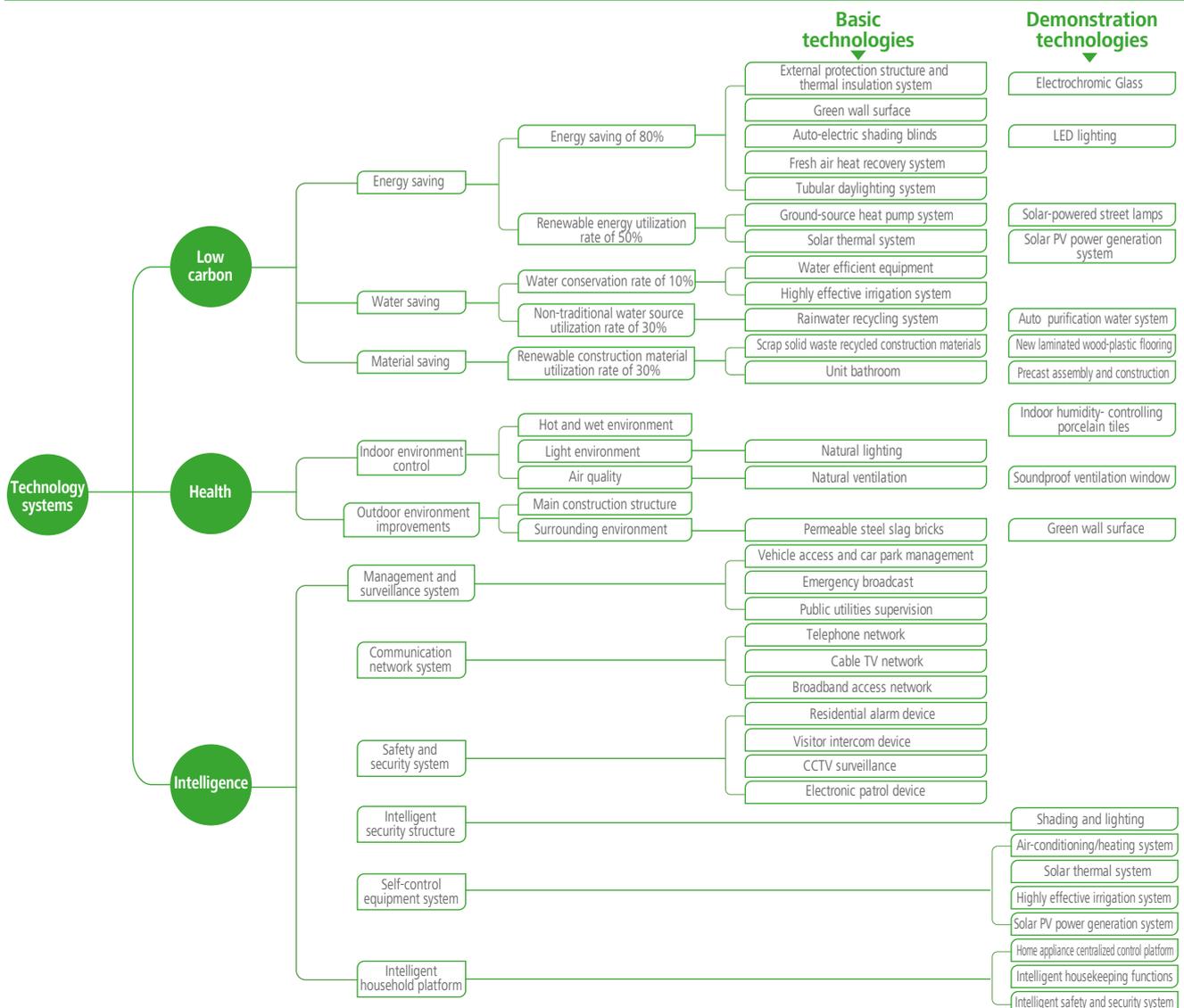
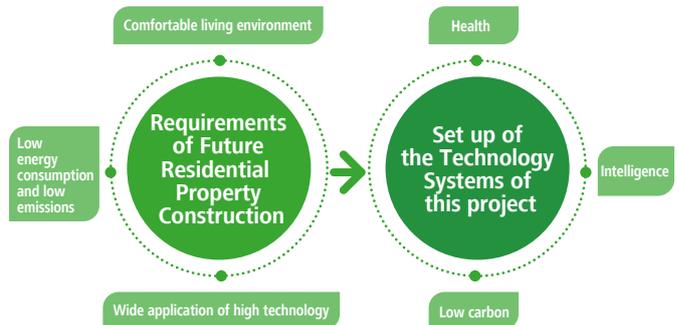
The Technology Demonstration Area includes two blocks of low-rise residential buildings and the principal water view area which boasts the best visual setting in the whole land parcel selected as a green technology demonstration base. The site area is about 8,984 square meters with a GFA covering about 1,063 square meters. The demonstration base has adopted advanced domestic and overseas green construction technologies for energy, water and material saving, indoor and outdoor environment improvement and intelligent systems and facilities. It has also set up related key technology control points with their subsequent implementation based on the characteristics of the main construction and the surrounding environment.

## Green Construction

# The Project's Application of Green Construction Technology

### Three principal systems

The project goes beyond merely installing and integrating the current green construction technologies to actually focus on the "people-oriented sustainability" after conducting in-depth evaluation and careful consideration about the future living requirements of human beings. Thus, the project is set to guide development direction and aspects of a future green lifestyle through the systematic and professional design and the application of green technologies. Starting at the initial planning stage, the project has drawn a technology blueprint based on green construction concepts built within the three main technology systems for "low carbon, health and intelligence" that are complementary to each other.



## Five Goals

In the aspects of design and construction, five quantifiable green design objectives have been set in the areas of energy saving, renewable energy utilization, water saving, non-traditional water sources utilization and renewable construction material utilization, as well as the implementation of low carbon functions in green residential buildings. Through these initiatives, the Company has achieved standards far higher than the requirement of National Three Star Certification in Green Building Design.

	Current three-star green building certification	Project design objectives	Project attainment of standards	Percentage exceeding the three-star green standard
Energy saving rate	65%	80%	82.6%	17.6%
Renewable energy utilization rate	10%	50%	50.8%	40.8%
Water saving rate	8%	10%	11.2%	3.2%
Non-traditional water source utilization rate	10%	30%	33.6%	23.6%
Renewable construction material utilization rate	10%	30%	31.5%	21.5%

## 28 Technologies

To implement the three principle technology systems and to achieve the five quantifiable objectives mentioned above, the Company has integrated both domestic and overseas advanced technologies and applied its extensive technological experience accumulated from the development of green building projects across the country. It has studied the feasibility, scalability, localization and operation value of green building technologies and focused on the integration and general improvement resulting in the amalgamation of a number of technologies before selecting 28 green technologies. It aims to create a truly green residential community across all aspects of life with many trail-blazing deployments in environmentally-friendly practices and equipment, energy saving, a cozy living environment and management through high technology systems.

Technology Systems		28 Principal Implementation Technologies	
Low carbon	Basic	External protection structure and thermal insulation system	Ground-source heat pump system
		Green wall surface	Water efficient equipment
		Auto-electric shading blinds	Highly effective irrigation system
		Tubular daylighting system	Rainwater recycling system
		Fresh air heat recovery system	Scrap solid waste recycled construction materials
		Solar thermal system	Unit bathroom
	Demonstration	Electrochromic glass	Solar-powered street lamps
		Soundproof ventilation window	Auto purification water system
		LED lighting	New laminated wood-plastic flooring
		Solar PV power generation system	Precast assembly and construction
Health	Basic	Permeable steel slag bricks	
	Demonstration	Humidity-controlling porcelain tiles	
Intelligence	Basic	Management and surveillance system	
		Communications network system	
		Safety and security system	
	Demonstration	Intelligent security structure	
		Self-control equipment system	
		Intelligent household platform	

## Green Construction

# Demonstration of Green Construction Technologies

### Wall vertical garden through highly effective drip irrigation system

Square steel joists are fixed on the wall surface of the building and the main materials used include anti-corrosive board and plant fiber system. At the same time, an irrigation and fertilization system, plantation system and drainage system enable auto-irrigation and auto-fertilization.

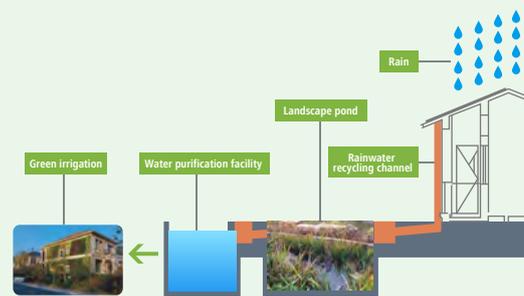
**Advantages:** Effectively improve outdoor environment and enhance wall heat-insulating capability by more than 20%.



### Rainwater recycling and auto purification water system

Rainwater is collected from the exterior of residential buildings through the rainwater recycling system, then directed to the landscape pond, where plants with purification function, such as Iris Pseudacorus and Cortaderia Selloana are planted. The stems of these plants can induce precipitation when in contact with pollutants and the microorganisms attached to their stems can absorb and dissolve pollutants. Water in the landscape pond will then enter the purification facility which eliminates the nitrogen, phosphorous and phytoplankton in the water through the precipitation and filtration processes so as to achieve natural water purification. The purification procedure will be carried out in a loop to ensure the cleanliness of the water in the water storage pool, which will eventually be used for landscape irrigation.

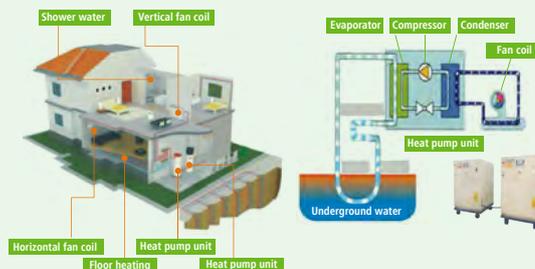
**Advantages:** Saves water. A single building can save about 163 cubic meters of water annually.



### Ground-source heat pump system

A ground-source heat pump heating and air-conditioning system absorbs low-grade heat energy from an underground vertical closed loop through a soil heat exchanger, then boosts the low-grade heat energy to high-grade heat energy with the compressor system for the use by the whole building. The system can produce hot water at a temperature of 45~50°C, used for heating by the fan coil unit and floor heating, as well as provide home use hot water during winter. In summer, the system can produce cold water at a temperature of 5~10°C for indoor air conditioning.

**Advantages:** Saves energy and is environmentally-friendly.



### Solar thermal technology

The separated-pressurized solar water heater separates the heat collector and hot water tank. It has a heat collection area of 4 square meters and a hot water storage capacity of 200L. The hot water tank can be flexibly placed, while the heat collector can be installed on the roof of the building to absorb the energy from sunlight to heat the actuating medium. The heated actuating medium then transfers heat to the coil in the storage tank, exchanges heat with the water outside the coil and eventually heats the water in the storage tank which can be used in the kitchen and washroom.

**Advantages:** Saves energy. A single building can save about 2,820 kWh of electricity annually.



## Solar PV power technology

It has adopted the amorphous silicon film PV electroplax featuring small size and fast conversion speed, and installed three units of 46W on the balcony fence. It has also installed four units of 290W of polycrystalline silicon PV electroplax with larger size and higher conversion efficiency on the roof. The electricity generated can be used for electricity supply in the cloakroom and the corridor on the second floor.

**Advantages:** Highly effective use of solar energy, saving up to 475 kWh of electricity annually or about 1.3 kWh of electricity daily.



Film solar PV panel (amorphous silicon)



Standard solar PV panel (polycrystalline silicon)

## Tubular daylighting device

The tubular daylighting system is the innovative and highly effective use of solar energy which guides sunlight into indoor space for lighting purpose. It does not involve the transformation of energy, but transmits light through light pipes to places where lighting is needed such as underground car parks and greenhouses, etc.

**Advantages:** By adopting the solar tubular daylighting technology, the underground car parks can fully utilize the diffuse reflection of natural daylight for underground lighting, which can save the energy consumption from daytime illumination, thus saving 1,210 kWh of electricity annually.

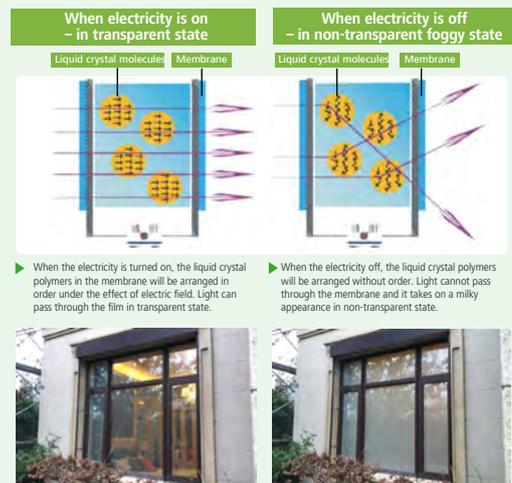


(Tubular daylighting device and schematic diagram)

## Electrochromic glass

Electrochromic glass is widely used in bedrooms and cloakrooms. It can control the transparency of the photoelectric membranes through regulating the "on" and "off" of electricity supply of the photoelectric membranes, thus providing better protection of privacy. In winter, outdoor solar heat can enter the room through this kind of glass, while the heat indoor can be reflected back through the window glass, thus maintaining the indoor temperature and reducing the consumption of energy used for heating. In summer, the glass can block the long-wave band of sunlight and infra-red radiation generated from outdoor objects and substances, thus effectively restricting the amount of heat entering the room, enabling the room to stay cool and lowering the energy consumption used in creating a cooler environment. Testing has verified that when electrochromic glass is in a transparent state, it can block 34% of the radiation from the sun and 60% of solar radiation in a non-transparent state.

**Advantages:** Protects privacy and has a heat insulation function.

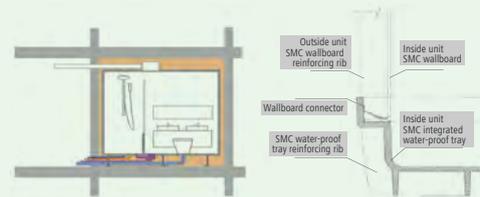


## Green Construction

### Unit bathroom

The unit bathroom adopts an integrated overall frame comprising a waterproof chassis, wallboard and roof, and incorporates sanitary wares and furniture in an overall environment in order to realize the advantages of its integrated construction layout. The unit bathroom uses a large amount of SMC, which is an unsaturated polyester material and a new composite material produced by way of glass fiber reinforced mold pressing. With a high strength of 60gk/c m2, which equals to six times of that of plastic, SMC is widely used in the aviation industry and has been described as "aviation resin". It can avoid the hazards of wetness and moisture construction in traditional washrooms and solve the problems including leaking, spilling and dripping water. The installation of unit bathroom is simple, only requiring one day for completion by two workers, greatly shortening the construction period.

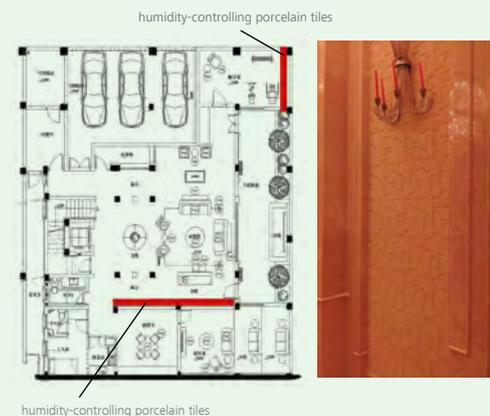
**Advantages:** No leakage, enhanced safety and convenient installation.



### Indoor humidity-controlling porcelain tiles

Natural diatomite exclusively found in Wakkanai, Hokkaido is the main raw material of making humidity-controlling porcelain tiles, which provide better thermal and humid environment and air quality for indoor space. These tiles are widely used in underground rooms and for all indoor public toilets. The special small pore structure of diatomite from Wakkanai gives the material robust physical absorption and ion exchange properties, thus it performs superior humidity absorption and emission functions in places which generate a large amount of water vapor such as washstands, kitchens and washrooms. It can automatically adjust and control indoor air humidity at a level between 40-70%, giving inhabitants a comfortable and fresh feeling and contributing to a healthy living environment.

**Advantages:** Superior humidity absorption and emission performance.



### Permeable steel slag bricks

Permeable steel slag bricks use steel slag to substitute for sand and stone as coarse and fine aggregate. They are mainly used in landscape footpaths and pedestrian walkways in the demonstration area. This kind of brick has a high drainage capacity so that there is no stagnant water and light reflection on the path after rainfall, allowing pedestrians to walk comfortably and safely. It also has noise absorption and permeability properties conducive to the growth of surrounding plants. The heat island phenomenon can also be partially reduced in summer. The brick also has high tensile strength and abrasion resistance properties, with no disintegration even after long use.

**Advantages:** High permeability and tensile strength.



## Economic and Social Benefits

As the team leader of the Green Real Estate Group of the China Green Building Committee, COLI has been actively pushing forward the implementation and technological exploration of green construction projects and the promotion, development and application of green buildings. Towards this end it has set up its own system in the areas of integrated design and comprehensive evaluation standards. Through the whole process from design and construction to the operation of the International Community, Suzhou 233-2 technology pilot project, the Company has gained experience and secured talents in the design and development of hi-tech residential projects, optimizing the functions, quality and degree of comfort. This has enabled it to realize the Company's vision of creating a "low carbon, healthy and intelligent" living environment and lifestyle, thereby enhancing economic and social benefits.

- The technology demonstration area was completed in December 2013. It is a demonstration area of the low-rise units of the International Community, Suzhou 233-2 project as well as an excellent place to showcase and promote COLI's technologies.
- According to the design, it is expected that single villa in the technology demonstration area can save 31,000 kWh of electricity annually, representing an energy-saving rate of 82.6%, and save electricity cost of RMB18,600.
- The project adopts a wide range of green construction technologies such as the solar heater system, rainwater recycling system, energy-saving system and water-saving irrigation system which have been widely used in the projects of the Company. With the support of the technology system namely "basic technologies and demonstration technologies", the three principle technology systems of "low carbon, health and intelligence of the project have gained the acclaim and recognition from related government bodies, peers and property owners.

Beijing China Overseas Plaza	water recycling system, CO <sub>2</sub> sensor to adjust the air circulation rate
Beijing China Overseas Property Building	smart building system, local plant green and multi-storey greening, permeable floor, etc.
International Community, Chengdu	landscape water purification system (wetland system)
China Overseas International Center, Chengdu	smart light control system
Royal Dynasty, Ji'nan	ground-source heat pump system
No. 4 District, Haiyatt Garden, Suzhou	solar photoelectric technology
International Community, Nanjing B1-3 Project	highly effective environmentally-friendly irrigation system, thermal break cannular Low-E glass windows
Lake Lantern, Foshan	rainwater recycling system
Southern Garden, Shenzhen	solar water heating system
Top View, Guangzhou	caisson pedestal technology in washrooms
Starcrest, Foshan	human-sensing lighting system
Dragon Bay Peninsula, Chengdu	fresh air ventilation machine
The Green, Hong Kong	Full industry chain residential assembly technology



## Green Construction

# Green Construction Certification and Exchange

In 2014, COLI continued to facilitate the green construction certification across its residential and commercial projects. As at the end of 2014, the Company has obtained a total of 26 green construction certifications, 11 for residential projects and 15 for commercial projects, representing a GFA of more than 3,000,000 square meters. All holding properties owned by the Company have obtained green construction certificates. Currently, the Company is applying for or planning to apply for green construction certification for 20 projects with a GFA exceeding 2,700,000 square meters.



Date	Project	Name of Certification
2010.10	China Overseas Plaza (Beijing)	LEED (Gold Certification)
2010.11.04	China Overseas Property Plaza (Beijing)	Certificate of Green Building Design Label(Three Star)
2011.06	Shanghai Luwan 65#	LEED(Gold Precertification)
2011.10.09	Suzhou International Community	Certificate of Green Building Design Label(Three Star)
2012.05.28	Hohhot The Arch 1-3, 5-12, 15#	Certificate of Green Building Design Label(Two Star)
2012.05.28	#1 Lake Lantern Phase 1	Certificate of Green Building Design Label(One Star)
2012.12.19	Tiansongyayuan (Shenzhen)	Certificate of Green Building Design Label(Shenzhen, Bronze)
2012.12.19	Yuejing Garden (Shenzhen)	Certificate of Green Building Design Label(Shenzhen, Bronze)
2013.01.01	Xinjiang Happiness Town	Certificate of Green Building Design Label(Two Star)
2013.01.11	Tiansongyayuan (Shenzhen)	Certificate of Green Building Design Label(One Star)
2013.01.11	Yuejing Garden (Shenzhen)	Certificate of Green Building Design Label(One Star)
2013.07	China Overseas International Center AB (Chengdu)	LEED(Silver Certification)
2013.09	China Overseas Plaza (Shenyang)	LEED(Gold Precertification)
2013.10	China Overseas International Center CD (Chengdu)	LEED(Gold Precertification)
2013.10	China Overseas Plaza, Uni park (Ji'nan)	LEED (Silver Precertification)
2013.12	China Overseas Building (Nanjing)	LEED(Gold Precertification)
2014.01.24	Eighth Mansion (Suzhou)	Certificate of Green Building Design Label(Two Star)
2014.03	China Overseas International Center G (Chengdu)	LEED(Silver Precertification)
2014.03	China Overseas International Center H (Chengdu)	LEED(Gold Precertification)
2014.04	China Overseas International Center F (Chengdu)	LEED(Silver Precertification)
2014.04.18	Hohhot The Bund 5-8#	Certificate of Green Building Design Label(Two Star)
2014.04.24	International Community (Nanjing) B1-3	Certificate of Green Building Design Label(One Star)
2014.05	China Overseas International Center (Shenyang)	LEED(Gold Precertification)
2014.06	China Overseas International Center I (Chengdu)	LEED(Gold Precertification)
2014.06	China Overseas International Center J (Chengdu)	LEED(Gold Precertification)
2014.11	China Overseas Building (Beijing) JB#	LEED(Silver Precertification)

In February 2014, the “Green Construction Evaluation Standard” Research and Demonstration of Application of the Construction Index in Regions Featuring Cold Winter and Hot Summer has officially commenced. This topic was organized by China State Construction Engineering Corporation and led by COLI. Other undertaking units include subsidiaries of COLI and China State Construction. In December 2014, the Company organized an exchange forum in Suzhou for group discussions of relevant topics and facilitated its development.



In May and June 2014, COLI has engaged in exchanging views with various renowned design firms in China on the trends of green construction. Apart from participating in green construction exchange activities organized by China State Construction Engineering Corporation, the Company has also joined the green construction technology exchange sessions organized by the government and respected academic institutions to better understand its peers' achievements and advances in green construction.



**WORLD GREEN BUILDING COUNCIL**  
Asia Pacific Regional Network  
Leadership Awards in  
Green Building



In June 2014, the Company participated in the “APRN Leadership Award in Green Building Award” held by the World Green Building Council. The application for “Business Leadership in Sustainability” by COLI and the application of “Leadership in Sustainable Design and Performance” by No.4 District, Haiyatt Garden in Suzhou have gained the approval from China Green Building Council and have been referred by the Council to the World Green Building Council. They have also been on the nomination list for the “APRN Leadership Award in Green Building Award.”

On 6 and 7 November 2014, the design and management department at the headquarters of the Company and the Suzhou branch have sent representatives to participate in the “Fourth Green Alliance for Regions Featuring Hot Summer and Cold Winter” organized by the China Green Building Council. At the event, they exchanged ideas and learned more about the latest technologies and products and the future development direction of green construction.





# About the Report

- Introduction
- Advice and Feedback
- GRI Content Index



## Introduction

This report is the third corporate social responsibility (“CSR”) report (Since 2012) published by China Overseas Land & Investment Ltd. (“COLI” or the “Company”) and its main purpose is to showcase the Company’s visions on economic, social and environmental responsibilities as well as its current practices and performance.

### ● Reporting Guidelines

This report adheres to guidelines set forth by the Global Reporting Initiative (GRI) Sustainability Reporting G4 Framework, the Guidelines to the State-owned Enterprises on Fulfilling Corporate Social Responsibilities issued by SASAC (State-owned Assets Supervision and Administration Commission of the State Council), and ISO 26000: Guidance on Social Responsibility. It reflects the character of the industry and the Company.

### ● Reporting Scope

Major data in this report span from 1 January to 31 December 2014, of which the financial data is the same as that in the annual report and other materials are from internal statistics. Some data have been adjusted to reflect the real situation.

### ● Access to the Report

The report is to be published annually in traditional and simplified Chinese as well as in English. The online version of the report is available on our official website. For more information, please visit our brand website.

### ● Company Address

**Address:** 10/F, Three Pacific Place, 1 Queen’s Road East, Hong Kong  
10/F, Zhonghai Building, No. 399 Fuhua Road, Futian District, Shenzhen, PRC  
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**Official website:** www.coli.com.hk  
**Brand website:** www.coli688.com

## Advice and Feedback

Any advice concerning corporate social responsibility report, please contact:

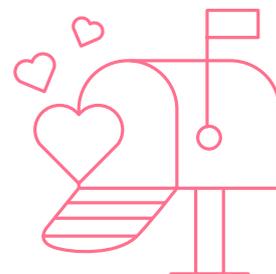
**688csr@cohl.com**

About Investors’ enquiries, please contact:

**coli.ir@cohl.com**

For more information about corporate social responsibility, please visit:

**www.coli.com.hk**



## About the Report

# GRI Content Index

## General Standard Disclosures

Index	Description	References and Remarks
<b>Strategy and Analysis</b>		
G4-1	Statement from the most senior decision-maker of the organization.	Message from Chairman
<b>Organizational Profile</b>		
G4-3~4	Name of the organization. Primary brands, products, and/or services.	Business Network
G4-5~6	Location of organization's headquarters. Number of countries where the organization operates, and names of the countries.	Business Structure, About the Report
G4-7~8	Nature of ownership and legal form. Markets served.	Business Network
G4-9	Scale of the reporting organization.	Business Network, Business Structure, Financial Performance
G4-10	Employee statistics	Human Resources Management Overview
G4-12	Organization's supply chain	Stakeholders Engagement, Each and Every Detail
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	High Standard and Reliable Quality, Each and Every Detail
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organization	Corporate Governance, Internal Control and Management, Anti-corruption Mechanism
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	Green Construction, Philanthropy Roadmap
G4-16	Memberships of associations	Green Construction
<b>Identified Material Aspects and Boundaries</b>		
G4-17	Entities included in the organization's consolidated financial statements	Annual Report 2014
G4-18~21	Process for defining the report content and the aspect boundaries. Material Aspects identified in the process. Aspect Boundary within/ outside the organization.	About the Report
<b>Stakeholder Engagement</b>		
G4-24~25	List of stakeholder groups engaged by the organization. Basis for identification and selection of stakeholders with whom to engage.	Stakeholders Engagement
G4-26~27	Organization's approach to stakeholder engagement; Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Key Topics of CSR, Stakeholders Engagement
<b>Report Profile</b>		
G4-28~30	Reporting period of the provided information. Date of the latest report. Reporting period.	About the Report
G4-31	Contact point for questions regarding the report or its contents.	About the Report
G4-32	GRI content index	About the Report
G4-33	Policy and current practice with regard to seeking external assurance for the report.	No external assurance was adopted for this report.
<b>Governance</b>		
G4-34	Governance structure of the organization	Corporate Governance
G4-38~39	Report the composition of the highest governance body. Whether the Chair of the highest governance body is also an executive officer.	Corporate Governance
G4-48	Report the highest committee or position that formally reviews and approves the organization's sustainability report.	About the Report
<b>Ethics and Integrity</b>		
G4-56	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	Core Values, Corporate Governance
G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior.	Anti-corruption Mechanism

## Specific Standard Disclosures

Index	Description	References and Remarks
<b>Economic</b>		
G4-DMA	Financial Performance	Financial Performance
G4-EC1	Direct economic value generated and distributed	Financial Performance
G4-EC8	Significant indirect economic impacts	Each and Every Detail / Green Construction
G4-EC9	Procurement practices and the relationship with suppliers	Professional and Excellent Project Construction
<b>Environmental</b>		
G4-EN1	Construction materials	Use of construction materials
G4-EN23	Waste water and solid waste treatment	Each and Every Detail
G4-EN27	Report the environmental impacts of products and services have been mitigated.	Each and Every Detail/Green Construction/Philanthropy Roadmap
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	No significant fines and non-monetary sanctions in 2014.
G4-EN32~33	Supplier environmental assessment	Professional and Excellent Project Construction
<b>Workplace</b>		
G4-DMA	Occupational health and safety	Occupational Health and Safety
G4-DMA	Training and education	Staff Nurturing and Development
G4-LA10	Report the programs implemented and assistance provided to upgrade employee skills.	Human Resources Management Overview Staff Nurturing and Development
G4-LA12	Diversity and equal opportunity	Staff Nurturing and Development
G4-DMA	Equal remuneration for women and men	Staff Nurturing and Development
G4-LA14	Suppliers' labor relationship management	Professional and Excellent Project Construction
<b>Human Rights</b>		
G4-DMA	Non-discrimination	Staff Nurturing and Development
G4-HR3	Total number of incidents of discrimination and corrective actions taken.	No incidents of discrimination were reported in 2014.
<b>Society</b>		
G4-DMA	Local communities	Each and Every Detail/ Green Construction / Philanthropy Roadmap
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Each and Every Detail / Green Construction / Philanthropy Roadmap
G4-SO2	Operations with significant potential or actual negative and positive impacts on local communities.	No significant potential or actual negative impacts on local communities in 2014.
G4-DMA	Anti-corruption	Anti-corruption Mechanism
G4-SO4	Communication and training on anti-corruption policies and procedures	Anti-corruption Mechanism / Anti-corruption Education to Staff
<b>Product Responsibility</b>		
G4-DMA	Customer health and safety	Each and Every Detail
G4-PR1	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	There were no incidents in 2014
G4-PR5	Results of surveys measuring customer satisfaction	Customer-first Property Services
G4-DMA	Marketing communications	Focused and Detailed-oriented Sales and Marketing Efforts
G4-DMA	Customer privacy	Focused and Detailed-oriented Sales and Marketing Efforts
G4-DMA	Compliance	Internal Control and Management / Focused and Detailed-oriented Sales and Marketing Efforts



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