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MESSAGE FROM THE CHAIRMAN

Better Living, Better Cities

Property development is the pillar of urban planning. China Overseas Land & Investment Ltd. ("COLI", "China Overseas", "the Company" or "the Group") commenced its operation as a contractor back in 1979 and has established three major businesses: "Real Estate Development", "Urban Operation" and "Innovative Business" after over four decades of development. In the process of promoting urbanization, COLI has been committed to the dream and belief of "Creating a Better Life Together", developing residential and operating commercial projects, improving the carrying capacity of cities, while actively creating a comfortable community living environment.

The corporate vision of COLI is to "becoming an exceptional global property development corporation". Under the framework of being "a Company of Four Excellences (四好公司)", it adheres to the sustainable development concept of "Good Products, Good Services, Good Effectiveness and Good Citizen", and practices the strategic business structure of "today, tomorrow, and the day after tomorrow". With residential development as the principal business of the Group of today, and the commercial asset operations as tomorrow's growth business. COLI has also launched senior living, education, logistics and technology to spur growth the day after tomorrow.

Since COLI established being "a Company of Four Excellences (四好公司)" as its sustainable development strategic framework in 2019, it has steadily marched to new milestones in sustainable development.

The key work results covered in the 2020 annual report include:

- 1. According to the sustainable development framework of being "a Company of Four Excellences" formulated by COLI in 2019, it tracked the progress of the qualitative and quantitative targets for sustainable development for 2023 in 2020, and proposed more than 20 target improvements;
- 2. Added the reference to SASB standards ("Sustainability Accounting Standards Board Standards") to strengthen the disclosure of qualitative and quantitative indicators that meet the characteristics of the industry;
- 3. Added the reference to the TCFD (Task Force on Climate-Related Financial Disclosure) recommendations for the disclosure of climate change management work, and conducted the assessment of climate change risks for the year to more closely follow the latest requirements of the reporting guidelines of the Stock Exchange and the scoring points of multiple sustainability indexes; and
- 4. Strengthened the governance of ESG: In March 2021, a corporate governance committee was newly established under the board of directors to determine the terms of reference of the board of directors and related committees, integrated climate change into governance responsibilities, and amended the terms of reference of the board of directors and related committees to clarify management responsibilities related to climate change.

In 2021, in keeping with the new five-year plan of the national economy, we will embark on a new journey.

With the acceleration of population growth and urbanization, in line with the United Nations' goal of "Developing Sustainable Cities and Towns", as well as the "14th Five-Year Plan" of China and the 2035 vision, China announced in December 2020 that it would strive to reach carbon emission peak by 2030 and achieve carbon neutrality by 2060. The 14th Five-Year Plan put forward the "Promoting People-centered Development of New Urbanization", which aims to provide people with safe, healthy and high-quality housing. COLI proactively supported the national development plan by adapting to the second half of the real estate market in which high-quality land is increasingly scarce and promoting the "blue ocean strategy" of land investment and increased openness to cooperation. In the large markets of first-and second-tier cities, consolidating the Group's urban operational capabilities in the investment and development of commercial and cultural projects, the Group cooperated with a number of major developers to run large-scale, mixed-use projects such as in urban renewal, reform of older cities and development close to rail access. In 2020, the Group successfully secured a batch of mega-sized projects including Shanghai Hongqi Village project, Wuhan Hanyang District large-scale urban complex project, Taiyuan Tanghuaichanyeyuan District project, and Shanghai East Jianguo Road "Restore as It was" project, each with a construction area in excess of one million sq m. COLI has participated in a number of urban landscape protection and renovation projects in recent years, including the Beijing Beixin'an Shantytown Renovation Project and Jinan Huashan Longcheng Shantytown Renovation Project.

2020 marked the end of "poverty alleviation" efforts. COLI, through its efforts in "industrial poverty alleviation, education poverty alleviation and consumer e-commerce poverty alleviation", continued to carry out its targeted poverty alleviation initiative, the "Sea of Hope", incorporating its own resources to help promote social and economic development of five third-tier national poverty-stricken counties, namely Shanxi's Lan County (2018), Chongqing's Wuxi County (2018), Gansu's Kang County, Zhuoni County and Kangle County (2019–2020) from 2018 to 2020. During the year, COLI helped Kangle County to launch a special agricultural product brand "Kangle Mushroom", and promote it to hundreds of thousands of customers and homeowners in COLI developed residential communities and sales projects in over 80 cities in Mainland China. We will continue to take on social responsibility with "revitalizing the community and giving back to the people" as our mission, sailing into the future.

As the largest single-ownership office development developer and operator in Mainland China, the Group Series of Companies owned 72 office buildings under operation and development, with a total construction area of 5.45 million sq m. While developing our business, we also fulfil our responsibilities as a "Good Citizen" and are committed to reducing the carbon emissions of office buildings. During the year, 64 newly developed residential and commercial projects of the Group had either obtained or were obtaining national green building certifications.

As of the end of 2020, COLI obtained a total of 379 China Green Building Star Certification, LEED Certification, BOMA Certification, WELL Certification and BREEAM Certification. The cumulative area obtaining green building certification reached 71.47 million sq m, representing a year-on-year increase of 18.1%.

Under the national strategy driven by technological innovation, COLI joined the "Smart Park Standards Working Group", approved by the National Technical Committee for Digitalisation of Smart Buildings and Residential Areas (SAC/TC426), and participated in the preparation of new "Smart Park Design Standards", to help establish standards for the industry.

Since the outbreak of the pandemic, the global economy has been severely impacted. COLI worked with tenants to come through the difficulties together. Throughout the year, the Group reached rent reduction agreement of approximately RMB125 million with 1,300 commercial properties tenants. During the year, against such headwinds, leveraging the dedication of more than 6,000 employees of COLI and the concerted efforts of all parties, the profit attributable to shareholders of the Company for the year increased by 5.5% to RMB43.90 billion, and the dividend per share was HK118 cents, representing a year-on-year increase of 15.7%, and the return on equity reached 14.8%. During the year, the Company was selected as a constituent stock of the Hang Seng Sustainability Enterprise Index for 11 consecutive years, and was newly included into the Hang Seng ESG50 Index; it was rated as "low risk" by Sustainalytics, a leading international ESG rating agency, with the lowest risk score among Mainland developers, and ranked third among 234 real estate development companies in the world; obtained a BB rating in terms of MSCI ESG Ratings and recorded a three-star performance in the global real estate sustainability standard, demonstrating our contribution to business operations, environmental protection and society.

Looking forward, while striving for innovation, COLI will continue to adhere to the product philosophy of "Each and Every Detail of Each and Every Project", and continue to improve its core competitiveness, accumulate energy to meet the challenges ahead. We will be committed to the core values of being "a Company of Four Excellences" and sustainability. By formulating short, medium and long-term ESG strategies and measures, we will fulfill our commitment to building a healthy and sustainable community for future generations.

724)

Chairman of the Board of Directors China Overseas Land & Investment Ltd.

ABOUT THIS REPORT

Since 2012, China Overseas Land & Investment Ltd. ("COLI", "China Overseas", "the Company" or "We") has disclosed our governance strategies, actions and achievements in corporate social responsibility and sustainable development in the form of annual independent report to the public.

This report is the sixth annual Environmental, Social and Governance Report of COLI (i.e. the tenth corporate social responsibility report; the last report was published in May 2020). The Company reports non-financial information through this report and communicates with the stakeholders about the progress and achievements of COLI in sustainable development.

2.1 Reporting Principles

This report was prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "Guide") set out in Appendix 27 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited issued by the Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Core Option of the Global Reporting Initiative (GRI) Sustainability Reporting Standards ("GRI Standards"), and with reference to the United Nations' Guide for Business Action on the Sustainable Development Goals (SDGs) ("SDG Guide for Business Action"), the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) ("TCFD Recommendations") and the Standards of Sustainability Accounting Standards Board (SASB) ("SASB Standards"), in order to continuously improve the disclosure transparency of the Environmental, Social and Governance Report and respond to the demands of the capital market for information. With increased attention on the climate change issue, the Group took actions during the period to assess climate change risks and disclosed information on management of climate change.

The compilation process of this report follows the reporting principles suggested by GRI Standards and the Guide, which include:

- Materiality: After collecting the opinions of stakeholders, we re-evaluate the importance priorities of various sustainable development issues to the Company, thereby defining the disclosure focus of this report and providing accurate and detailed responses to the issues that stakeholders are most concerned about, and utilizing them as a reference basis for the Company to formulate sustainable development targets.
- Balance: In addition to disclosing the Company's progress in sustainable development management, this
 report also discusses the Company's sustainable development challenges and future action plans, and
 explains the undisclosed information.
- Quantitative: We set annual targets for the indicators, and present quantitative data in this report. All departments and business lines used the data collection tools to continuously record the Company's economic, environmental and social indicators during the year, and monitor the progress and results of the targets' implementation. In order to present the Company's annual performance changes, this report also contains some historical data of the Company.
- Consistency: Unless otherwise stated, the way the information was collected and presented in this report is consistent with the previous year's practices to ensure information comparability.

2.2 Reporting Scope

This report covers the work results of the Company and its subsidiaries at all levels in environmental, social and governance aspects for the period from 1 January 2020 to 31 December 2020, of which China Overseas Grand Oceans Group Limited (stock code: 00081), an associate of the Company, is also listed on the Stock Exchange. The details of its performance in environmental, social and governance aspects are available in the 2020 Environmental, Social and Governance Report of China Overseas Grand Oceans Group Limited (website: cogogl.com.hk/en/esg/report), which is not included in this report.

The reporting scope of performance indicators in this report covers three operation scopes, including residence, commerce and innovation business, of the Company. Of which, the reporting scope of environmental KPIs includes 41 offices of the Company, 223 projects under construction and 44 commercial projects held by the Company and operated throughout the year (there are 29 office buildings, 9 shopping centres and commercial street projects, and 6 hotels, respectively, when measured in terms of number of buildings). This annual report also includes 9 innovative business projects that were in operation for the full year.

2.3 Confirmation and Approval

The Board of COLI is committed to monitoring the report content and ensuring that it does not contain false records, misleading statements or material omissions. This report had been approved by the Board for publication on 28 May 2021.

2.4 Access of the Report

This report has been prepared in traditional Chinese and English versions for readers' reference. The electronic version of this report is available for downloading on the Company's website (www.coli.com.hk/esg/report/) or the Stock Exchange's website (www.hkexnews.hk).

Contact Us

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

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E-mail: coli_esg@cohl.com

Official website: www.coli.com.hk

Brand website: www.coli688.com

WeChat Account: COLI_688

LinkedIn: China Overseas Land & Investment Ltd.

COLI's Strength

3.1 Business Structure

COLI is a member of China State Construction Engineering Corporation. It was founded in Hong Kong in 1979 and listed on the Hong Kong Stock Exchange in 1992 (stock code: 00688.HK). COLI commenced residential housing development business in Hong Kong in 1984 and has been a constituent stock of Hong Kong Hang Seng Index since 2007, being a forerunner in the mainland China real estate industry.

Having gone through multiple rounds of economic cycles over 42 years, COLI remains committed to the strategic goal of "becoming an exceptional global property development corporation", continuing to position its development in "major cities, mainstream areas and mainstream products". It expands its business around three major services: "Residential Development", "Urban Services" as well as "Design Services". It focuses on the challenges and opportunities arising from sustainable development. In addition to deeply cultivating the principal business of residential development, it will also commit resources to commercial projects, and look into the education, senior care, logistics and public utilities, to strategically grow new profit engines.

Resource Allocation of Three Major Businesses during the 14th Five-Year Plan



For details, please refer to COLI's official website (www.coli.com.hk/en/about/corporate-profile).

3.2 Overview of COLI¹

Financial Performance

1. Corporate brand value in 2020: RMB121.6 billion

Total assets: RMB823.66 billion
 Net assets: RMB328.35 billion
 Revenue: RMB185.79 billion

5. Contracted sales: RMB360.72 billion

6. Profit attributable to shareholders: RMB43.9 billion

7. Land reserve: 91.90 million sq.m.

Data as at 31 December 2020

Sustainability Management

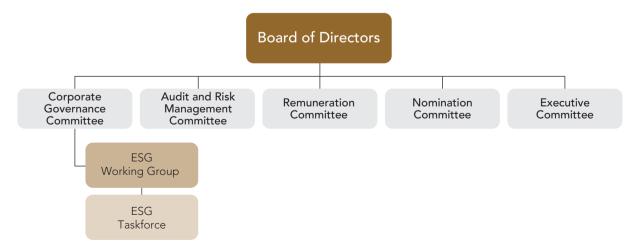
China's urbanisation rate exceeded 60% as at the end of 2019. As population grows and urbanisation accelerates, the pressure on the environment caused by high-emission development must be addressed squarely. To deliver on the UN's goal of "sustainable cities and communities" and its own 14th Five-Year Plan and vision for 2035, China announced in 2020 that it will strive to peak carbon dioxide emissions by 2030 and achieve carbon neutrality by 2060.

COLI is committed to integrating sustainability into corporate decision-making. Through robust management structure and policies, we have developed sustainability management strategy and goals, and continuously monitor their progress to contribute to addressing climate change.

Become an Exceptional Global Property Development Corporation Corporate Embark on the journey of global expansion to provide customers with comprehensive Vision solutions that meet their residential and business needs in the fields of real estate development, investment and operations Expand Delightful Space and Create Infinite Value Satisfying customers - focus on customers' short- and long-term interests to create more Corporate valuable space with dedication and experience Mission Empowering employees - unite and empower employees, build and share the future Rewarding shareholders - continuously strive to stay as an attractive investment target and create value for investors to gather their strength Diligent, Grounded, Visionary, Innovation Corporate Adhere to the principles of behaving properly, strictly complying with rules, Values seeking truth and being honest and pragmatic, and achieve personal value and COLI's ambitious objective of building a century-old company through continuous innovation

4.1 Sustainability Management Structure

In order to promote effective sustainability management, we have formulated the Measures for Environmental, Social and Governance Management of China Overseas Property to clearly define the responsibilities and reporting mechanism for sustainability affairs.



4.1 Sustainability Management Structure (Continued)

Board of Directors

- To take charge of the Company's overall sustainability governance
- To assess and determine the ESG risks related to the Company's business
- To supervise the management and review the Company's ESG performance
- To review the risk management and internal control system related to ESG

Corporate Governance Committee

Authorised by the Board to perform managerial and supervisory duties on ESG issues, which mainly include:

- To formulate and monitor the Company's sustainability strategies, policies, goals, etc.
- To assess and determine the material ESG risks related to the Company's business
- To review the implementation of ESG work and the results
- To review the Company's ESG disclosures
- To report to the Board on sustainability work each year

ESG Working Group

An inter-departmental body with the Vice Chairman as the team leader and the Corporate Communications Department and Operations Management Department as the deputy team leaders. Its duties are:

- To develop annual targets based on the Company's sustainability targets
- To develop total budget and annual budget for ESG
- To supervise ESG performance of subordinate units
- To research, discuss and make decisions on specific sustainability topics
- To continuously monitor the Company's overall sustainability performance and risks concerning material issues
- To formulate annual work schedule and action plan
- To review its working mechanism and terms of reference each year
- To organise the preparation of ESG report
- To report to and advise the Corporate Governance Committee on the above matters
- To notify the Corporate Governance Committee of any major cases in which the Company may potentially violate ESG-related laws and regulations

4.1 Sustainability Management Structure (Continued)

ESG Taskforce	Four dedicated, cross-departmental executive teams are formed based departments in concern to focus on respective sustainability topics and importance various policies and measures							
	Name	Area of focus						
	Sustainable Products Group	Development of green and healthy building products; responsible for the investment, positioning, design, construction and delivery of projects developed by the Company						
	Sustainable Operations Group	Operation of green and healthy buildings; responsible for the operation of projects held by the Company						
	Service Improvement Group	Customers' rights and interests, needs and satisfaction; responsible for customer service throughout the life cycle of projects						
	Elite Team Management Group	Team efficiency and competitiveness; responsible for employee development and satisfaction, performance management and professional ethics of the Company						

4.1 Sustainability Management Structure (Continued)

The Company has established an organisational structure for risk management to carry out risk assessment and monitoring for various segments. The organisational structure for risk management is as follows:

Board of Directors and Audit and Risk Management Committee	To conduct final review of annual risk issues and risk management procedures
Risk Management Committee	 To determine and rank the Company's annual risk management issues To formulate risk management procedures and designate responsible departments for various risks
Risk Management Team	 To summarise and analyze the Company's risk events in the year To coordinate with functional departments and relevant units and follow up on changes in major risks and implementation of countermeasures
Functional Departments at the Headquarters	 To complete the score assessment and preliminary ranking of annual risk issues To implement risk management measures

The Intendance and Audit Department continuously monitors the Company's risk management and internal control system (the "System"), reviews relevant work and the System every six months, and reports to and advises the Risk Management Committee and the Board. This year, we updated our risk management database by incorporating "climate change risk" into our corporate risk management framework as one of the strategic, planning and positioning risks of the Company, and had each department conduct more careful risk assessment on business management and control, disclosure compliance and market ratings to effectively formulate management measures in this respect.

For details on the organisational structure and terms of reference of the Board and its committees, the business risk management and internal control of the Company, please refer to section "Directors and Organisation" on page 85 of the Annual Report 2020 of China Overseas Land & Investment Ltd..

4.2 Sustainability Roadmap

COLI is convinced that combining business strategies with sustainability is essential to achieve the goal of sustainable operation in an ever-changing social environment and create long-term value for stakeholders. We vigorously promote our sustainability strategy based on the timeframe of China's 14th Five-Year Plan and the United Nations Sustainable Development Goals (UN SDGs).

Our key tasks in 2020, the second year of COLI's sustainability strategy period, include:

Scope of Work	Work Tasks	Results	Relevant Sections of This Report
Improving the sustainability governance structure	 To strengthen the participation of the Board in the decision-making process on sustainability and climate change issues To clarify the management responsibilities for climate change risk issues in sustainability management 	 ✓ In 2020, the Board authorised the Executive Committee to be responsible for sustainability-related matters ✓ In March 2021, the Corporate Governance Committee was set up under the Board to raise corporate responsibility and sustainability topics to a higher level 	Sustainability Management Structure
Following up and reviewing sustainable development goals	 To review the gaps between the ESG report and the requirements of the regulators and the capital market for sustainability management, and formulate an improvement action plan To follow up and review the progress and achievements of the 2023 sustainability targets 	relevant issues	 Sustainability Strategy 2023 Sustainability Targets
Developing a work plan for climate change management	 To comprehensively analyse the gap between the Company's management of climate change issues and the requirements of external stakeholders To develop a work plan for climate change management 	 ✓ Based on the identified gaps and with reference to TCFD recommendations, a plan for improving of climate change management for 2020-2023 was formulated ✓ Conducted qualitative analysis, scoring and ranking of climate risks ✓ Identified key physical risks and transition risks 	Climate Risks and Opportunities

4.2 Sustainability Roadmap (Continued)

Sustainability Mid-to Long-term Goals

Good Products

Before 2021: Integrate sustainability into corporate systems and incorporate it into work plans and performance appraisal 2023:
Achieve outstanding
performance during the
14th Five-Year Plan
period

Become a leader in practicing the 2030 UN Sustainable Development Agenda in China's real estate industry in the long run

4.3 Sustainability Strategy

Area

Our sustainability strategy of "Four Excellences" is built on four key areas, i.e. "Good Products, Good Services, Good Citizen and Good Effectiveness", in line with our corporate mission and the UN SDGs, creating sustainable value for key stakeholders while developing our business.

Good Services

	Good 1 Toddets	Good Sel vices
Policy	 Creating a Healthy Life with Enjoyable Space Understand customers' pursuit of a better life and integrate sustainability into the strategic positioning of products 	Full-cycle Customer Service Analyse, listen and respond to the needs of different customer groups to build long-term trust and support
Vision	 To create communities integrating functional, healthy and humanistic elements based on modern living and working patterns and adhering to "Each and Every Detail of Each and Every Project" 	To continuously improve customer satisfaction and become an industry leader in customer relationship management
	3 sentences 4 sector 9 services 11 sentences 12 contents 12 contents 13 sentences 14 contents 15 contents 16 contents 17 contents 17 contents 18 contents 18 contents 18 contents 18 contents 19 services 19 services 10 contents 10 conte	3 state states -W/ -W/ 12 streets in states
Strategy	 Integrate customer needs into architectural design and facility planning, constantly explore product and business innovations, and conduct strict supply chain management and construction quality control 	 Improve customer communication, satisfaction surveys and interdepartmental collaboration at all stages of the project life cycle, and proactively listen and respond to customer needs
Value Creation	Space users	Customers

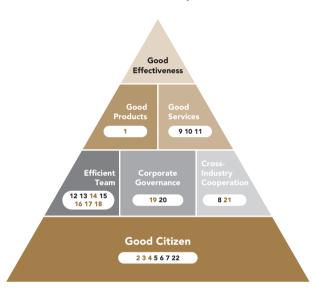
Area	Good Citizen	Good Effectiveness
Policy	 Sustainable design and construction Adopt a business development model that is harmless to the environment and the interests of future generations 	 Creating Shared Value Create a more equal and sustainable industry and society, and balance the long-term interests of stakeholders
Vision	 To assist the state and society in coping with sustainability and climate change challenges for environmental and social benefits in terms of products, services and business management model 	 To enhance COLI's value creation capabilities, match social needs with COLI's competitive strengths, and expand internal and external cooperation to boost the process of sustainability
	3 anymetry -√√ 11 representation 13 minute 13 minute 13 minute 14 minute 15 minute 16 minute 17 minute 18 minute 10 minu	8 security of the security of
Strategy	Understand environmental issues and social development needs, leverage expertise, resources and influence to manage environmental and social factors of business activities, and take an active part in community building	 Improve corporate governance Establish a culture of integrity and sustainability, and promote partners' recognition of COLI's values and code of conduct Build an efficient team Strengthen employee satisfaction surveys, improve employment policies, environment, personnel training & development and performance management, and enhance COLI's international competitiveness Promote cross-industry cooperation With various sectors of the community, create a greater positive impact on the sustainability of the environment and society
Value Creation	Overall environment, the community and future generations	Shareholders, employees, partners, customers

Environmental awareness and capacity

building

To maintain flexibility of our strategy and cope with social, economic and environmental trends, COLI regularly analyses and assesses material sustainability topics. Last year, we identified 22 sustainability topics related to COLI's "Four Excellences" strategy, and identified 10 material sustainability topics through communications with stakeholders such as questionnaires and ESG Working Group meetings. This year, the ESG Working Group reexamined the risks and changes of various material issues.

List of Sustainability Issues



Green and sustainable buildings 9 Customer feedback and satisfaction 17 Training and development Climate change 10 Fair treatment of customers and 18 Occupational health and safety marketing Energy efficiency and renewable 11 Customer privacy and information 19 Corporate and supplier code of energy security conduct Greenhouse gas emissions 12 Management and employee 20 Anti-corruption and unfair competition diversity 13 Equal opportunity and anti-21 Green and sustainable supply chain Water resources discrimination Waste and sewage management 14 Employee well-being 22 Rural vitalisation Land risk and biodiversity 15 Labour relations and labour rights

■ 10 Material Issues

16 Employee engagement and

satisfaction

Coverage of issues

	terial ainability	Area of focus	Investment	Purchasing	Design	Construction	Operation	Value creation ability	Customer and community interests	Relevant sections of this report
(1)	Green and sustainable buildings	Green, healthy and climate-resistant buildings	1	✓	✓		✓	✓	✓	Good Citizen – Sustainable Design and Construction
(2)	Climate change	Risks and opportunities brought by climate change, and how to identify, manage and deal with them	1	1	1	✓	1			Climate Risks and Opportunities
(3)	Energy efficiency and renewable energy	Energy efficiency, cleaner alternative energy			✓	1	✓		✓	Construction Process Process, Project Operation
(4)	Greenhouse gas emissions	Air pollutants, carbon emissions/ greenhouse gas emissions			✓	√	✓		✓	
(14)	Employee well- being	Employee benefits, welfare, health and safety, life-work balance and work performance				/	✓	1		Employee Engagement
(16)	Employee engagement and satisfaction	Employee communication mechanism, satisfaction and engagement						✓		

Coverage of issues

Material sustainability topics (17) Training and development	Area of focus Improvement of employee skills and knowledge, functional system, promotion ladders, performance appraisal	Investment	Purchasing	Design	Construction	Operation	Value creation ability	Customer and community interests	Relevant sections of this report Training and Development
(18) Occupational health and safety	Occupational safety and health management system, accountability and risk monitoring mechanism; covering employees and business partners of COLI		✓		1	✓	/		Health and Safety
(19) Corporate and supplier code of conduct	Code of conduct for the Company's management, employees and affiliates, as well as its supply chain and business partners		√	/	✓	√	/		Code of Conduct
(21) Green and sustainable supply chain	Selecting materials with low environmental impact, setting standards for ecofriendly materials, and incorporating environmental and social responsibility requirements into supplier evaluation criteria		1					/	Sustainable Supply Chain, Using Sustainable Materials

4.4 2023 Sustainability Targets

To manage the implementation of the company's "Four Excellences" strategies, we set sustainability goals with 2019 as base year and 2023 as target year, which have been approved by the senior management.²

In December 2020, the ESG Working Group held a meeting to review the target progressions and the results achieved during the year, formulated action proposals to further improving sustainability management and performance, reported to the management to seek guidance, support and approval. This year, COLI reported on the progress of sustainability targets for the first time, which will be detailed in the sections on "Four Excellences".

² Unless otherwise specified, the benchmark year of the sustainability targets set out herein is 2019 and the target year is 2030.

Stakeholder Engagement

COLI strives to create value for customers, employees, investors and communities. We have established various communication channels to maintain open communications with stakeholders and listen to their opinions, in order to continuously better our products, services and business models and adjust the sustainable development strategies of COLI.

5.1 Continuous Communication Strategy

COLI has defined the following key stakeholder categories and their main concerns. Various departments and business lines actively communicated with the stakeholders through different channels during the year:

Туре	Focus	Main Communication Channels
Employees	Equal opportunity Employee communication Welfare protection Health and safety Career development path	 Employee satisfaction surveys Employee seminars and regular meetings General manager/president luncheons Chairman's mailbox Management meetings Union activities Employee gatherings OA intranet system China Overseas magazine
Labour	Health and safety Employment opportunities Labour rights and interests	 Contract and salary administrative measures Project safety assessment and training "Safe and Civilised Production Month" campaign "Proposal to Partners" and other daily communication channels
Customers	Information transparency Product and service quality Healthy lifestyle Customer experience Handling of feedbacks and complaints	 Customer satisfaction surveys "Knock-Knock" home owner visit programme China Overseas Property Club ("COPC") customer platform CRM system and customer App Official WeChat School parent meetings

5.1 Continuous Communication Strategy (Continued)

Туре	Focus	Main Communication Channels		
Business partners	Performance of contracts with integrity Mutual beneficial relationship Deepening cooperation Joint development	 Cooperation agreement provisions Open Letter on tender submission Project meetings Supplier training "Centralised Procurement Communication Month" activity Centralised procurement suppliers conferences Contractor conferences 		
Shareholders/Investors	Information transparency Investment return Protection of rights and interests Operational risk control	 Press conferences Roadshows Investor and analyst meetings Corporate visits Project site visits Stock Exchange announcements Investor relations webpage 		
Community and media	Targeted poverty alleviation Employment opportunities Affordable housing Synergistic community development Public's right to know	 "Sea of Hope" poverty alleviation scheme Donations and visits to Hope Primary Schools Employee volunteering Official WeChat News centre of the Company's website 		
Government	Compliance with the law Paying taxes in accordance with the law New urban development	 Participating in governmental projects Meetings and interviews Project site visits 		

5.2 Compliant and Transparent Disclosure

COLI emphasizes greatly on corporate information compliance and transparency. We disclose sustainable development-related policies and data on the Company's website and in this report, and actively acknowledge investors' information requirements and expectations.

During the year, COLI was again included in the constituent shares of the Hang Seng Corporate Sustainability Index Series (HSSUS) and Hang Seng ESG 50 Index, and was rated as "Low Risk" by Sustainalytics, an internationally leading ESG rating agency, with the lowest risk score among Mainland developers, and an overall ranking of third place among 234 real estate developers around the world.

The Company continued to actively respond to investor-oriented sustainability indexes and rating requirements, including the MSCI ESG Ratings, Dow Jones Sustainability Index (DJSI) and Global Real Estate Sustainability Benchmark (GRESB) (property development unit), with the scores in these three indexes increasing by more than 20% year-on-year during the year.

In addition to responding to the above questionnaires from rating agencies, COLI's management and corporate communications departments also report to the investment community (shareholders, bond investors, analysts, etc.) the performance and business conditions of the Group through multiple channels. After publishing the interim and annual results announcements, the Company arranges press conferences, analyst meetings, and post-results-announcement roadshows to directly communicate with the investment community, listen to their opinions and answer their questions. COLI voluntarily discloses certain unaudited major operating and financial data on a quarterly basis, and announces property sales and land acquisitions on a monthly basis to enhance transparency. The Group maintains close communication with the investment community, and interacts with investors through various forms such as investment bank meetings, company visits, teleconferences, and project visits. During the year, the Group participated in 25 investor summits, communicated with more than 1,000 investors, and organized 11 trade/non-trade roadshows.

5.3 Industry Communication and Cooperation

COLI's business departments actively participate in external organisations to drive the development and innovation of industry technology and management standards. During the year, we participated in the following industry organisations, engaging in the development of technical standards, demonstrating COLI's case, and carrying out collaboration and exchange:

Industry Organisations	Participating Unit	Membership Qualification			
China Green Building Council ("CGBC")	COLI/China	Leading Unit of the Property Team			
Open Link Association	Overseas	Deputy council unit			
National Technical Committee of Digital	Property	Member			
Technique of Intelligent Building and Resident	t				
Community of Standardization administration					
of China - Smart Park Standard Working Group					
(SAC/TC426)					
Shenzhen Green Building Association	Hua Yi Design	Nine experts joining in the Green Building Council			
China Index Academy	China Overseas	Member of the China Commercial Property			
,	Commercial	Index System Advisory Committee			
Building Owners and Managers Association (BOMA) International	Properties	BOMA China Platinum Member			
Architectural Design Branch of China Survey and		Member of the Internet of Things Research			
Design Association		and Promotion Department			
The International WELL Building Institute (IWBI) $$		Keystone Member of IWBI			

5.3 Industry Communication and Cooperation (Continued)

During the year, COLI received a series of key awards and recognition for its performance and efforts in various aspects of sustainable development:

Awarding Organisation	Award	
Corporate Governance and Comprehensive Performance		
Guardian New Media	 No. 1 in Top 10 Listed Mainland Real Estate Companies in Financing Capability in 2020 No. 1 in Top 10 Listed Mainland Real Estate Companies in Solvency in 2020 No. 2 in Top 30 Listed Mainland Real Estate Companies of the Year 2020 	
World Built Environment Forum of the Royal Institution of Chartered Surveyors (RICS)	Winner of both RICS Facility Management Team of the Year and Commercial Project of the Year Excellence Award of RICS Commercial Project of the Year Excellence Award of RICS Deal of the Year Excellence Award of RICS Facility Management Team of the Year	
Enterprise Research Institute of Development Research Centre of State Council of PRC, Institute of Real Estate Studies of Tsinghua University, China Index Academy	Industry No. 1 certification for brand value, Mainland China Real Estate Industry - Leading Company Brand for the 17th time	
China Real Estate Association, Shanghai E-House Real Estate Research and Training Institute, China Real Estate Appraisal	Industry No. 1 certification for brand value	
China Commercial Real Estate Association	Commercial Property Social Impact Achievement in China	

5.3 Industry Communication and Cooperation (Continued)

Awarding Organisation	Award
Green Development	
China Index Academy	No. 2 in Top 50 ESG Best Practice Enterprises Among Chinese Real Estate Listed Companies in 2020
Construction21	2019 China Sustainable Building "Green Solution Award" International Finalist Award
Chinese Investment Association, Standard Ranking	No. 1 in China's Top 50 Listed Real Estate Enterprises in Green Credit Index
Chinese Investment Association, China Green Industry Foundation, Standard Ranking	No.1 in China's Green Property 2020 No.1 in China's Green Property 2020 – State-owned (Central) Enterprises No.1 in China's Green Property Operation Index 2020 No.1 in China's Green Property 2020 (Residential) No.2 in China's Green Property 2020 (Commercial) No.3 in China's Whole-decoration Enterprises 2020 Top 10 in China's Prefabricated Buildings Enterprises 2020
Chinese Society for Urban Studies, Green and Energy Efficient Building Professional Committee	Leadership in Green Building Group Award 2019
Excellent Employer	
Zhaopin & Social Survey Research Centre of Peking University, China Institute of Labour Economics, Harvard Business Review	China's Best Employer 2020 China's Top 30 Best Employers 2020
Liepin.com	Guangdong Most Innovative Employer 2020
Caring the Community	
Leju Economics	China's Exemplary Real Estate Enterprises for Poverty Alleviation 2020
The Hong Kong Council of Social Service	"Caring Company" 10 Years Plus

Good Products - Creating Enjoyable Space



COLI adheres to the product philosophy of "Each and Every Detail of Each and Every Project", and commits to creating safe and comfortable "good products". When developing projects, we make reference to international, national, industry and local standards, fully consider the varying needs of customers, and fine-tune the control and management of the real estate development value chain, so as to create a green and healthy living space for customers.

This section aligns with the following international goals and reporting indicators:

UN SDGs











HKEx ESG Guide

GD-A2, GD-B5, KPI B5.1, KPI B5.2, KPI B5.3, KPI B5.4, GD-B6, KPI B6.3, KPI B6.4

GRI Standards

102-9, 103-1, 103-2, 103-3, 203, 301, 308, 413, 414, 416, 417

Good Products – Key areas of progress in 2020

Target	Achievements in 2020	Overall Progress
Green and sustainable buildings		
Proactively participate in the development of sustainable building-related technological standards to increase COLI's influence in the sustainable building industry.	 Participated in the development of Smart city Building and Residence Community - Part 1: Smart Community Construction Specifications, a national standard Participated in the development of Smart Park Design Standard, a group standard Participated in the development of Assessment Standard for Healthy Building, a group standard 	**
 For residential projects From 2020 to 2023, ensure that 100% of newly developed projects obtain one-star national green building certification or other higher-level certifications Complete the establishment of COLI healthy residence system 	 64 newly developed projects have either been certified or are applying for one-star or above certification Completed strategic research and the development of Green and Healthy Housing Standards of COLI 16 new projects received two-star healthy building design logo 	***
 For office building projects, by 2020 Achieve 1 WELL certification for OFFICEZIP flexible-working space All office building projects in London obtain BREEAM certification 	 The Beijing China Overseas Fortune Centre OFFICEZIP obtained WELL V2 CORE platinum certification All 4 office building projects in London obtained BREEAM certification (excellence and higher grade) 	***
 For office building projects, by 2023 Obtain LEED certification for 15 projects cumulatively Obtain WELL certification for 11 projects under construction cumulatively 	 Obtained LEED certification for 9 projects cumulatively Completed cooperation engagement with WELL During the year, the Company cooperated with WELL and Tsinghua University and completed a special training session for WELL healthy buildings, and has become a WELL Diamond Keystone member Completed the WELL healthy building upgrade for the projects that will enter the market in 2021; started the preparation for WELL certification of the project under construction at Qingnian Road, Wuhan 	

Good Products - Key areas of progress in 2020 (Continued)

Target	Achievements in 2020	Overall Progress
Green and sustainable buildings		
 For newly developed hotel projects, by 2023 All obtain China green building certification Not less than three projects obtain 2-star or above certification 	No newly developed hotel projects during the year	N/A
With reference to the China Green Building Evaluation Standard and WELL Healthy Building Standard: By the end of 2020, develop the "300 Humanized Design Details" design guide and apply it to future residential projects By 2023, complete the development of the COOC Healthy Building Standard and apply it to commercial projects	 Completed the development of "300 Humanized Design Details", which contained examples of humanized design, as a guiding manual for green and healthy design that will be more widely applied to residential projects Completed the cooperation engagement with International WELL Building Institute (IWBI), and held a training session in concert with WELL and Tsinghua University 	**
Ву 2021		
 Install air purification systems in new commercial projects Add real-time detection and exhaust purification devices to equipment of commercial projects Achieve 100% air quality score and standard satisfaction rate in newly opened long-term rental apartments, education and senior living projects 	 6 out of 167 new projects (representing 3.6%) during the year have installed air purification systems Installed detection and exhaust purification devices to 100% of commercial projects in operation During the year, one education project and one elderly care project were opened, with an air quality score of 100% and standard satisfaction rate of 100% 	**

6.1 Policies and Guidelines

During the year, we completed the development of Green and Healthy Housing Standards of COLI, which was compiled with reference to more than 20 international, national, industry and local standards, and taking into consideration the living environment and lifestyle of the Chinese people. The Standards were intended to be applied across residential projects completed in the future. For interior design and intelligent application, we completed the development of the 300 Humanized Design Details of COLI, a design manual to guide our design team with examples of humanized design in four areas: refined interior decoration, refined public area decoration, landscaping, and smart Internet of Things.

For commercial projects, we are compiling the COOC Healthy Building Standard with reference to International WELL Building Institute (IWBI), which is expected to be completed and promulgated in 2023. During the year, we held a special training session on WELL healthy building in concert with WELL and Tsinghua University to facilitate the establishment of the standard and knowledge exchange.

With respect to the supply chain, Supplier Code of Conduct of COLI requires that suppliers undertake to comply with ten aspects of code of conduct, including business ethics, remuneration and labour rights, occupational health and safety, prohibition of child and forced labour, environmental and safety standards of products. The Supplier Code of Conduct, which has been published on our official website, is applicable to business partners of the Company and its subsidiaries as well as regional and project companies, including suppliers of materials, supplies, and services.

The Guidelines for Management of Qualified Centralized Procurement Suppliers of COLI (《合資格中海集採供應商管理工作指引》) and the Guidelines for Management of Qualified Contractors of COLI (《合資格中海承建商管理工作指引》) specify the established procedures and criteria for the screening of all potential central procurement suppliers, and in 2020 added specific requirements for environmental and social performance.

The Material Management Measures of COLI (《中海物資管理辦法》) regulate the Company's procurement procedures to ensure that supply chain management, construction equipment and materials conform to unified and strict quality and safety standards on an ongoing basis.

6.2 People-oriented Living Space

COLI's Research and Development Principles for Green and Healthy Housing

During the year, COLI officially implemented the green and healthy product strategy of "GO, 2030!" and published the China Overseas Standards for Green and Healthy Residential Properties 《中海綠色健康住宅標準》). We focused on the positioning of healthy and green residential projects for the future, and strived to build COLI into a people-oriented construction company. We also prepared ourselves to transform towards offering green and healthy products, responded to the national strategic goal of Healthy China 2030, and made every effort to satisfy the needs of the public for a healthy living in the post-pandemic era.

COLI's product development center has established the "customer-oriented, technology-driven and green-based" research and development principle and forged the "perceivable, quantifiable, trustworthy and reliable" research and development strategy through identifying customer concerns, leveraging advanced technical achievements and capitalizing on the inherent product advantages of COLI to construct the perceivable healthy environment, implement the quantifiable technical measures, offer trustworthy green and healthy products of COLI and become the reliable COLI brand for customers, as supported by our product standards boasting seven major scenarios featuring "Home, Travel, Socialization, Fitness, Health Care, Service and Emergency" across 26 sectors with more than 130 technical requirements.

During the research and development process, COLI joined hands with parties including research institutes, higher education institutions, authoritative institutions and central procurement suppliers, and leveraged multiple resources to carry out debates on the effectiveness of technical solutions. We made reference to international, national, industry and local standards, including WELL Building Standard (《WELL健康建築標準》), Assessment Standard for Healthy Building (《健康建築評價標準》) and Assessment Standard for Green Building (《綠色建築評價標準》), and selected over 10 projects for trial implementation to gradually raise the standards of our products in terms of professionalism, authoritativeness and leadership. We received recognition from two major overseas and domestic authoritative research and development institutions in healthy building, namely Delos Well Living Lab and China Academy of Building Research, and was invited to participate in the revision and editing of the latter's standard, the Assessment Standard for Healthy Building (《健康建築評價標準》), giving full play to the leadership role of COLI in the area of healthy building.

In addition, COLI continued to boost its product strength through formulating various standards, including China Overseas Property Guidelines on Kitchen and Bathroom Standards (《中海地產廚衛標準化指引》), COLI Smart Home Four-in-one Switch System 《中海智慧家居·四關網關系統》), China Overseas Property Residential Design Standards (《中海地產住宅設計規範》), China Overseas Property Guidelines on Refuse Room Standards (《中海地產垃圾用房標準化指引》) and Designer Manual of CRAFT Product Series (《CRAFT匠心產品設計師手冊》).

6.3 Complete Supply Chain Management

COLI actively promotes centralized procurement and ensures that supply chain management, construction equipment and materials conform to unified and strict quality and safety standards. The Material Management Measures (《物資管理辦法》) are management guidelines for the Company's procurement procedures. We continue to monitor the information about suppliers that have a significant impact on the Company's products to assess the environmental, safety, quality, and social risks of the supply chain.

Supplier Screening and Assessment

Each year, the Company assesses the performance of potential suppliers in areas such as management mode, production process, material quality, and environmental and social code of conduct through data verification, management interviews, site visits, enterprise benchmarking and internal and external research. Only suppliers that pass the assessment can be admitted to the Company's list of qualified suppliers and have the opportunity to participate in biddings.

Each year, the Cost Management Department of the Company coordinates with multiple functional lines including design, engineering, customer service and marketing to conduct annual integrated performance assessment of suppliers at all levels from areas to regions, up to the headquarters to assess supply chain risks. The assessment comprises review of suppliers' documents of management systems, project acceptance, quality testing and unannounced third-party inspection of production plants. We grade the performance of suppliers based on indicators such as materials quality, safety culture, quality rectification and maintenance efficiency, and classify suppliers into four grades: Grade A (excellent), Grade B (qualified), Grade C (poor) and Grade D (unqualified). Those falling into Grade D are deemed "unqualified partners" and may not participate in bidding for two years.

The Company will require suppliers who violated the code to make improvement. Suppliers who repeatedly or seriously violate regulations may be subject to punishment of warnings, fines, and termination of cooperation, and may even be listed as unqualified suppliers and disqualified from bidding.

During the year, a total of 22 Grade A project contractors were selected as "strategic suppliers" of COLI and enjoyed priorities in procurement, while a total of 2 suppliers were rated "unqualified partners" for reasons concerning timeliness of supply and cooperativeness in project construction management.

In 2020, all of COLI's suppliers signed the Supplier Code of Conduct. No supplier was included in the "List of Unqualified Suppliers" for violating requirements for environmental, social, and other aspects during the year.

6.3 Complete Supply Chain Management (Continued)

Sustainable Supply Chain

Technical Requirements for Building Materials of COLI (《中海建材技術要求》) require bidders to submit inspection reports, ISO quality management certifications, Work Safety License and certificate of origin of materials each year to prove that their management and materials supply continue to meet COLI's quality and safety requirements continuously. In addition to unannounced material inspections led by COLI teams at project sites, we also engage third-party inspection agencies to conduct unannounced inspection on centrally procured products at plants to spot-check the quality of materials on a quarterly basis.

To strengthen long-term strategic cooperation relationship with our partners, we have established a complaint mechanism and annually organize a "Centralized Procurement Communication Month" event to promote communication with suppliers. We are pushing forward the standardization of green and healthy material procurement with an aim to complete the development of green procurement category standards by the end of 2021 and the development and monitoring of quantitative targets for green supply chain by 2023. To support the implementation of COLI's Green and Healthy Housing Standards, we completed the development of technical standards for centralized procurement of certain healthy materials during the year. In addition, we plan to set up green standards of 53 procurement categories in the first quarter of 2021, and collect reference data such as the GSC Whitelist of Real Estate Industry Green Supply Chain Action in China and the green evaluation certification from the Ministry of Industry and Information Technology, the Ministry of Ecology and Environment, and other departments, as part of the preparation for setting goals.

6.4 Each and Every Detail of Each and Every Project

COLI has established a quality management system that covers the entire project life cycle, and controls the construction quality of projects with "high standards and strict requirements". Combining the system with the evaluation and monitoring mechanism of the COLI team, we strictly control the quality and safety of every process detail of our products. The headquarters conducts a 100% comprehensive process assessment of the projects on a quarterly basis to quantitatively evaluate project process management from four aspects: quantitative & quality inspection, quality risks, safety and civility, and site management and reward and punish accordingly.

We attach great importance to employees' knowledge training on product quality and safety standards. Throughout the year, a total of 25,180 engineering staff on an accumulative basis participated in training covering process practices, project management experience, safety management experience and house delivery summary.

6.4 Each and Every Detail of Each and Every Project (Continued)

Stage	Measures
Before Construction	 Survey the geology of project sites and surrounding areas, such as the impacts of groundwater and soil on the safety of building structures Confirm that the geology is suitable for construction Establish construction process management targets for different engineering actions Develop construction standards for each engineering action according to the national standards
During Construction	 Conduct regular quality assessment on the four areas including "quantitative & quality inspection", "safety and civility", "site management" and "quality risk" in accordance with regulations such as the Operation Manual on Comprehensive Assessment (《綜合評估操作手冊》), Operation Manual on Monthly Assessment (《月度評估操作手冊》) and Operation Manual on Weekly Assessment (《週評估操作手冊》) Every quarter the headquarters randomly selects projects to conduct comprehensive assessment Set the "quality red line" (i.e., minimum requirement for the quality qualification rate) for process items prone to frequent quality problems Issue the China Overseas Property Comprehensive Assessment Report on Quality and Safety (《中海地產質量安全綜合評估報告》) to analyse quality and safety risks Implement improvement measures, including rectification, reward and punishment under the "Stars of the Sea", reporting to the group-level, and motivational talks Carry out training and promotions in relation to product quality and safety at the headquarters and the companies at the regional level

6.4 Each and Every Detail of Each and Every Project (Continued)

Stage	Measures
Before Project Delivery	 The engineering department aligns with departments participating in the project delivery process (for example: COCP) in advance, organizes professional work- group discussion, and solicits suggestions from other departments on product function, equipment, material and system optimisation
	 Engage a third-party inspection company to carry out cross-examination in conjunction with various departments
	• Carry out completion inspection according to the requirements of the On-site Operation Process for Pre-delivery Quality Assessment (《交付前質量評估現場操作流程》)
	 Analyse quality problems, issue risk alerts, and develop improvement measures Summarise, report and share best practice with other projects
After Project Delivery	 Continuously collect customers' opinions on product quality Feedback customers' opinions to the responsible department at the front end of the project development process

6.5 Product and Service Innovation

COLI strives to achieve innovation in the residential business to build supporting facilities that cater to the community's present and future needs. While steadily developing high-quality education and elderly care businesses, we have developed strategic cooperation with innovation and technology companies, academic institutions, and international institutions on customer research, smart technology and management mode to create a green, smart and healthy community life for customers.

Healthy Supporting Facilities

WELL Healthy Building Certification - Beijing China Overseas Fortune Centre OFFICEZIP Project

Having obtained the V2 CORE platinum certification with a high score of 98/100, the Beijing China Overseas Fortune Centre OFFICEZIP project became the world's first unconventional office project to obtain WELL platinum-level certification. The project is positioned as "Laboratory for Future Offices" and aligned to the seven WELL issues of air, water, exercise, nutrition, health, sunlight and lighting. The project team from the onset addresses health-related issues in terms of design, materials and equipment system. This year, as the project officially went into operation, we incorporated many concepts of WELL Standards into management and policies, including organising various health-themed sharing sessions and fitness activities for tenants to help them stay healthy at work and in life.

6.5 Product and Service Innovation (Continued)

Healthy Supporting Facilities (Continued)

WELL Healthy Building Certification - Beijing China Overseas Fortune Centre OFFICEZIP Project (Continued)

Air

Issue

The concentration of some pollution indicators is 2-5 times higher indoors than outdoors. Air pollution is the number one environmental cause of premature death

OFFICEZIP Solution

Strictly select safe and reliable low-volatile building materials, set filter in the AHU unit of the project, install an ultraviolet sterilization device in the main air duct, install fresh air system and air quality detector, monitor air indicators on the monitoring panel of the project in real time

Water

Issue

There may be secondary pollution in municipal pipelines, which increases bacteria, heavy metals or other potential pollution sources, resulting in poor drinking water quality, posing a serious health threat to people

OFFICEZIP Solution

Install filtering equipment to efficiently remove harmful elements such as micro-organisms, pesticide residues, and heavy metals in the water and improve the taste of drinking water. Ensure that users can use safe and clean water through high-standard filtration technology and regular cleaning inspections

Issue

More than half of the world's adult population is overweight or obese. Malnutrition is the main cause of preventable chronic diseases such as cardiovascular disease, diabetes and obesity

OFFICEZIP Solution

Provide residents with access to professionally qualified nutritionists, regularly hold seminars on nutrition issues, and regularly push healthy diet knowledge. OF COFFEE replenishes fresh fruits, vegetables, and food ingredients every day, and provides healthy meals scientifically proportioned by professional nutritionists

Materials

Nutrition

Issue

For about 95% of chemical substances heavily used in construction, volatile organic compounds and semi-volatile organic compounds (SVOCs) have various effects on health, such respiratory tract irritation and even cancer

OFFICEZIP Solution

Building materials meet the United States California Department of Public Health (CDPH) Standard Method and the national E0-E1 environmental protection material requirements; fully use LED lamps to avoid the chance of contact with mercury-containing lamps; engage a professional third-party company to recycle waste batteries and detergents to fully solve the risk of exposure to chemicals





Community Supporting Facilities

Since opening a few years ago, "China Overseas Jinnian senior living" and "COLI education" have provided communities in mainland China with good and reliable education and elderly care. They have supported the living needs of over 14,000 families.

Technology Supporting Facilities

During the year, COLI joined hands with a number of technology companies and scientific research institutes to explore technological innovation for smart life and establish a health ecology alliance driven by research and development. We joined the Smart Park Standard Working Group established with the approval of the National Technical Committee of Digital Technique of Intelligent Building and Resident Community of Standardization administration of China (SAC/TC426) and participated in the development of Smart Park Design Standard. In addition, COLI participated in the development of Smart city - Building and Residence Community - Part 1: Smart Community Construction Specifications (《智慧城市建築及居住區第1部分:智慧社區建設規範》) and the 2019 White Paper on the Standardization of Smart Parks in China 《2019中國智慧園區標準化白皮書》), both of which are national standards. We also joined the "Open Link Association", an Internet of Things organization in China initiated by 24 academicians and 9 industry giants under the guidance of the Ministry of Industry and Information Technology, to develop smart home standards. During the year, COLI completed the design of 115 smart communities and 152 smart homes, and launched 4 smart sales offices, providing customers with one-stop house purchase and living experience.

In addition, we also aligned the new technologies of the Technology Company with the needs of customers and promoted a variety of cooperation projects on research, development and innovation, including:

- Expanding cooperation with Huawei in the field of real estate Internet of Things, including jointly building industry standards, Internet of Things platforms, and ecosystems.
- Entering into a comprehensive cooperation agreement with Alibaba Cloud to explore the cooperation
 model of "real estate + technology" by leveraging Alibaba Cloud's advantages in the full-chain eco-system
 covering entertainment, e-commerce, payment and finance, logistics and Internet technology services.

During the year, COLI launched the "Innovation Award" to commend 21 project designs that were innovative and helped improve performance, reward relevant design teams, and encourage the product development spirit of undaunted innovation.

Technology Supporting Facilities (Continued)

China Overseas Jinnian

COLI's senior living brand, "China Overseas Jinnian" is a new impetus which has developed four elderly homes since 2018. COLI's expansion into senior living is to provide the elderly with improved community ancillary facilities through quality elderly care. To lead the future elderly lifestyle, COLI has compiled the "Jinnian 101 Senior Care System" which guides our products and services such as counselling psychology, recreational activities, age-appropriate and barrier-free designs, etc.



For the Wuxi China Overseas Jinnian Senior Apartments, which has been in operation since May 2020, the number of occupants exceeded one hundred in only 7 months despite the COVID-19 pandemic. In the future, China Overseas Jinnian will continue to elevate its services and target to achieve over 90% occupancy rate.

Technology Supporting Facilities (Continued)

Guojian Smart Energy Technology Company Limited

To support China's initiative of a greener nation, COLI, along with China State Construction Engineering Corporation Limited (CSCEC) and State Grid Corporation of China, has set up Guojian Smart Energy Technology Company Limited. This joint venture develops green energy charging piles business under COLI's operation. It focuses on investment, construction, operation and related technology research and development. As at the end of December 2020, the vehicle-to-pile ratio in China was approximately 3.41:1. The ratio is expected to reach 11:1, meaning 63 million charging piles will be built in the next 10 years.



Going further and faster in technology and green initiatives, COLI will expand intelligent charging services, launch new models of electronic charging piles and promote green travel.

Technology Supporting Facilities (Continued)

Hangzhou Project Awarded WELL V1 Precertification

COLI·Mansion De Renaissance | Sanlilu is built on the old Fine Art School of Hangzhou Normal University and stands 3 km away from West Lake. The project achieved platinum-level precertification under the International WELL Building Institute – IWBI's WELL Building Standard™ in 2020.

The project went through precertification assessments on 7 concepts: Air, Water, Nourishment, Light, Movement, Thermal Comfort and Mind.



Special features include installing water softener system to provide soft water for drinking and shower; each unit is equipped with an intelligent temperature control panel to maintain a stable temperature and humidity range; special consideration to reserve space in the building to introduce sunlight into living space.

COLI was also awarded WELL platinum certification on Beijing China Overseas Fortune Centre OFFICEZIP Project in 2019.



Customers are the driving force for COLI's product innovation and sustainable operation. We value communication with customers and collect and conduct research on customer feedback and satisfaction at customer contact points, covering project positioning, design, construction, sales, occupancy and property service. We think from customers' perspective, communicate customer needs to the project team through interdepartmental communication and analysis, and accumulate and share among project teams the experience, in order to innovate and create the most appropriate products and services for customers. We also strive to provide professional and credible services in the sales process, and require licensed sales staff to strictly abide by laws and regulations and the Company's code, so as to maintain the long-term trust between COLI and customers.

This section is aligned with the following international goals and reporting indicators:

UN SDGs





HKEx ESG Guide

GD-B6, KPI B6.2, KPI B6.5, KPI B6.5

GRI Standards

103-1, 103-2, 103-3, 413, 416, 417, 418

Good Services - Key Areas of Progress in 2020

Goals

Goals	Results III 2020	
Customer Feedback and Satisfaction		
 Residential projects Maintain overall customer satisfaction score at 88 or above Maintain customer satisfaction score at sales sites at 90 or above Maintain homeowner satisfaction score at 70 or above 	 Overall customer satisfaction score was 91 Customer satisfaction score at sales sites was 91 The homeowner satisfaction score was 76 	**
 Commercial projects Conduct customer satisfaction survey every six months Incorporate environmental issues into survey indicators Maintain tenant satisfaction score of office buildings at 88 or above Maintain customer satisfaction score of shopping malls and long-term rental apartments at 80 or above 	 During the year, surveys were conducted on office buildings, shopping malls and long-term rental apartments Environmental issues were incorporated into survey indicators The office tenant satisfaction score was 92 The customer satisfaction score of shopping malls was 93, and that of long-term rental apartment was 86 	**

Results in 2020

Overall Progress

7.1 Policies and Guidelines

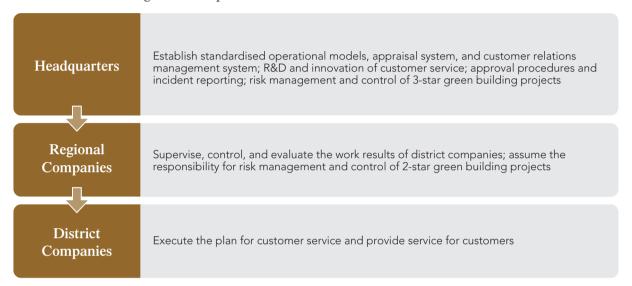
COLI believes that the foundation of "good services" lies in respecting customers, which is the key to building long-term customer trust in our brand. Accordingly, COLI protects customers' rights and interest through a series of internal norms and communication channels, and ensure that customers' interests are prioritised in product and services delivery, in an effort to create value for customers.

COLI's Sales Management Measures regulates the sales process of each project, and stipulates the code of conduct for sales staff covering property subscription, deposit collection and contract signing, with a view to ensuring fair and responsible marketing practices. During the year, the design, operation, marketing, intendance and audit, legal, and customer service departments jointly drafted the Guidelines on Building a Mechanism for Sales Risk Management (Trial) to define the responsibilities of various departments for risk prevention and control by establishing information sharing, review, inspection and accountability mechanisms. During the year, COLI revised the Operational Guidelines for Risk Avoidance at Sales Sites of China Overseas Property, reminded sales staff to pay attention to the key points thereof and the content of the Customer Information Management Rules, and added requirements for responsible marketing, advertising and sales into relevant policies and rules.

7.1 Policies and Guidelines (Continued)

In addition, COLI's Customer Service Management Regulations stipulates the responsibilities of the customer service functional line and optimise the customer service management process at three levels.

Management Responsibilities for Customer Service at Three Levels



7.2 Customer Needs Analysis

COLI employs the industry-leading "customer journey" method to identify key customer requirements in five scenarios—sales, contract signing, delivery, maintenance, and residence, and analyses them in terms of physical contact, interpersonal interactions, and digital alteration to fully understand customer needs for products and services at all stages from subscription to use.

7.3 Residential Project Development Team

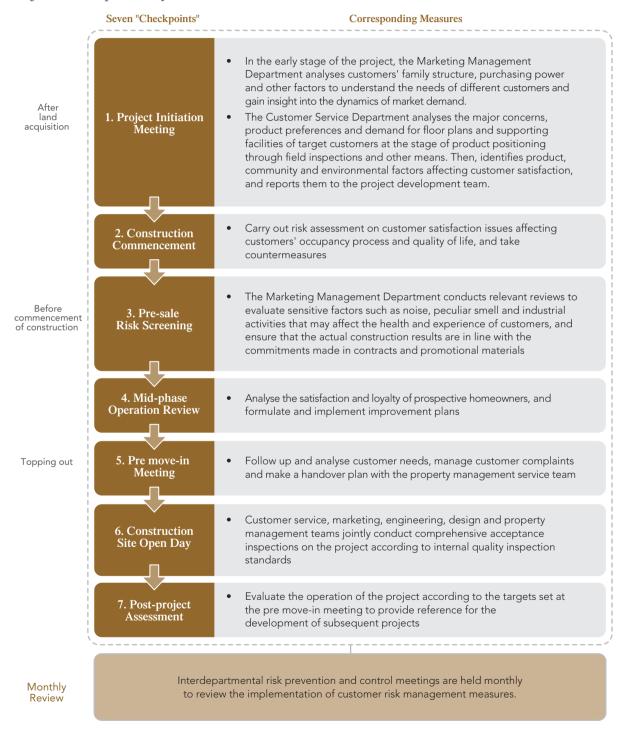
The Project Risk Management Measures formulated by COLI sets out guidelines for the management of matters related to customer needs in the process of project development. All project development teams of COLI adopt a "7 +1" structure where the functional departments of the headquarters work closely with the project director and coordinate with the Customer Service Department to conduct research and analysis on customer data, and incorporate customer needs and risks into project planning and design to reduce project risks.

Project Development Cycle

In order to ensure project quality, COLI has set up seven "checkpoints" for each project development cycle to access key risk factors. The "7+1" team is required to take corresponding measures at the seven "checkpoints" to manage matters related to customer needs and satisfaction, and formulate actions plans accordingly.

7.3 Residential Project Development Team (Continued)

Project Development Cycle (Continued)



7.4 Enhancing Customer Experience

After customers' move-in, COLI continuously uses various survey tools to improve products and services, and mobilises relevant departments to make improvements according to customers' opinions.

Customer Satisfaction Survey

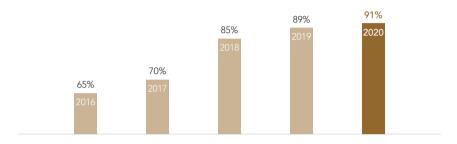
In 2020, COLI continued to engage a third-party agency to carry out a customer satisfaction survey for residential projects, in order to objectively review the customer service performance. We collected ratings and feedback on our products and services from would-be, new, and existing homeowners at six stages after contract signing and after delivery and occupancy. We completed the sample survey on more than 78,000 households during the year.

We also conduct customer satisfaction surveys for commercial and innovative projects to watch out for customers' needs, health and well-being. This year, our customer satisfaction survey for commercial projects covered office buildings and long-term rental apartments. As to innovative business, we conducted a customer satisfaction survey on the COLI Academy and Kindergarten and collected parents' opinions on strengthening home-school communication.

The results of customer satisfaction surveys in 2020 are as follows:

	Residential Projects			Commercial Projects			Innovative Projects
	Overall	Sales Sites	Homeowners	Office Buildings	Shopping Malls	Long-term Rental Apartments	Kindergartens
Customer coverage ratio	10%	N/A	N/A	86%	1%	67%	90%
Satisfaction target	88%	90%	70%	88%	80%	80%	N/A
Satisfaction rate	91%	91%	76%	92%	93%	86%	97%
Industry benchmarking		ong the top three p	layers, reaching the	N/A	N/A	N/A	N/A
Main survey indicators	Overall evaluation, service and product evaluation, cost effectiveness			supporting operations - Environme Landscapin	d service quality: y facilities, proper and maintenance ntal health and cong, air conditioning quality, environm	rty management, e omfort: ng comfort,	Curriculum management, supporting resources, quality of teachers'

Overall Customer Satisfaction Scores for Residential Projects



Mystery Guest Inspection Mechanism

COLI continued to implement and optimise the mystery guest inspection mechanism. To this end, we conducted reverse and forward analysis to review the product and service quality and frontline staff's performance. We are the first in the industry to conduct mystery guest inspections via face-to-face video visits. This year, the Company's headquarters commissioned a third-party research agency to conduct quarterly mystery guest inspections on 196 residential projects and on 194 sales sites.

Third-party Mystery Customer Survey at Sales Sites

- Based on the customer experience process, inspect and observe the work status of the team, the environment of the sales site, and the compliance of signs, risk warnings and other factors
- In principle, each regional company randomly shall inspect one sales site every month
- In 2020, the indicator system expanded from 4 to 12 indicators, covering online survey, telephone reception, sales centre environment, creative show flat visit, ex-post communication, etc.
- There are a total of 84 indicators and 3 other special inspections for sales site survey

Third-party Mystery Customer Survey for Residential Projects

- Design customer experience roadmap based on the "customer experience process"
- Analyze 5 business modules—environmental management, safety performance, customer service, operation & maintenance and renovation management, covering 99 indicators
- In 2020, the number of red-line indicators increased to 10
- The inspection results are ranked internally, benchmarked with peers, and reviewed by the management and customer service and marketing departments to review the results

Mystery Guest Inspection Mechanism (Continued)

In the third-party mystery customer survey, the average score of sales sites was 91, ranking top 10% in the industry database; the average score of residential projects was 76, ranking top 15% in the industry database.

The customer service department coordinated the headquarters and various regional companies to formulate and implement action plans for improving customer satisfaction, while COCP and the Innovative Business Management Department categorized, analysed and followed up on the issues raised by customers. The improvement measures taken during the year included addressing construction defects, strengthening customer relationship management (CRM) system training, and tightened inspections on the cleanliness and air quality control of commercial projects.

Under COLI's performance management system, regional companies set customer satisfaction targets, and project companies are required to review the project progress monthly. The Company has set up a customer satisfaction test score and a dynamic early warning mechanism on its business intelligence platform, so that employees can see the customer satisfaction rate in real time on the display board. We have incorporated customer satisfaction-related indicators including customer satisfaction rate, mystery guest inspection score, frontline staff training and compliance management into the KPIs for performance appraisal of all departments at the headquarters and regional companies.

Fair and Responsible Marketing

In 2020, COLI strengthened the risk control mechanism for display of sales information and customer service, and revised the Operational Guidelines for Risk Avoidance at Sales Sites (Trial) to clarify the standards for public display and display review requirements, in order to protect the rights and interests of the Company and customers. In order to promote fair and responsible marketing, we follow local government regulations, and post the Measures for Transparent Public Display at Sales Sites at each sales site, whereby we undertake to comply with the corresponding laws and regulations on marketing and clearly define the bribery activities prohibited by COLI. We also display various documents and data at the sales site, including business license, sales certificate and relevant permits, sales price lists, sales contract template, and notification on unfavourable factors and facility uncertainties, so as to ensure that customers receives the necessary information. The marketing materials of all projects on sale in Hong Kong are in strict compliance with the Residential Properties (First-hand Sales) Ordinance.

We have standardised requirements on displaying unfavourable factors of and important information about a project and its surroundings. The unfavourable factors of the project and its surroundings must be fully and truthfully stated in text, and must not be deliberately downplayed or converted into descriptions beneficial to sales. Obvious unfavourable factors with significant risks shall also be set out in the schedules to the contract to ensure that customers understand the product information well enough to make informed decisions. In addition, we have clear requirements for the display model and show flats of each project to ensure that the display is accurate for customers' reference. The sales team is required to use the Company's sales management form and electronic system to clearly record the sales status of each housing unit, and is forbidden to double-sell housing units. Templates for contracts and subscription agreements are also put in place to provide transparent product information.

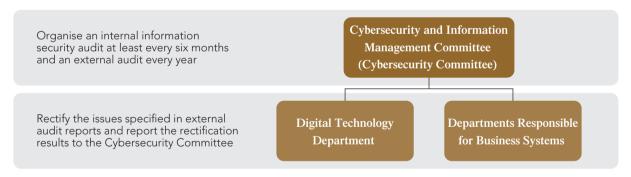
Fair and Responsible Marketing (Continued)

To ensure transparent information and complaint channels, we disclose the complaint hotline and the hotline for whistleblowing on professional ethics-related matters at the sales site, property management office and maintenance centre and on the delivery notice, so that customers can give feedback on products and services at any time. The contact information of the complaint channels is set out on our official website (http://www.coli.com.hk/contact/). In the future, COLI will continue to strengthen the disclosure on responsible marketing, advertising and sales, formulate relevant policies, and start to record relevant KPIs, such as the training hours on responsible marketing and the number and percentage of employees trained, so as to enhance the transparency of responsible marketing.

Cybersecurity and Customer Privacy

COLI has developed the Information Security Management Measures of China Overseas Land & Investment Ltd. in accordance with the Cybersecurity Law of the People's Republic of China and other respective laws and regulations. We have an information security management system and framework, and guidelines for managing the use of passwords, networks, systems and data in the Company. This year, COLI continued to pass the independent third-party audit of information security management system and remained ISO 27001 certified, and completed the level II evaluation of national network security level protection for its property sales system and the level III filing and evaluation of national network security level protection for its cloud platform system.

Information Security Management Framework



Cybersecurity and Customer Privacy (Continued)

COLI's Guidelines for Customer Information Security Management sets out the working guidelines and confidentiality requirements for the management of customer data including storage, use, processing and destruction of such data, as well as the approval procedures for the use of data. There is a clear division of responsibilities among relevant departments. The Marketing Management Department is responsible for protecting customer information obtained during the sales process, and the Customer Service Department is responsible for supervising the implementation of relevant rules and guidelines. All personnel in key positions are required to sign a confidentiality agreement. We disclose the terms of our privacy policy on our official website and mobile app "Haiketong" (海客通) to inform stakeholders of our privacy policy, so as to help the stakeholders understand and build trust in how we manage customer information.

During the year, COLI continued to strictly comply with confidentiality requirements to guarantee information security and customer privacy. We carried out a series of information security tasks, including security risk screening and rectification, targeted defense of key areas, etc. To continuously improve the security protection system, we have developed a variety of security technologies such as network intrusion detection, host behaviour detection and threat intelligence detection, and organised group-wide offensive and defensive drills, thereby improving the integrated mechanism of network security incident monitoring and discovery, notification and early warning and emergency response, and improving our security capabilities in an all-round manner. During the year, COLI held the 4th Cybersecurity Week which covered all its business segment, in an effort to increase employees' awareness of cybersecurity and customer privacy.

In addition, we continued to provide information security training for employees on a quarterly basis, including educating employees on account security, network use and confidentiality awareness through posters, intranet, billboards, China Overseas Channel and other channels. We also provided security and confidentiality training for all IT suppliers, and all suppliers attending the training were required to sign an information security and confidentiality agreement on site to guarantee their information security.

Safety and Quality of Products and Services

During the year, COLI updated the Safety Production Management Manual of COLI, adding contents relating to the comprehensive contingency plan for production safety incidents and the prevention and control plan for contagious disease pandemic to ensure that its safety production management is in line with the current political situation and the development of the industry and further guarantee the safety of its products and services. In the meantime, we formulated the Guidelines for the Sustainability of Projects Under Construction to guide the environmental management, covering water pollution prevention, air pollution prevention, waste reduction, energy conservation, emission reduction, and noise pollution control, in an effort to reduce the environmental impact and ensure that project quality meets expectations.

Safety and Quality of Products and Services (Continued)

In order to enhance project transparency, COLI held "Construction Site Open Day" for each new project by inviting prospective homeowners to visit the project site and ask questions about quality, structure, materials and construction safety, which would be answered by professional home inspectors. COLI's maintenance team also responded to customer needs on site, to ensure that its products and services meet the expectations of prospective homeowners. In 2020, a total of 47 projects carried out offline site opening. The online site opening carried out simultaneously covered a total of 16,937 homeowners.

With respect to delivery, COLI introduced "Online Delivery" service during the year, which allows prospective homeowners to attend the presentation of home inspectors on site or via live broadcast, achieving online management of property certificate registration, making COLI the first company in the industry to provide online delivery service. This year, 25 residential projects adopted online delivery.

In an ongoing effort to provide high-quality and safe building space and property management services, COLI has set up a "Housing Maintenance Centre" in each residential project to rectify problems found in internal inspections, handle engineering quality complaints, manage handover affairs, and provide after-sales and maintenance services.





The move-in SOP Guidelines for COLI's Projects applicable to COLI's commercial projects specifies the project delivery procedures between the COLI team and property management companies. Each property management company prepares a safety management handbook, emergency plan and relevant training programmes, and submit them to the COLI team for review. COLI and the property management company hold an operational meeting every two weeks. We also conduct weekly and monthly inspections and risk assessments, and hold fire drills every six months. The issues found during the inspections are classified into

quality, management and service issues, which shall be followed up by the respective responsible departments to ensure that the property management team properly handles the issues and continuously reports the rectification progress.

Safety and Quality of Products and Services (Continued)

In the future, COLI will continue to improve the quality and safety of its products and services. The Company has set quality control targets. In 2021, we will coordinate with the Engineering Department to provide training on product quality and safety for 100% of our employees, so as to improve their awareness of quality and safety monitoring.

Properly Responding to Customer Requests

We have multiple platforms for customers to file opinions and complaints, where contact information is displayed at sales sites, property management offices and lobbies, and move-in sites, and employ a CRM system for customers to report incidents and file complaints. During the year, COLI strengthened the functions of the CRM system by enabling "three connections" through the system, i.e. connections with customers, employees and projects, thus improving customer experience management. Customers and prospective homeowners may use our mobile app or WeChat to report any product and service related issues, which will be communicated to our suppliers and employees in real time. The complaint data are also displayed on the large screens installed in regional offices, to improve the efficiency of reporting, recording, classification and follow-up.

CRM target audience and functions

Customer App and WeChat Official Account	Prospective buyers, homeowners, tenants and residents Report incidents, file complaints, and make service inquiries
Supplier App	Contractors and suppliers Receive cases, make corrections, and present results
COLI Customer Service App	Project Director, Customer Service Department, Engineering Management Department, and Maintenance Center Internal inspection, occupancy process, public area management, daily services, complaint upgrade and handling
Back Office System	Headquarters, regional and project related departments • Data collation, statistics report, early warning notification and approval process

Properly Responding to Customer Requests (Continued)

Key Achievements of CRM System in 2020

- Optimised maintenance process on four aspects: work efficiency, user experience, management standards and data quality
- Realised online management of property certificate registration and improved customer service transparency
- Become the first in the industry to achieve online delivery, and launched new tools such as "QR Code Reporting", "New Offering Benefits" and "Didi Order Grabbing" to bring surprises to customers
- Initially unified the client-side and customer service portals to realise registration, sharing and embedding of functions on a unified account, which is convenient for customers to use

Usage ratio of Electronic and Face-to-Face Complaint Channels

400 Service	COPC's WeChat	Front Office	Door-to-Door	Others	Complaint
Hotline	Official Account	Reception	Visits		Mailbox
66%	21%	5%	4%	3%	1%

We appropriately divide the responsibilities for customer management. The headquarters manages customers using a standard operation model, an appraisal system, and a customer relation management system, and is responsible for the risk control of all three-star green building projects; regional companies supervise, manage, and evaluate the work results of district companies, and are responsible for the risk control of two-star green building projects; district companies are responsible for executing customer service plans and providing services for customers. This division of management responsibility helps to appropriately manage customer service across COLI and enhance the quality of services.

The Customer Reporting and Payment Management Measures of China Overseas Land & Investment Ltd. regulates the Company's workflow of handling customers' reports. All incidents reported by customers are handled by severity and professional attribute. After receiving an incident report, the Customer Service Department is responsible for coordinating relevant departments at the headquarters and regional companies to handle the incident. COLI has set up a 400 service hotline to handle complaints, collective complaints and claim-related escalated complaints from across the country, with a view to responding in a centralised way and enhancing the accuracy of customer risk management. The response time of the complaint handling mechanism: only 30 minutes for complaints, repair, and enquiries.

By Severity By Professional Attribute • Enquiries • Suggestions • Crisis-level complaints • General reports, escalated reports • Material complaints • Product quality and safety • Sales and safety

Properly Responding to Customer Requests (Continued)

This year, COLI received a total of 3,451 complaints nationwide, none of which were related to health and safety, advertising, labelling and customer privacy, nor did they give rise to any legal proceedings. Of the incidents reported to the 400 service hotline, 95% were resolved and 90% were resolved in time; and the overall satisfaction rate for incident handling reached 90%.

Incident Reporting and Compensation

In addition to the CRM system, COLI has developed the Incident Reporting and Compensation Management Measures to enhance customer service satisfaction. We divide the subjects of incident reporting into different categories, including plan design, city planning, engineering quality, sales, and property services. The severity of the incidents is divided into six levels, including enquiry, suggestion, general report, complaint, material complaint, and crisis-level complaint. We analyse the generality of the incident based on objective criteria, such as the number of customers or owners involved in the incident, media coverage, etc. The higher the amount of compensation involved in the incident, the higher its level of severity. In addition, we also provide process and work division guidelines covering incident reporting, incident handling, completed and overdue incidents, and compensation handling, to enhance customer service management.

Customer Bonding Activities

Over the years, COLI has been regularly organising various community activities covering healthy lifestyle, public welfare & charity, and environmental protection through COPC to promote the concept of sustainable living. This year, we adjusted the overall investment requirements of COPC by setting the fee level based on the current number of local homeowners relative to the nationwide total to improve the satisfaction of homeowners.

Good Citizen – Sustainable Design and Construction



As a corporate citizen, COLI shoulders responsibility to address the challenges of sustainable development and climate change, and to promote the industry and society to embrace sustainable development models. We incorporate the sustainable philosophy of "Good Citizen" into design, planning, construction and operation based on the principle of "Good Products and Good Services"; and understand environmental issues and the needs of stakeholders in order to build sustainability communities.

This section is aligned with the following international goals and reporting indicators:

UN SDGs













HKEx ESG Guide

GD-A1, GD-A2, GD-A3, GD-B5, GD-B8, KPI A1.5, KPI A1.6, KPI A2.3, KPI A2.4, KPI A2.5, KPI B5.2, KPI B8.1, KPI B8.2

GRI Standards

102-11, 103-1, 103-2, 103-3, 201, 203, 301, 302, 303, 304, 305, 306, 308, 413

Good Citizen – Key Areas of Progress in 2020

	Results in 2020	Overall Progress
Climate change		
By 2021 Incorporate ESG issues into the risk pool Identify the types of risks related to climate change Report to the Audit Committee on the level of risks concerning ESG issues including climate change	 Formulated a plan for improvement of climate change management for 2020-2023 Incorporated "climate change risk" into the Company's risk pool as one of its strategic, planning and positioning risks Sorted out the types and definitions of risks related climate change and their potential impact on business Each department completed the preliminary scoring of climate change risk Disclosed the progress of relevant tasks under the TCFD recommended framework (see the section of "Climate Risks and Opportunities" herein for details) 	**
Office building projects Complete the COOC Climate Action Declaration, the COOC Climate Change Adaptation Strategy and the sustainability strategy for business departments N/A Not Applicable * Far from realisation/yet to start	 Completed the preparation of the Research Report on Climate Change and Office Building Operations Held an internal training session 	**

Good Citizen - Key Areas of Progress in 2020 (Continued)

	Results in 2020	Overall Progress
Energy efficiency, greenhouse gas emissions		
 Commercial projects Reduce carbon emissions by 3% by 2023 (2020 baseline year) Replace 100% of energy-inefficient lightings in projects in operation with LED lightings by end of 2020 Have the energy consumption information platform cover 100% of self-owned office building projects by the end of 2020 	 Carbon emissions were 188,797 tonnes of CO₂ equivalent, 16% lower than that in 2019 LED lightings covered 100% of the total lighting area Energy consumption information platform covers 100% commercial projects, achieved real-time energy data monitoring in public areas and leased areas and saved 18% energy for commission-based projects during the year Established an energy consumption monitoring mechanism to conduct dynamic monitoring and monthly data collection 	**
Innovative projects (2020 baseline year) Reduce carbon emissions by 3% by 2023 (2020 baseline year) Reduce energy consumption by 15% by 2023	 Reviewed the energy conservation work in the year and sorted out the benchmark data of the target In 2020, carbon emissions were 1,569 tonnes of CO₂ equivalent, and energy consumption was 2,478,144 kWh Based on such data, COLI needs to reduce carbon emissions by 47.1 tonnes of CO₂ equivalent and energy consumption by 371,721.6 kWh in 2023 compared with 2020 	**
Water resources		
Innovative projects • Reduce water consumption density by 5% by 2023 (2020 baseline year)	 Reviewed the resource saving work for innovative projects and sorted out the benchmark data of the goal In 2020, water consumption was 20,240 m³, and water consumption density was 0.63 m³/m² Based on such data, COLI needs to reduce water consumption density by 0.0315 m³/m² in 2023 compared with 2020 	**

Good Citizen – Key Areas of Progress in 2020 (Continued)

	Results in 2020	Overall Progress
Waste and sewage management		
In 2020-2021, have at least 10 commercial projects pilot waste sorting and strengthen the engagement of homeowners, tenants and residents, so as to increase the waste sorting rate in the community	During the year, a total of 16 projects piloted waste sorting (7 office building projects, one centralised commercial project, 2 OFFICEZIP projects, 2 long-term rental apartments, and 4 overseas office buildings)	**
Land risk and biodiversity		
Get a third-party environmental impact assessment report on each land parcel acquired, including an analysis of biodiversity	During the year, COLI acquired 3 land parcels (2 in Beijing and 1 in Shanghai), all of which have been undergoing third-party environmental impact assessment or seeking an assessment report	
Conduct land risk screening for each land parcel before acquisition	All newly acquired land parcels have been subject to land risk screening and assessment, covering the current status of each land parcel and its surroundings, development environment, planning, construction and other risk factors, and countermeasures have been developed accordingly	
Community risk assessment of project development		
Conserve and upgrade the largest rundown area in Shandong Province, restore the Huashan Wetland Park	In 2020, Huashan Project in Jinan recorded 7,244 houses newly moved in, and 160,000 sq m of green space was newly delivered	
Regional economy and targeted poverty alleviation		
Improve the income of local farms through industrial, consumption and educational poverty alleviation	Carried out 5 poverty alleviation programmes during the year	***

Good Citizen - Key Areas of Progress in 2020 (Continued)

	Results in 2020	Overall Progress
Green finance		
Complete the CITICS - China Overseas Green Commercial Mortgage-backed Securitisation Programme I in 2020	The CITICS - China Overseas Green Commercial Mortgage-backed Securitisation Programme I was completed with an offering size of RMB3.7 billion and a coupon rate of 2.50%	***
By 2021		
 Formulate the Company's Green Finance Framework according to the Green Bond Principles and the Green Loan Principles Conduct feasibility studies on green and sustainable bonds and loans 	 Drafted the Green Financial Framework Conducted relevant feasibility studies were including negotiations with lending institutions and discussions with COLI's project team on project selection and requirements 	**
Infrastructure and supporting services		
Build a total of 5 million m ² of affordable housing	5.17 million m² total GFA of compensatory housing, talent housing and other types of affordable housing built	**
Have 80% of shopping mall projects in operation earn the title "Food Safety Demonstration Project" at the district level by 2021	A total of 80% of the projects had received this title	**
Community integration and coordinated development		
Set up baby care rooms in 100% shopping mall projects in operation	100% shopping mall projects in operation had set up baby care rooms	**
Set up baby care rooms in 80% of newly developed hotel projects	No newly developed hotel projects this year	N/A
Develop high-standard senior living projects to provide senior living services for 5,000 families by 2030	"China Overseas Jinnian" operated four senior living projects and had served a total of over 200 families	**
N/A Not Applicable * Far from realisation/yet to start	** Progressing *** Achieved	

8.1 Policies and Guidelines

COLI closely follows national and industry codes and standards, including the latest Green Building Evaluation Standard (2019 revision) and the Healthy China 2030 Planning Outline issued by the State Council, and has formulated and regularly updates the Green Building Technical Manual of COLI. Each project shall develop an economically and environmentally preferable construction scheme according to the requirements of green building stars.

COLI's Sustainable Development Policy states that COLI is committed to integrating sustainability into design, operation, procurement, and use of natural resources.

The Environmental Policy of COLI lays out sustainable building principles to manage different environmental indicators of a project, such as energy consumption, water resources, waste and biodiversity, and requires the development team to select materials with low environmental impact and no harm to human body and monitor and manage the environmental impact in the supply chain.

The Company has established the Guidelines for the Sustainability of Projects Under Construction of COLI to actively manage the environment, energy efficiency, renewable energy and greenhouse gas emissions of construction units.

During the year, guided by the Green Bond Principles issued by International Capital Market Association (ICMA) and the Green Loan Principles jointly issued by Loan Market Association (LMA), the Asia Pacific Loan Market Association (APLMA) and the Loan Syndication and Trading Association (LSTA), COLI developed its Green Finance Framework to seek green financing opportunities for eligible projects.

COCP has developed the Water Supply Management and Control Procedures for sanitary ware, swimming pools, kitchens and other facilities with large water consumption, pursuant to which we adopt targeted water-saving measures and set water conservation quotas and targets that are linked to the performance-based rewards for employees.

8.2 Sustainable Architectural Design

Green Building Concept

COLI advocates green and healthy building concept throughout the project life cycle from project planning to development. Meanwhile, we employ an innovative intelligent interaction system to create a healthy life experience from the perspective of customers and integrate healthy elements into green buildings.

At the site selection stage, we uphold the principles of "brownfield first, greenfield second, and conservation precedes compensation" and "preserve and build on the natural green" to first inspect the local environment of the site and the surrounding ecosystem. In the meantime, we will fully consider physical factors such as topography and climate change and analyse how they will affect the operation of buildings, so as to create a living experience that combines technology with nature.

In the process of project design, we often adopt green design and provide suitable soil for different plants to grow, so as to protect the biodiversity around the project. For example, we usually plant middle-aged trees at the project site to achieve the multi-level landscaping effect combining "trees, shrubs and grasses". This enables the planting areas to have good soil depth and drainage capacity to meet the growth needs of different types of plants. In addition, when designing outdoor lighting devices, we strictly follow the light pollution control requirements of the National Code for Design of Urban Night Lighting to reduce the adverse effects on nocturnal creatures. For new construction and large urban renewal projects, we require each construction site to set strict environmental requirements in order to safeguard the natural ecosystem and protect and restore the habitat and soil disturbed by the construction works.

By proactively investing in the innovation and development of green building technologies, COLI has obtained a total of 34 technology patents in the field. In 2020, we continuously invested in the R&D of green building technologies and obtained 6 new patents, thus contributing to the development of green building technologies and the real estate industry and environmental and ecological protection. We also participated in the preparation of technical standards for the industry.

No.	Patent Name	Licensing Date	Summary
1	Four-in-one Switch System for Smart Home	7 July 2020	The invention patent is an intelligent control device integrating the water, electricity, ventilation, and security systems of a home, featuring advantages including high integration, small size, great computing power, integrated control of water, electricity and ventilation systems of a home, easy implementation, low manufacturing cost, and good installation consistency, which help to save construction materials and energy consumption in building operations.
2	Microgrid-based energy- saving elevator with energy feedback	5 May 2020	The invention patent is microgrid-based energy-saving elevator with energy feedback. The new type of elevator has an energy feedback component that feeds back the electricity generated to the microgrid of the elevator car through the battery, thereby effectively reducing the energy consumption of the elevator.
3	A suspension structure with built-in steel cables in vertical web members of steel truss	25 September 2020	The invention patent is a suspension structure in which prestressed steel cables are added to the steel truss. The structure features simple structure, convenient construction, and low cost increase. It not only makes full use of the high tensile strength of the prestressed steel cable, but also provides a second line of stress bearing for the suspension structure, which greatly improves the safety and redundancy of the structural system.

Sustainable Building Certifications

COLI proactively promotes appropriate new and existing property projects to obtain green and healthy building certifications, such as China's Green Building Star Certification, Healthy Building Star Certification, BEAM Plus, LEED, BREEAM and WELL, or refers to the best management practices of the certification systems to improve the environmental performance of projects. COLI plans to have 15 LEED-certified commercial projects and 3 two-star certified hotel projects by 2023, and will ensure that 100% of hotel projects to be developed in the future obtain China's Green Building Certification. As of the end of 2020, all our office building projects in London had obtained BREEAM certification (excellent and above) during the year, and an OFFICEZIP flexible-working space project had received WELL certification.

As at the end of 2020, the Group had 64 new projects (53 residential projects and 11 commercial projects) obtaining green building certifications, with a certified GFA of 10.95 million sq m; one project obtaining Platinum-level pre-certification under the WELL Building Standard, and the Group was granted for the first time the "Healthy Building Label (健康建築評價標識)" certification, under the Group Standard of Architectural Society of Mainland China, where 16 projects were certified. As at the end of 2020, the Group has accumulated 379 certifications (329 for residential projects and 50 commercial projects) and an accumulative green GFA reaching 71.47 million sq m, including National Green Building Star Certifications, US LEED certification, US BOMA certification, US WELL certification and UK BREEAM certification.

Projects Receiving Three-star Green Building Certification in 2020

1	Beijing Gucheng JA Land Parcel Project	3	Upper East (Hefei)
2	Beixin'an Land Parcel 668 Project	4	Residential project in A4 Area of Yantai International
			Community

Sustainable Building Certifications (Continued)

Projects Receiving Two-star Green Building Certification and LEED Gold Precertification in 2020

- Project of Land Parcels (Including 1612-806, 813, 819, 820) on the East Side of Gucheng South Street, Shijingshan District, Beijing
- 2 Land Parcel #2 of Chengdu 677 Project
- 3 Daxing Yinghai Commercial Hub (Yinghai Mansion II) Project
- 4 CLOUDY BAY (Foshan)
- 5 Project on the North of Yayun Avenue (Guangzhou)
- 6 Binhu Project (Hefei) (Plot BH2019-07-B)
- 7 The Halo (Hefei)
- 8 Project of Land Parcel #30 of Wujiaba, Kunming
- 9 Yuhuatai (Nanjing) (Plot C)
- 10 Jinsha Project (Shanghai)
- 11 Laoximen Project (Shanghai)
- 12 BRILLIANT PROSPECT (Shijiazhuang)
- 13 Gangtian Road Project (Suzhou)

- 14 Suzhou Gaoxin District Project
- 15 Project of Land Parcels #11 and #29 of Wujiaba, Kunming (The U World Phase I)
- 16 La Cite (Wuxi) (Phase II)
- 17 La Cite (Wuxi) (Phase II) (Commercial)
- 18 La Cite (Wuxi) (Phase I)
 (Kindergarten + cultural and sports center)
- 19 Lianhuahu Project (Wuhan)
- 20 Xuefu Road B (DK-3) Project (Xi'an)
- 21 Yanxiang New Town Plot C (Xi'an) (Phase I & II)
- 22 Glory Mansion Project (Yancheng)
- 23 13 Project (Zhengzhou)
- 24 231 Project (Zhengzhou) (Commercial)
- 25 Mansion Hills Project (Chongqing)
- 26 Qingnian Road office (Wuhan China Overseas Center)

Sustainable Building Certifications (Continued)

Projects Receiving Two-star Healthy Building Certification in 2020

1 Yuelin Halo Garden Project (Foshan)	9 Supreme Charms (Suzhou)
2 Jiuling Nanshan Project (Jinan)	10 Shining Garden Project (Suzhou)
3 The Paragon (Jinan)	11 Sunny Bay Upper Park (Suzhou) Project
4 Qinglan Avenue Project (Nanchang)	12 Two Bays Garden (Suzhou) Project
5 Lan Yuan Project (Nanjing)	13 La Cite (Wuxi)
6 UNIONE (Shanghai)	14 Coli City Project (Wuhan)
7 The U Times Garden Project (Shenzhen) 15 Er Qi Riverfront Project (Wuhan)
8 Glory Garden Project (Suzhou)	16 Yunding Lake Home Project (Zhengzhou)

Sustainable Building Certifications (Continued)

Projects Receiving One-star Green Building Certification or operating certification in 2020

1 COLI Palais (Wanjiang, Dongguan) Project	17 Beihan Urban Renewal Project (Taiyuan) (Plot C3)
2 One Sino Residences (Beijing)	18 Comprehensive Reform Zone Yangzhuang Project
3 Yuelin Halo Project (Foshan)	(Taiyuan) (Plot 1#)
4 The Throne (Fuzhou)	19 COLI Phoenix Community City (Weifang)
5 Dongchong Project (Guangzhou) (Plot 2017NJY-11	20 Er Qi Riverfront Apartment Project (Wuhan)
6 The Impressive Lake (Guiyang) (Phase I)	21 Er Qi Riverfront Residential Project (Wuhan)
7 The Rosary (Huizhou)	22 Project on Lintong Land Parcel B (Xi'an)
8 Glorioushire (Jilin) (Phase II of Plot 01)	23 Taihua Mansion (Xi'an)
9 Royal Villa Project (Jilin)	24 130 Project (Yangzhou)
10 Residential project in Jinan International Communi	25 131 Project (Yangzhou) ty
(C-2 Plot) (Phase II)	26 Upper East (Yangzhou)
11 The Platinum Mansion (Lanzhou)	27 Flourishing City (Changchun) (Flourishing City 3#)
12 La Cite (Lanzhou)	(Area C)
13 Lanzhou Yuansen 8-1# Project	28 Flourishing City (Changchun) (Flourishing City 5-1#) (Area D)
14 Linxi Shijia Paradiso Project (Qingdao)	,
15 Lake Times (Suzhou)	29 Mansion Hills (Changchun) (Juye Street)
16 Beihan Urban Renewal Project (Taiyuan) (Plot C2)	30 231 Project (Zhengzhou)
	31 International Community (Chongqing) (Plot 6#)

Sustainable Building Certifications (Continued)

Comprehensive Reconstruction of JA Land Parcel in Laogucheng Village, Shijingshan District – Three-star Green Building Certified Project

The project of comprehensive reconstruction of JA land parcel in Laogucheng Village, Shijingshan District for commercial and financial services is a sustainable high-rise public building developed by COLI with a focus on five areas: energy conservation and utilisation, water conservation and utilisation, materials conservation and utilisation, indoor environmental quality, and improvement and innovation.



The project applies a variety of green technologies based on its own conditions. Specifically, it adopts rainwater facilities including rainwater storage tanks and employs water-saving measures such as reclaimed water utilisation and tier-1 water-saving devices; adopts a high-efficiency enclosure structure, high-efficiency cooling and heating system and solar water heating system to effectively reduce building energy consumption; uses intelligent lighting control measures to reduce energy consumption of lighting; and sets up an indoor air quality monitoring system and PM 2.5 air filtration system

to improve indoor air quality. In addition, the recyclable steel, glass curtain walls, gypsum products, aluminum alloy profiles and wood used in the project enable the material recyclable rate to reach 10.03%.

The green technologies used in the project have improved the overall performance of the building. For example, the project uses non-traditional water sources, which can save 31,659.56 m³ of water annually; the office area adopts exhaust air recovery and full-heat runner heat recovery unit, which can save RMB67,500 in operating costs; the roof is equipped with solar collectors, which can provide 289.1 MJ of domestic hot water for the high-rise office area every day.

Green Finance Framework

In an ongoing effort to implement green building practices, COLI formulated the Green Finance Framework during the year, which stipulates its requirements for "qualified assets". The Sustainable Products Group and the Chief Operating Officer are responsible for reviewing and approving the list qualified assets to ensure that the underlying assets have obvious environmentally sustainable benefits and support low-carbon social development. In order to ensure that proceeds remain invested in qualified assets during the duration, the Company's Finance and Treasury Department manages and tracks the use of proceeds, maintains independent and formal internal records, and discloses the use of proceeds from green bonds in the ESG reports.

8.3 Project Planning

COLI has incorporated green features, safety, health and climate risk resistance into architectural design and planning, with a view to consistently embodying the people-oriented philosophy and green concept.

COLI undertakes in its Environmental Policy that it will carry out construction and excavation works only outside World Heritage areas and IUCN Category I-IV protected areas, conduct risk screening covering biodiversity factors before land acquisition for any project, minimise the ecological impact of construction works of global projects, and proactively improve any original environmental degradation through project renovation. COLI is willing to work with all stakeholders to jointly raise the social awareness of biodiversity conservation and minimise the impact of business operations on biodiversity and ecosystems.

Site Selection

COLI requires each project unit to carry out environmental risk screening in the aspects of geography and topography, soil, environmental pollution and special conservation during the feasibility study stage of the project concerned to identify the environment risks of the project site and its surroundings. We also conduct further surveys as needed according to the project conditions, so as to ensure that the project has no significant impact on the ecological environment.

COLI's Environmental Policy and Green Building Technical Manual state our commitment to protect biodiversity and provide that projects shall comply with local urban and rural planning requirements, the Regulations on Nature Reserves and the Urban and Rural Planning Law. We require all new construction and large urban renewal projects to be assessed in accordance with relevant standards during the feasibility study stage before project land acquisition. In order to protect local natural ecosystems and rare wild animal and plant species, we undertake not to develop projects or farmland and greenfield sites in national nature reserves, and will obtain approval for development from the authorities concerned when necessary. In addition, we proactively facilitate the restoration of ecosystems, such as participating in the restoration and use of contaminated abandoned warehouses or factories, bare rock, gravel land, saline-alkali land, sandy wasteland and waste kilns, in an effort to help recover brownfield and restore the original ecosystems.

Preliminary Survey

COLI strictly abides by the Environmental Impact Assessment Law of the People's Republic of China. Before transferring the use rights of state-owned land, local governments request the environmental assessment as a precondition for the transfer of land use rights, and engage third-party consultants to conduct professional environmental assessment in the early stage of project development. The assessment covers monitoring of groundwater and soil at the project site, raw materials used, possible wastes, design of environmental facilities, geological terrain and soil risks of the project, Besides, the governments put forward measures to alleviate, eliminate, reduce or control adverse environmental impacts and repair or compensate for environmental damage caused by such impacts. We proactively cooperate with relevant procedures and ensure that construction works will not proceed until being approved by local environmental authorities.

8.3 Project Planning (Continued)

Ecological and Cultural Conservation

During the construction process of a project, COLI will minimise the environmental impact caused by construction, refrain from unauthorized deforestation or damaging forests, and conduct ecological restoration and cultural conservation after completion of the project to reduce changes and damage to the original environment of the project site.

Ecological and Cultural Conservation Project of Huashan Lake in Jinan



The Huashan District covers an area of 14.6 square kilometers and boasts Asia's largest urban wetland park of nearly 10,000 mu, equivalent to five Daming Lakes, comparable to the West Lake of Hangzhou. Through restoring Huashan Lake, COLI rebuilt the historical and natural features of Huashan with "lotus rising above the lake" and "stand-alone hills and clear water", creating a scenery featuring "one lake and four hills". Moreover, COLI took advantage of the landscape characteristics of Huashan Historical and Cultural Park to accentuate the beauty of Huashan, North Woniu Hill, South

Woniu Hill, and Lushan Hill, recreating the beautiful scenery depicted in the painting "Autumn Scenery on Quehua Mountain" and building a green, ecologically-friendly, and livable new city that combines "hill, spring, lake, river and city".

Meanwhile, we worked to promote cultural tourism as well as cultural and historic preservation. We participated in the renovation of Huayang Palace Ancient Building Complex, the largest ancient building complex in Jinan, currently comprising 36 buildings with an area of approximately 3,000 sq m. In this complex which carries the cultural heritage of Confucianism, Buddhism and Taoism, the Huayang Palace is the oldest building and is home to 62 ancient cypresses, the youngest of which has been growing for 858 years and the oldest for 899 years. Through renovation, we retained the



unique cultural charm of the Complex. We also built the Huashan History and Culture Museum in light of the ecological potential and cultural significance of the district, passing on the profound heritage of Jinan, the city with a thousand-year history.

Huayang Palace reopened to the public after its renovation. It has become a great place for residents and tourists to appreciate ancient buildings as well as their history.

8.3 Project Planning (Continued)

Community Engagement

As stated in the Sustainable Development Policy, COLI undertakes to invest resources in the process of project development and construction to provide community infrastructure and supporting services and promote coordinated humanity and economic development. The project development team of COLI fully considers the needs of different local stakeholders, seeks professional advice on environmental protection and engineering from the environmental authority and construction unit, and communicates with community residents. For example, before starting construction, the team shall distribute pamphlets to nearby residents, hold exchange meetings to explain the impact of construction on the local environment to local residents, and respond to their needs. Meanwhile, the project development team has to post its contact information and WeChat account outside the construction site to collect suggestions from local residents. In addition, the project development team works closely with the property management team in each residential or commercial project to collect advice from community residents or premise users, so as to improve the operation of the community or property project.

In order to tap the value of urban communities more effectively, COLI has independently developed a "City Map" based on its information management system. In the decision-making process of land investment, we import the plot to be acquired into the City Map for digital analysis, and then the system will quickly export a reference investment value of the plot based on relevant variables and parameters to assist in decision-making.

Three-star Green Building Certified Project –

Creating an Urban Revitalisation Model and Building a Green and Livable New City

Located to the west of Shijingshan District of Beijing, Beixin'an used to be a hub for Beijing's steel and power plants, and became an urban brownfield after those plants were relocated. The local area used to lack public facilities and have dense houses and narrow roads, with public security incidents occurring from time to time. Moreover, road traffic, underground drainage and other municipal facilities there were aging, and serious waterlogging on roads was common whenever there was heavy rain, which generated an urgent demand for shantytown renovation.

COLI undertook the Beixin'an Shantytown Renovation Project and was responsible for the whole development process spanning planning, implementation, construction and operation. The construction works commenced 7 months after the initiation of demolition. We achieved the impressive results of topping out in 16 months and delivering housing at the agreed quality and quantity in 28 months, and built "the most beautiful resettlement housing in Beijing".

- Reasonable floor plans and comfortable and livable design. The resettlement buildings adopt the design of
 maximum width, minimum depth and enclosed layout, and the super-large building spacing brings a wide field
 of view.
- Landscape courtyard and segregation of pedestrian and vehicular traffic. Through reasonable arrangement
 of green plants, COLI makes it possible to enjoy green scenery all year round. With arrangements to segregate
 pedestrian and vehicular traffic, parking spaces are all located in the underground parking lot to reduce
 the probability of crossing of pedestrian and vehicular traffic flows, thus providing residents with a more
 comfortable and safer garden environment.

8.4 Construction Process

COLI strives to reduce the environmental pollution caused by construction, and applies technology to manage the environmental impact of the construction process. In the project planning stage, we use BIM technology to display the project design in a three-dimensional manner in order to identify hidden building defects and improve the efficiency of operation and maintenance. During the project operation stage, we continuously explore opportunities in facility management to enhance resource consumption efficiency, reduce greenhouse gas emissions, and improve the health and well-being of building users.

Using Sustainable Materials

The Environmental Policy of COLI requires each development team to select materials with low environmental impact and no harm to human body and monitor and manage the environmental impact in the supply chain.

From 2020, COLI suggests that new residential projects use no less than 8% reusable and recyclable building materials, and achieve 100% integrated design of civil engineering and decoration, so as to improve the overall quality and performance of the projects. For example, in the JA comprehensive reconstruction project in Laogucheng Village, Shijingshan District, we use 4,847.5 tonnes of recyclable materials including steel, glass curtain walls, gypsum products, aluminum alloy profiles and wood, accounting for 10.03% of the total weight of all building materials.

For new construction and large urban renewal projects, we promise to give priority to the use of third-party certified sustainable wood, and actively promote suppliers to adopt sustainable materials in the project construction process.

With reference to the latest Green Building Evaluation Standard of China, we have formulated the Green Building Technical Manual, which stipulates that each project shall follow the requirements of green building star rating.

8.4 Construction Process (Continued)

Construction Site Environmental Management

COLI strictly guards against environmental pollution at project construction sites, proactively trains and educates construction workers and contractors on water and energy conservation and waste recycling, and encourages contractors to recycle waste building materials.

COLI makes good use of technology to strengthen environmental management of construction sites and create smart construction sites. By setting up an environmental data monitoring platform, we monitor air pollution, noise pollution, temperature and wind force and other environmental data at each construction site in real time, and detect whether there is any excessive pollution in a timely manner. Once potential environmental risks are discovered, employees from the engineering department can immediately report them through a mobile app developed by the Company, thus realising supervision by all staff. In 2020, we received a total of 14,092 reports on noise, air pollutants and temperature suitability through this mobile app. Meanwhile, smart construction site measures covered all projects under construction.

Construction Site Monitoring Items

Air Pollution

Hardening treatment of construction site floor is carried out, and equipment prone
to produce dust is covered with tarpaulin or protective shed net. In addition, some
projects will carry out temporary greening works to prevent flying dust caused by
soil erosion.

Sewage Pollution

- Strictly follow the national and local sewage discharge standards, set up drainage
 ditches to direct sewage to the sedimentation tank, discharge sewage to
 designated places after treatment, and regularly engage a qualified third-party
 agency to inspect the wastewater quality.
- Set up rainwater and sewage pipe networks separately at the construction site to enable rainwater and sewage diversion.

Hazardous Waste Pollution

- Chemicals on the construction site are stored in areas covered with waterproof layers and impermeable concrete.
- Each construction site is equipped with at least 3 garbage pools to store hazardous wastes, recyclable materials and other wastes separately.
- The hazardous wastes at the construction site shall be stored separately in designated sealed containers, and regularly handed over to a quality professional treatment company for disposal.

Noise Pollution

Set up temporary sound barriers at the construction site, strictly limit the
operational time, and take noise prevention and reduction measures for noisy
machines and equipment to reduce noise nuisance to construction workers and
nearby residents.

8.4 Construction Process (Continued)

Construction Site Environmental Management (Continued)

The data recorded by the environmental data monitoring platform has been included in the waste management statistics table in the "Environmental Management" section on page 127 of this report. There were no complaints about noise pollution.

COLI also strives to reduce waste at the source. We continuously monitor and restrict concrete consumption in each construction project to avoid the generation of excess construction waste. For details on material consumption during the year, please refer to the section of "Material Consumption" on page 123 of this report.

Building Materials Management

- Material requisition on quota: The project materials department calculates the material consumption and saving rate every month and regulates the amount of building materials allocated each time, thus reducing the waste or overuse of building materials.
- Reuse of building materials: Reuse building materials such as sand, waste ceramic tiles and stones, and collect scrap metal materials such as cables, steel bars, iron wires and iron nails and sell them to third-party companies after classification and storage.
- Water conservation: Rainwater collection systems are set up in some construction sites for road cleaning, greening, fire-fighting and dust prevention.

On-site Facility Management

- Temporary housing: If there is no suitable temporary housing to rent, the Company will build prefabricated box houses based on the potential rental and environmental protection cost. After the completion of such houses, they can be disassembled and transferred to the next construction site for reuse.
- Office: It is stipulated that the field office should adopt an open structure, use natural ventilation and light, and install energy-saving lamps to reduce the energy consumption of air conditioning and lighting.
- Instrument supervision: The energy consumption of the construction site is supervised by installing metering instruments there and filling in the "energy metering network chart" on a monthly basis.

8.5 Project Operation

COLI has long been committed to promoting environmental sustainability and low-carbon office. We incorporate the ideas and measures for energy conservation and environmental protection into each project at the beginning of architectural design. Our commercial projects have obtained 50 green building certifications, including 17 LEED certifications (including pre-certifications), 9 national three-star green building certifications from the MOHURD, 2 BOMA Certificates of Excellence, and one WELL V2 CORE Platinum Certification, representing a total GFA of 4.2 million m². During project operations, we employ intelligent and excellent property management models to encourage tenants to jointly reduce carbon emissions and improve the resource efficiency of property operations.

Energy Management

In terms of energy management, our self-developed energy consumption information platform has been put into operation in 2018, and is planned to cover 100% of self-owned office building projects in operation by the end of 2020, in order to monitor energy consumption in real time and optimise energy use based on big data analysis. In addition, all commercial projects in operation have replaced high-energy lamps with LED lamps. With the above measures, the total energy consumption of COLI's commercial projects and offices decreased by 9% from the previous year.

Water Conservation

Our project operations involve many domestic water facilities, such as toilets, bathroom equipment, restaurant cooking equipment, swimming pools and clean water in shopping malls and hotels. In addition, we have established management guidelines and conservation KPIs for high water consumption facilities such as bathrooms, swimming pools, and kitchens, and appointed persons responsible for various conservation measures and targets, which are linked to their performance-based rewards. The total water consumption of COLI's, hotels and offices declined by 3% from the previous year.

Waste Management

During project operations, we will assist merchants or customers to dispose of all kinds of wastes. In 2020, the Company piloted waste sorting in more than ten commercial projects, including seven office building projects, one centralised commercial project, one OZ project and two long-term rental apartment projects. We built a domestic waste sorting and recycling system in each pilot project and asked for the engagement of homeowners, tenants and residents to increase the waste sorting rate.

8.5 Project Operation (Continued)

Waste Management (Continued)

COLI's Long-term Rental Apartments in Shanghai Piloted Waste Sorting





Unilive Shanghai Xiaokunshan Apartment and Unilive Shanghai Lin-Gang Free Trade Zone Apartment, as two long-term rental apartment projects of COLI operating in Shanghai, set up waste sorting sites in strict accordance with the requirements of the Shanghai government to distinguish dry waste, wet waste, recyclable waste and hazardous waste.

Green Leasing

In 2018, COCP drafted the Green Environment Pact of COCP as voluntary terms in the lease agreement, which proposed to tenants a series of initiatives in relation to environmental obligations and public affairs, with a view to advocating the joint responsibility of building a property ecosystem.

The Sustainable Fit-out Handbook and the COOC Healthy Building Standard of COLI require the contracting parties to incorporate environmental management into their daily business operations, including providing and using green and safe products or services, promoting environmental protection and sustainable development to customers, distributors and other stakeholders, actively participating in greening and improvement of the ecological environment, and complying with requirements for the management of waste, sewage and garbage in office buildings. Both the air quality monitoring coverage rate and occupancy standard compliance rate of our newly opened long-term rental apartment projects in Suzhou, Shanghai and Beijing reach 100%.

8.6 Community Development

Construction of Affordable Housing

In an effort to help deliver on the state's policies on improving housing conditions and introducing talents, COLI plans to build 5 million m² of compensatory housing, talent housing and other types of affordable housing by 2023, so as to promote urbanisation and talent development and protect the residential rights of indigenous residents and low-income groups. In 2020, COLI started the construction of affordable housing projects in many cities across China. The GFA of newly started affordable housing projects amounted to 615,000 m², and the GFA of projects completed and accepted reached 1,567,000 m².

Industrial Poverty Alleviation

Since 2018, COLI has launched targeted poverty alleviation activities under the brand of "Sea of Hope" in a number of state-designated poor counties—Lan County of Shanxi Province, Wuxi County of Chongqing, and Kang County of Gansu Province. We created original brands such as "Xiurong Millet", "Wuxi Walnut" and "Longkang Old-Tree Walnut Kernel" for local quality agricultural products, and marketed such products nationwide through our business network

In 2020, the focus of poverty alleviation under "Sea of Hope" was on the "Kangle Mushroom" brand creation programme. The programme is located in Kangle County at the junction of the Qinghai-Tibet Plateau and the Loess Plateau, with an altitude of 2,000 metres. The employees of COLI handled everything from mushroom sourcing and processing outsourcing to quality inspection and marketing, thereby helping farmers build up a complete industry chain. The Company bought the first batch of products, which were given to customers as gifts in marketing and customer service activities such as "Walking into COLI's Communities", Knock-Knock Programme and Customer Service Day. Moreover, we organised special promotion activities for the mushroom in offices, residential communities, commercial projects and campus job fairs to boost product sales. In addition, during the year, we continued to follow up the poverty alleviation project of "Longkang Old-Tree Walnut Kernel" launched in 2019 in Kang County, Longnan City, Gansu Province to ensure the long-term operation of its marketing model.

COLI hopes that the "Sea of Hope" poverty alleviation initiative not only creates agricultural product brands, but also become a "sustainable, replicable and circular" poverty alleviation model, with a view to encouraging local residents to replicate our successful business experience. Over the years, we have carried out more than 1,300 product promotion activities in over 80 cities across the country, reaching nearly 10 million customers and homeowners and generating more than RMB10 million of sales in the community. During the year, we were awarded the title of "Annual Exemplary Philanthropic Enterprise 2020".





Mr. Yan Jianguo, Chairman attended the kick off ceremony of the "Kangle Mushroom" brand

8.6 Community Development (Continued)

Educational Poverty Alleviation

Since 2019, COLI has launched the educational poverty alleviation programme "Spring Bud Action". It is planned to organise two batches of more than 100 outstanding grassroots teachers in three counties of Gansu Province to receive teaching training in Dongguan schools; and dispatch a teacher team composed of more than 30 experts to support education and training activities in the three countries, benefiting a total of more than 3,000 people.

In 2020, COLI and the three counties of Gansu Province jointly established the "Future Education Experimental Class". A primary school in the three counties was selected to experiment the programme. The six-year international science teaching curriculum of Education Unlimited was continuously introduced into the first grade class, so that the curriculum can be copied into the characteristic classes of the primary school in the future. In view of the lack of teaching hardware in the school, COLI also donated brand-new teaching equipment and supplies such as tables and chairs, projectors, computers, smart educational TVs and printers.

Community Health and Safety

The COVID-19 pandemic swept the world in 2020. In order to help local communities cope with COVID-19 and ensure the safety of every employee, the Group implemented a shift system at the early stage of the pandemic to maintain daily operations while guaranteeing the safety of employees, established an internal pandemic prevention and control mechanism, and prepared an pandemic prevention manual for employees. We resumed work and production in an orderly manner in late March. During the year, we offered RMB125 million in rent relief to 1,300 tenants of commercial properties to ease their financial pressure. The Group proactively supported the prevention and control of COVID-19 in Wuhan and other regions by donating anti-pandemic supplies to relevant medical institutions in cities such as Wuhan and Shenzhen, in a drive to fulfill its corporate social responsibility. To ensure the cleanliness of the community, we disinfected areas heavily exposed to homeowners, including elevators, elevator halls, and building lobbies, at least four times a day; and disinfected public areas such as children's playgrounds, garbage bin stations and drainage ditches at least twice a day to protect the health of homeowners.

8.6 Community Development (Continued)

Promoting Sustainable Living

COLI has been making good use of the Group's operating scale and its tenant network to promote the concept of sustainable living for many years. We are committed to raising the awareness of environmental protection among stakeholders, including employees, the public, tenants and partners, and following international environmental initiatives and measures. China Overseas Property responded to the "Earth Hour" event of World Wildlife Fund for Nature (WWF) for the seventh consecutive year, with a total of over 60 projects under operation at various cities across China including Beijing, Shanghai, and Chengdu participating in the event.

Online Course "WELLTALK: Design Returns to Human-centric Values"



On 9 April, COOC invited its strategic partner International WELL Building Research Institute (IWBI) to hold an online course titled "WELLTALK: Design Returns to Human-centric Values" where Ms. Xu Mei, Vice President of IWBI Asia, and Professor Feng Fan from Tsinghua University were invited to introduce "Healthy Building Practices" and "Aesthetics and Taste of Interior Design".

8.7 Climate Risks and Opportunities

Climate change is the biggest challenge for mankind in the 21st century, and low-carbon construction of cities and towns is an indispensable solution to climate risks. As a leading comprehensive real estate developer at home and abroad, COLI endeavours to improve governance performance on climate-related issues, and makes contributions to China's 14th Five-Year Plan and "carbon neutrality" goals.

During the year, COLI started to develop a governance framework and assessment mechanism for climate-related risks, and preliminarily identified various climate-related risks. From this year onwards, we will refer to the TCFD-recommended framework and disclose our work plans and achievements on a yearly basis in four areas: "Governance Structure", "Strategy", "Risk Management" and "Indicators and Targets".

Governance Structure

In 2020, the Board of the Group authorised the Executive Committee to supervise environmental, social and governance (ESG) issues. To strengthen the participation of the Board in all ESG-related issues, in March 2021, the Group has established the Corporate Governance Committee at the board level, which mainly comprises directors and independent non-executive directors of the Company. By doing so, the Board raises the Group's corporate responsibility and sustainability topics to a higher level for stakeholders. The Corporate Governance Committee will formulate long-term policies and strategies for sustainability-related issues, identify ESG risks, and review and supervise the progress of the management's implementation of sustainability programmes, including climate change programmes. The Corporate Governance Committee is chaired by an independent non-executive director and responsible for setting targets for the Company's climate change-related goals, and the relevant groups of its Sustainability Taskforce are responsible for developing and implementing action plans.

The Audit and Risk Management Committee of the Board is responsible for the final review of annual risk issues including climate change risks. The functional departments under the ESG Working Group are responsible units of risk management (as the first line of defense), and carry out identification, scoring, management and monitoring of risks every six months. The Risk Management Committee and its office (as the second line of defense) work with the responsible units of risk management to summarise, rank and score risks, determine material risks, and develop response plans and risk indicators. The Intendance and Audit Department (as the third line of defense) coordinates the operation of the Company's risk management system, prepares an internal audit plan based on risk ranking, reviews the effectiveness of such system, and reports to the Audit and Risk Management Committee.

In respect of climate change, the Intendance and Audit Department will coordinate with the Operation Management Department to carry out assessment of climate-related risks and opportunities. Both departments are members of the ESG Working Group.

Climate Risk Management

The Company's Risk Management Measures (Provisional) serves as the guiding policy for our enterprise risk management (ERM) system. This year, we incorporated "climate change risk" into the Company's risk pool as one of its strategic risks. "Climate change risk" impacts COLI as a whole in three aspects:

- Business control requirements: Climate change has an impact on the Company's construction process, final products and other business procedures.
- Compliance requirements: Regulators require enterprises to disclose material risks of climate change, methods to identify them, and response actions taken.
- Rating requirements: The sustainability indicator ratings used in the capital market cover climate change management issues.

The 10 responsible units of risk management score relevant risks based on the "probability" and "impact" of risk occurrence. Compared with other corporate risks, the risk level of "climate change risk" is "general".

Climate Risk Management (Continued)

In order to comprehensively assess the risks posed by climate change, COLI classifies such risks into "physical risks" and "transition risks" and refines the definition of "climate change risk" to sort out the potential impacts of various risks on development, operation, marketing, compliance and other business areas, COLI has also developed a set of scoring tools for each unit to score risks in a more detailed way (based on "probability" and "impact") and identify the priority of the sub-items of "climate change risk".

Climate Risk Response Strategies

According to the preliminary risk scoring, the following are the three physical risks and three transition risks that are most material to the Company, as well as their impacts and the strategies we have develop to address them.

Material Physical Risks

Typhoon

Climate change increases the probability of high-intensity typhoons (such as strong or super-strong typhoons once every 50 years or 100 years)

Potential Impacts on Business

- More days of construction downtime/delay and higher construction cost
- Land, property and assets may be damaged, and the cost of repairing or replacing damaged or destroyed assets will increase

Management Strategies or Measures

- Property management:
 Strictly implement COCP's safety
 management and emergency
 measures, and make every effort to
 guard against typhoon according to the
 existing procedures in case of typhoon
 warning, and purchase relevant
 insurance.
- Project development:
 When reviewing project schedules,
 consider the possible impacts on the
 areas greatly affected by typhoon in
 advance, and consider the estimated
 completion time of key milestones
 accordingly. Purchase engineering
 insurance for all construction sites
 under construction, covering typhoon
 disasters.

Climate Risk Response Strategies (Continued)

Material Physical Risks

Potential Impacts on Business

Management Strategies or Measures

Extreme rainfall

Extreme rainfall is characterised by the increase of heavy rainfall days and the increase in maximum rainfall during the year

- More days of downtime/delay
 and higher construction cost
- The risk of flooding in basements or underground parking lots will increase
- Need to strengthen building design or equipment to cope with heavy rainfall
- Property management:
 Strictly implement COCP's safety
 management and emergency
 measures, and make every effort to
 guard against flooding according to
 the existing procedures in case of
 flood warning, and purchase relevant
 insurance.
- Project development:
 In rainy season, strengthen the drainage of the basement for underground structure construction, and intensify inspections on basement leakage and anti-floating and other related items.
- Purchase engineering insurance for all construction sites under construction, covering flood disasters.

Flood

Climate change will aggravate the rise of water bodies in rivers and coastal areas, making floods and inundations more frequent

- The operations of shopping malls and other properties may be suspended
- Buildings in low-lying areas will face increased risk of flooding
- The cost of repairing or replacing damaged assets will increase
- Property management:
 Strictly implement COCP's safety
 management and emergency
 measures, and make every effort to
 guard against flooding according to
 the existing procedures in case of
 flood warning, and purchase relevant
 insurance.
- After flood recedes, quickly resume business operations and make insurance claims according to the existing procedures.
- When reviewing project schedules, consider the possible impacts on the areas greatly affected by floods in advance.

Climate Risk Response Strategies (Continued)

Major Transition Risks	Potential Impacts on Business	Risk Responsible Unit	Management Strategies or Measures	
Energy structure and energy use Faced with climate change and rising demand for electricity, governments of various countries will take more aggressive actions to speed up low-carbon transformation of energy structure	 Adopting building design and construction materials that are energy-saving and involve renewable energy will increase costs It is necessary to carry out energy-saving renovation for existing buildings and equipment, which increases costs. 	COCP	Realise real-time monitoring of energy data in public and leased areas by reconstructing the energy management systems of self-owned projects.	
Green building goals and standards According to national planning documents and the 2060 carbon neutrality goal, China is expected to put forward more aggressive goals for green buildings and building energy consumption.	 The investment in architectural design and technology development will increase. The budget for green building certifications will increase. 	Design	policie: Compa goals fi green l gradua goals. • Establi: mechal	 According to national policies, formulate the Company's long-term goals for promoting green buildings, and gradually set annual goals. Establish an incentive mechanism to encourage
Technical requirements for green building Will be higher and higher in response to national carbon reduction targets and requirements, which will bring technical risks to the Group	 Extra investment is needed to develop green design technology and patents, which will increase the costs of R&D, design and construction. Improving the environmental performance of existing buildings will increase costs and may face technical limitations. 		projects to implement high-level and high-tech green building practices. • Summarise the practical experience in green buildings over the years, establish relevant SOPs, developed standardised products, and achieve the goals of improving quality, reducing cost and increasing efficiency for green building construction.	

Indicators and Targets

COLI attaches great importance to climate change adaptation and mitigation. We set targets for climate change, energy conservation, emission reduction and sustainable buildings in 2019, and reported the progress of these targets for the first time this year. For details, please refer to "Key areas of progress in 2020" under the section headed "Good Citizen – Sustainable Design and Construction" in this report.

In order to quantify the Company's achievements in addressing climate change, we have disclosed greenhouse gas emissions in Scope 1, 2 and 3 in the section of "List of Performance Indicators" herein in accordance with the Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Other Industrial Enterprises (Trial), the Average CO_2 Emission Factors of China's Regional Power Grids in 2011 and 2012, How to Prepare an ESG Report - Appendix 2: Reporting Guidance on Environmental KPIs issued by the Stock Exchange, and the GHG Protocol.

Next Steps

In the coming year, COLI will deepen its efforts and better integrate "climate change" risks and opportunities into the Company's planning of business strategies to enhance the climate resilience of business development. The measures to be taken include:

- Governance: Report the above management results and risk assessment results to the Executive Committee
 and the Audit and Risk Management Committee at least once a year, and incorporate climate-related risks
 into their meeting mechanism and discussion agenda.
- Risk management: Based on the risk ranking results, select specific regions and/or risk categories to
 conduct climate change scenario analysis; according to the analysis results, improve the standards and
 guidelines for climate risk scoring tools, make the scoring more scientific and systematic, and better
 integrate climate risk scoring tools with the Company's risk management system and procedures;
- Strategies: Describe the material climate risks facing the Company and their impact on the Company's business and strategy, and formulate short-, medium- and long-term mitigation and adaptation strategies and measures;
- Targets and indicators: Continuously track existing targets, review their progress, and update ESG targets due soon/achieved ahead of schedule; in respect of the material climate change risks or opportunities identified by the Company, sort out relevant quantitative indicators, and set medium-and long-term targets related to decarbonisation and zero emissions in line with China's "carbon neutrality" goal.



Our sustainable business model not only focuses on economic value, but also caters to the long-term needs of employees, customers and stakeholders in communities, in order to create shared value through business growth. At COLI, we attach great importance to develop and talents, and improve our talent management system by homing in on employees' "talent quality" and "satisfaction". In addition to continuously refining team diversity, performance evaluation and remuneration system, we remain committed to improving the working environment for employees, ensuring their health and well-being, and promoting the recognition and adoption of COLI's values among employees and business partners, so as to strengthen COLI's value creation ability.

This section aligns with the following international goals and reporting indicators:

UN SDGs









HKEx ESG Guide

GD-B1, KPI B1.1, KPI B1.2, GD-B2, KPI B2.1, KPI B2.3, GD-B3, KPI B3.1, KPI B3.2, GD-B4, KPI B4.1, KPI B4.2, GD-B5, KPI B5.2, GD-B7, KPI B7.1, B7.2, B7.3

GRI Standards

103-1, 103-2, 103-3, 202, 205, 206, 401, 403, 404, 405, 406, 414

Good Effectiveness – Key Areas of Progress in 2020

	Target	Achievements in 2020	Overall Progres
1 1	Anti-corruption and unfair competition		
governance	 100% of the Company's management and employees to sign the Work Integrity Responsibility Statement on a yearly basis 100% of senior and middle-level employees from the headquarters and companies at all levels to receive integrity education and training 100% of business partners signed the Integrity Agreement 	 Signing rate of the Work Integrity Responsibility Statement: 100% Training coverage: 100% Signing rate of the Integrity Agreement: 100% 	**
	Maintain information sharing and exchange with members of the China Corporate Anti-Fraud Alliance	Key initiatives during the year include: As a member of the China Corporate Anti-Fraud Alliance, the Company continued to exchange information on dishonest employees and dishonest entities with peers through the information sharing system	**

	Target	Achievements in 2020	Overall Progress		
Improve corporate	e Intellectual property protection				
	Define the intellectual property management system, management duties and content	Completed research on the specialised management framework for trademarks, copyrights and patents; and prepared the first draft of the Intellectual Property Management System of COLI, which was reviewed by the Standardization Committee in December 2020	**		
	Establish a regular mechanism to provide intellectual property training for employees	 Held 1 training session Training sessions will be held on a yearly basis for legal personnel, designers, marketers, brand managers, personnel of professional subsidiaries such as Technology Company/Tian Shan/Supply Chain and other employees interested 	**		
Build effective teams	Management and employee diversity				
	 Maintain employee male-to-female ratio within 2.8:1 Improve new employee male-to-female ratio 	 Employee male-to-female ratio was 2.53:1 New employee male-to-female ratio was 2.54:1 (2019: 3.14:1) 	***		

	Target	Achievements in 2020	Overall Progress		
	Equal opportunity and anti-discrimination				
Build effective teams	Set up a mechanism and indicators to review the implementation of equal pay for equal work for men and women and the fairness of promotion	 Collected and tracked internal statistics of four indicators Male-to-female ratio in total annual remuneration (basic salary only) of executive officers Male-to-female ratio in total annual remuneration (basic salary only) of managers Male-to-female ratio in total annual remuneration (basic salary and other bonuses) of managers Male-to-female ratio in total annual remuneration of nonmanagerial employees 	**		
	Employee well-being				
	Review the effectiveness of the "professional manager" system and the share option incentive scheme	 Launched a share option incentive scheme in 2018, and granted approximately 107 million share options to 404 middle-to-senior managers Launched the share option incentive scheme (Phase II) in November 2020, and granted 286 million share options to approximately 1,131 middle-to-senior employees Employee satisfaction score under the "professional manager" system and the share option incentive scheme increased, while voluntary resignation rate decreased year-on-year 	**		

N/A Not Applicable

^{**} Progressing

^{***} Achieved

	Target	Achievements in 2020	Overall Progress
Build effective	Employee engagement and satisfaction		
teams	Maintain employee satisfaction and engagement scores at no less than 80	Employee satisfaction score: 85Employee engagement score: 92	***
	Keep voluntary resignation rate within 8%	• Voluntary resignation rate: 7.77%	***
	Training and development		
	Maintain training hours per employee no less than 75 hours per year	Training hours per employee: 84 hours, a 15% increase year-on- year	**
	Occupational health and safety		
	Aim to realise zero work-related injuries and zero work-related fatality (covering employees of China Overseas Property and its contractors)	 Work-related injury and work-related fatality for employees of COLI: 0 Work-related injury for contractors' employees: 0; work-related fatality: 2 	**
	Build a system for monitoring occupational health and safety indicators for employees of China Overseas Property and its project sites	 Tracked the occupational disease cases for COLI employees and 0 case was identified during the year 	***
	Maintain 100% physical examination and supplementary medical insurance coverage for employees	Coverage rates: both 100%	***

N/A Not Applicable * Far from realisation/yet to start ** Progressing

^{***} Achieved

	Target	Achievements in 2020	Overall Progress
Build effective teams	Labour relations and labour rights and interests		
teams	Regularly review the rules and systems and operations of labour unions and employee representative associations as well as employee complaint channels	 A total of 83 labour unions, covering 66 cities with a coverage rate of 100% Trade unions at various levels organised 227 employee communication activities, involving 3,917 people Received two employee complaints on heavy workload and dining inconvenience in canteen respectively, which were resolved by adjusting staff mix and off-peak canteen services 	**
Promote cross- industry	Environmental awareness improvement and capabil	ity enhancement	
cooperation	 Office projects Establish energy audit service system and confirm at least 5 pilot projects by the end of 2020 Offer free energy audit service to 100% of office tenants with energy efficiency advisory by 2023 Have 100% of office tenants signed the COOC Green Lease Cooperation Plan by 2023 	 Established energy audit service system and carried out 7 pilot projects Drafted the COOC Green Lease Cooperation Plan 	**

	Target	Achievements in 2020	Overall Progress		
Promote cross-	Environmental awareness improvement and capability enhancement				
industry cooperation	Shopping malls, long-term rental apartments and overseas asset projects Organise at least 3 community public welfare or promotional activities with the theme of environmental protection	 Organised 5 events (including 4 for shopping malls and 1 for long-term rental apartments) Key events include: Earth Hour, Earth Day, Planting Life, Pick'n Run China 2020 Reshaping Future Lab 			
	 Organise activities to promote sustainable lifestyle to 20,000 households by 2030 Develop an environmental curriculum system and promote to 100% education projects by 2030 	 Promoted energy conservation in 3 COLI kindergartens; and COLI Academy promoted the green concept to over 1,000 families in 10 communities Drafted COLI Education's PEPA curriculum framework, covering syllabus and materials for 10 environmental protection courses 	*		
	Green and sustainable supply chain				
	Develop green procurement category standards by 2021	 Defined 53 categories of green products according to national standards and our product library, representing 76% of the total 70 categories Collected basic reference data, such as purchase amount of green materials and the percentage of such purchase amount in the category 	**		
	Develop and monitor quantitative targets for green supply chain by 2023	 Planned to work with the design department to develop the medium- and long-term quantitative targets for green supply chain in the first quarter of 2021 	**		

	Target	Achievements in 2020	Overall Progress
Promote cross-	Industry exchange, cooperation and innovation		
industry	Respond to climate change-related initiatives, including participating in external communications, training sessions or meetings	 Major communication events include: Forums themed "Theory and Practice for Healthy Buildings" and "Climate Change and Carbon Emissions of Buildings" at the 16th International Conference on Green Building Technologies and Energy Conservation cum New Technology and Product Expo ("International Green Expo") The 2020 Second Healthy Building Conference hosted by China Academy of Building Research Forum themed "2020 Active Design, Health Prioritised" at the annual academic conference of Architectural Society of China in 2020 	***

	Target	Achievements in 2020	Overall Progress
Promote cross-	Industry exchange, cooperation and innovation		
industry	Participate in the preparation of technical standards for sustainable buildings	 The Company contributed to the preparation of industry standards, including: Standards for Design of Intelligent Building Assessment Standard for Healthy Building, published by the Architectural Society of China Smart Community Construction Specifications Smart Park Design Standards, published by Chinese Academy of Sciences & Huawei Cross-scenario Experience White Paper, published by COLI & Huawei & FROG Joined the National Standardization Technical Committee for Smart Building and Residential Digitalization 	***

	Target	Achievements in 2020	Overall Progress
Promote cross-	Industry exchange, cooperation and innovation		
industry cooperation	Strengthen collaboration with first-class technology companies locally and overseas	 The design department participated in over 50 cooperation or communication events among technology companies Key events include: the Green Smart Communities published by SAC/TC426, the Huawei Second Real Estate Summit Forum, and the Open Link Association-OLA published by the Ministry of Industry and Information Technology of China 	***
		 Key business partners include: Huawei, AliCloud, Tencent, JD.com, Xiaomi, Daikin, CCT Technology Holdings, Shanghai Branch of China Academy of Building Research, DELOS 	

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9.1 Policies and Guidelines

The Board Diversity Policy of COLI stipulates that the selection of candidates shall be based on a range of diversity indicators, including but not limited to gender, age, educational background, professional experience, knowledge, culture and term of service, and the final appointment decisions shall be made based on the candidates' merits and potential contributions to the Board.

Based on the basic principles of the United Nations Global Compact, the Labour Rights and Occupational Safety and Health Policy of COLI covers the labour standards advocated in the International Labour Organisation Declaration on Fundamental Principles and Rights at Work. The policy defines safety management principles and duties of COLI's teams, governs the headquarters and subsidiaries of COLI, and is strictly observed at work premises owned and directly operated by COLI to protect the rights and interests of workers in such premises. The policy also applies to our business partners such as suppliers, contractors, subcontractors and property management companies, as well as joint ventures and associated companies or strategic partners that carry out business with the Company. COLI pays attention to policies and precautions of its business partners on human rights and labour rights. Related issues are covered in the Corporate Code of Conduct and the Supplier Code of Conduct established by COLI.

The Administrative Measures for the Personnel Appointment of China Overseas Land & Investment Ltd. defines the employment criteria for the headquarters and subsidiaries; and the Training Guide of China Overseas Property provides a clearer guideline on training rights and duties and management efforts.

Our labour union operates in accordance with the Measures for the Management of Reception and Expense of Funds of COLI.

During the year, COLI reviewed the existing systems, issued the Safety Management Handbook of China Overseas Property (2020 Edition), which sets forth the safety management framework, responsibilities, management and training requirements at various departments and levels, as well as the safety management regulations and guidelines for construction units to standardise the safety management of projects under construction and operation.

COLI's Corporate Code of Conduct defines the standards of acceptable behaviour that all directors, management and employees of the Company and its subsidiaries and branches are required to comply with. With reference to the Corporate Code of Conduct, we formulated COLI's Supplier Code of Conduct to encourage suppliers, contractors, subcontractors and property management companies to act in line with the COLI's principles.

During the year, we formulated COLI's Guide on Work Position Risk Prevention. By preparing the "risk identification and prevention form", we summarised potential risks at work positions across local and regional companies, in order to identify integrity risk, procedural risk and efficiency risk and develop the corresponding behavioural guidelines and preventive measures.

We also updated the business dealing guidelines in the Code of Professional Conduct for COLI Employees, including guiding employees how to reject, disclose or report banquets, entertainments, commissions, kickbacks, gratuities, gifts and other benefits provided by business partners.

9.1 Policies and Guidelines (Continued)

The Administrative Measures for COLI Integrity Construction Responsibility System defines the duties of the management in promoting duty hierarchy and assessing integrity performance.

The Measures for Handling Disciplinary Inspection and Supervision Cases defines the standards for whistleblowing, investigating and handling corrupt practices.

9.2 COLI's Culture: Leading the Tide

COLI embraces the corporate culture of "to lead", which means constantly surpassing limits, leading industry trends, and dauntlessly breaking new ground. To develop a leading culture in performance management, COLI adheres to the talent concept of "where strivers come together and good works are recognised" to implement a performance management system covering all levels of employees and functional units, so as to assess the performance of employees and organisations on a fair, objective and rational basis.

9.3 Diversity and Inclusiveness

We recruit and manage talents based on integrity, ability, merits, performance and public recognition, as reflected in compensation and benefits, recruitment, promotion, job transfer, dismissal, working hours, holidays and leave, appraisal, etc.

COLI believes that a workplace with diversity in gender, culture and professional background facilitates business innovation and creates more possibilities. While embracing an inclusive recruitment approach, we treat employees and job applicants equally to ensure that they will not suffer from unfair treatment due to gender, age, family status, disability, race, religious belief and other factors. We have established employee diversity indicators and continuously monitor their status to provide a desirable working environment with equality and diversity.

Board Diversity

The diversity of the Board composition can bring thoughts and insights to the decision-making process, and enhance governance efficiency of the business. The Nomination Committee of the Board is responsible for monitoring the implementation of the policy and reviewing the structure and policies of the Board and the procedures for appointment, election and removal of directors (including selection and recommendation criteria) in due course, so as to ensure that corporate governance of COLI is in line with industry trends and requirements.

We closely monitor the diversity indicator for senior management (i.e. persons at general manager level and above, including directors). As of 31 December 2020, there were nine directors in the Company, including one female which represented 11% of the members of the Board.

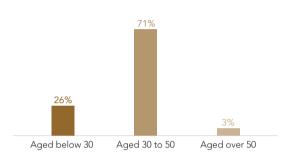
In 2020, the total number of senior management was 58, of which 72% were aged between 30 and 50, and 28% were aged over 50.

Talent Diversity

According to the quantitative target for gender diversity of employees set in 2019, COLI will maintain an employee male-to-female ratio at not higher than 2.8:1 from 2019 to 2023, while seeking to improve the new employee male-to-female ratio towards 2:1. In 2020, we had a total of 6,128 employees. The employee male-to-female ratio was 2.53:1, and that of new employees' was 2.54:1, more balanced compared with last year.

Employee Composition

By Age Group



By geographical region, 98% of our employees were from Mainland China, and 2% were from Hong Kong, Macau and overseas.

COLI recognises the importance of attracting diverse talents. Our new employees are from different professional backgrounds, including science and engineering, business, arts, law and other disciplines.

COLI continues to provide equal and diversified job and promotion opportunities to candidates and employees through open competition and internal recruitment. Our aim is to foster healthy competition and fair development of talents. During the year, COLI continued to expand its recruitment channels through three brands namely "Sons of the Sea", "Sea's Recruits" and "Stars of the Sea", with a total of 881 persons recruited. We designed a training plan meeting the development needs of fresh graduates and people with work experience, so as to enhance diversity and capability of talents to fuel our future development.

Employee Composition (Continued)

"Sons of the Sea" Scheme

"Sons of the Sea" is COLI's strategic talent scheme designed to recruit fresh graduates for property development and business management positions, and cultivate them into COLI's management talents through a training and development plan across our six segments.

Activities of "Sons of the Sea" Scheme in 2020

Sons of the Sea Study Scheme

Due to the pandemic, we simplified the study camp process, started the internships simultaneously, and recruited interns from over 30 local and overseas universities to develop their understanding of COLI culture in advance

Sons of the Sea Internship Scheme

 Recruited interns from over 30 universities, and assigned them to regional subsidiaries for summer internship

Sons of the Sea Recruitment Scheme

 Set up 13 recruiting stations across the nation (including overseas video sites) and held 12 online live broadcast recruitment presentations covering over 40 key universities in view of the pandemic

Sons of the Sea Experience Scheme

 Invited candidates of "Sons of the Sea" to visit the Company and COLI projects and communicate with previous candidates, to experience working at COLI in advance

Sons of the Sea Pilot Training Scheme

 Explained COLI's corporate culture, talent philosophy and strategy, career path and talent development mechanism to newly recruited "Sons of the Sea" through various occassions

Sons of the Sea Training Scheme

 We closely track the growth of "Sons of the Sea" in their first three years of employment, and appoint management professionals as mentors to share their knowledge and experience through intensive training, job rotation and roundtable forums





Employee Composition (Continued)

COLI • Sea's Recruits



During the year, COLI continued "COLI • Sea's Recruits" scheme which is designed to recruit and provide special training for professionals with at least two years' work experience. The special training during the year, covering topics such as corporate history, project progress, finance and human resource management, allowed new employees to quickly understand business operation of the Company.

"Stars of the Sea" Scheme

The "Stars of the Sea" is designed to recruit outstanding graduates and provide them with professional training, to meet talent needs from our four business lines of sales, commerce, education and elderly care. During the year, "Stars of the Sea" campus recruitment events covered 50 undergraduate colleges and universities in 40 cities across China, bringing in over 420 talents to the Company.

The "Stars of the Sea" provides employment opportunities for graduates with different majors. During the year, our



"Stars of the Sea" Recruitment Presentation

training events including outdoor development training, themed activities, special training and progress report helped new members quickly assimilate into COLI for rapid growth.

Employee Composition (Continued)

"Sea's Recruits + Stars of the Sea" Talents Training for Elderly Care and Education Business Lines

To fuel our two innovative business lines of elderly care and education, we continued to implement the elderly care talent introduction scheme, recruiting famous teachers from renowned universities in various provinces and cities through the "Sea's Recruits – Famous Teachers Scheme" as well as outstanding graduates from prestigious teachers college through the "Stars of the Sea" scheme.

We also worked closely with Changsha Social Work College, which was jointly established by the Ministry of Civil Affairs and Hunan Province and other professional institutes to recruit graduates as front-line nursing staff and interns of our elderly care business. Furthermore, we invited the principal of the Renmin University of China Kindergarten to lead our pre-job training programme for prospective teachers of COLI.

Human Rights and Labour Rights

COLI adopts initiatives including annual performance evaluation and production site visits to review whether the employees of suppliers receive reasonable compensation, as well as their labour management, wage payment, code-compliant and safe construction work plan, in order to evaluate human right risks in our supply chain and ensure that appropriate protection measures for labour rights and interests are implemented by the business partner.

The general terms and conditions of our tender documents also require contractors to comply with the laws and regulations on labour rights and interests, including determining the working hours, work conditions and wages of their employees and purchasing accident insurance for their construction workers. In the event of wage arrears or other labour disputes, COLI will require the contractor concerned to follow up the issues within a time limit. In the event of serious cases, we may disqualify the contractor or even stop paying the project funds. During the year, we disqualified three contractors due to their violation of labour related contract terms.

In the future, COLI will explore the possibility of carrying out human right risk investigation and evaluation procedures, and more comprehensively evaluate the effectiveness of human right and labour right measures across its business and value chain.

Human Rights and Labour Rights (Continued)

Freedom of Assembly and Association

To promote the communication between the Company and front-line employees, the trade union at COLI's headquarters was established in 2019, followed by other trade unions at the regional level and subsidiaries across the Group. Currently we have a total of 83 trade unions with 5,986 members, covering all the cities where our business operates.

Based on the members' opinions and a voting mechanism, the trade unions carry out social activities and workplace improvement measures, and organise local employees to participate in community and public welfare activities from time to time. During the year, our trade unions at all levels organised 227 employee communication activities, such as congress and forum for members, training for trade union cadres, as well as training meeting on practical work for primary-level trade unions in the new era, with over 3,917 participants. We also continued to carry out training for labour union cadres to enhance their understanding of trade rights and standards and their ability in implementing trade union rules.

Equal Pay

COLI implements equal pay for equal work for men and women. We assess performance of employees by unified standards through the performance review system, to ensure employees will not be treated unfairly due to their gender.

According to its goal set in 2019, COLI will set up a monitoring mechanism and indicators during the 14th Five-Year Plan period to review the implementation of equal pay for equal work for men and women. In 2020, COLI started to calculate male-to-female ratios in four perspectives namely salary of executive officers, salary of managers, remuneration (salary and bonus) of managers, and salary of non-managerial employees. In the future, we will continue to track, compare and explore potentials on these indicators on a yearly basis.

9.4 Training and Development

Continuous Training and Career Development

During the year, our training efforts centred on "improving systems, empowering business development and raising synergy". Meanwhile, we continued to improve the COLI Training System, pooling internal and external resources to provide training and career planning support specific to induction and in-service stages of employees. We launched talent recruitment and development plans by four series namely "Set sail", "Sailor", "Voyage" and "Headsail", to provide training for respective targets that require different leadership ability. We have also launched the Headsail Phase 2 and the Voyage Phase 3. Our new training brands redefined training duties at the headquarters, area and region levels, and specified the division of "headquarter organises, regions train and locals learn". It provided targeted training for talents in various fields helped our employees to plan for career path and realise their career goals.

COLI Training System

Headsail	Heads of subsidiaries, and department heads at the headquarters
Voyage	Deputy heads of subsidiaries
	 Deputy department heads at the headquarters
Sailor	 Department heads of subsidiaries and project heads
	Induction mentor for new employees
Set sail	Promising staff
	 New employees under the Sea's Recruits
	 New employees under the Sons of the Sea and the Stars of the Sea

COLI continued to collect employees' opinions through training needs surveys. During the year, we refined the existing curriculum and updated the lists of training courses to cover training needs from various functional lines and levels. The Standard Curriculum of China Overseas Property covers business introduction and practices to support the Company's strategic development. Employees can participate in online learning and broaden the scope of knowledge according to their own needs, intentions and interests.

Continuous Training and Career Development (Continued)

Key Training Activities Newly Introduced During the Year













Leading Lectures

We invited responsible persons from regional companies as lecturers to share their life and work experience. The aim is to strengthen output of senior managers and assist the team achieving a rapid growth and transformation. During the year, three phases were organised with approximately 1,700 participants.

Golden Lectures

Outstanding sharers, recognised as "Gold Lecturer" in the past years, continued to contribute high-quality training courses through the "Gold Lectures" platform. In 2020, a total of 15 sessions were organised with over 5,000 participants.

Team Workshop

Our "Team Workshop" is designed to improve business knowledge and skills of project teams at primary level through 10 special training sessions, thus contributing to a stronger cascaded pool of talents across our functional lines, better teamwork and higher value creation. Each workshop had more than 500 participants on average.



COLI Library

We organised the autumn reading club and winter reading club, and promoted 37 books to subscribers of our WeChat official account "COLI Management Institute", gaining over 30,000 views.

Training Highlights in 2020

- 204 hours of anti-corruption training to employees and the Board
- 2,040 hours of personal skill training
- 5,684 hours of project management experience sharing
- 2,066 hours of product R&D, planning and design training

Training in Relation to Environmental, Social and Governance Topics

	Corporate Governance	Good Products	Good Services	Good Effectiveness
All employees (including senior management of the Company)	 Corporate risk management Anti-corruption policy Employee Code of Conduct Integrity education Corporate management solution Senior officers media training 	Corporate communication practices in the 5G era	 Market consumption and trends Media communication training 	 Training on personal skills in the workplace, e.g. speaking and presentation skills
Specific functions	 The latest requirements of laws and regulations Compliance training on listed companies 	 Intelligent technology-driven transformation in real estate industry Product R&D, planning and design Sharing of project management experience 	Service model amid COVID-19 Precise customer reservation and marketing	 Human resource system Practices of building high-performing teams Employee relationship management Financial management

Performance Management

To develop the "leading" culture in performance management, we adhere to the talent concept of "where strivers come together and good works are recognised" to implement a performance management system covering all levels of employees and functional units, so as to assess the performance of employees and organisations during the performance period on a fair, objective and rational basis. Our personal performance management includes Plan, Do, Check, and Act (PDCA) and covers all management, administration, professionals, and sales (MAPS) ranks. We conduct performance evaluation twice a year based on the KPls set at the beginning of the year, and sort evaluation results into five performance grades according to mandatory ratios, namely A (far exceeding expectation), B+ (exceeding expectation), B (meeting expectation), B- (meeting elementary expectation), and C (below expectation), with each having standard descriptions for evaluating employees' performance. Meanwhile, performance is linked with remuneration adjustment, bonus distribution, and promotion. Evaluation results are used as an important reference for employees' remuneration, position and career development. By constantly enhancing our workforce through cultivating a performance-driven culture, we aim to establish a working environment with healthy competition and enhance the overall performance of the team.

Components of Organisational Performance Evaluation

Key Performance Indicators (KPIs)	Quantitative evaluation indicators for duty and business performance of departments
Key Results (KRs)	Evaluate the completion of key results (KRs) such as compliance, standardisation of management practices, and management innovation
Team Management (TEAM)	 Evaluate team management capabilities in talent retention and development, based on benchmarking learning, regretted attrition rate and business line satisfaction (i.e. the satisfaction evaluation by other departments)
"Stars of the Sea" Assessment System	 Evaluate the implementation of rules and work plans in management process; assessment outcomes are divided into positive and negative, and can be translated into bonuses or penalties

Performance Management (Continued)

"Professional Manager" and Share Option Incentive Scheme

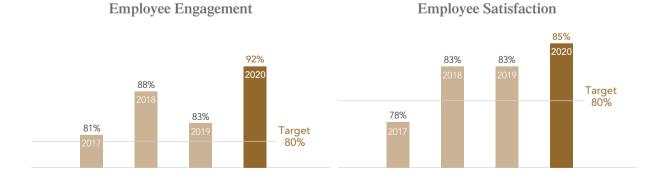
COLI became a pilot unit of the "Professional Manager" system of China State Construction Engineering Corporation in 2018. We plan to launch a series of talent management measures targeting our managers in terms of eligibility, performance evaluation, remuneration and incentives, and keeping only the best, in a bid to strengthen value creation ability of our management team. In conjunction with the "professional manager" system, COLI launched the share option incentive schemes in 2018 and 2020, granting approximately 107 million and 286 million share options respectively to 404 middle-to-senior managers and 1,131 middle-to-senior management employees, with an aim to motivate employees, boost their performance and retain excellent managerial talents. As of 2020, the scheme covered a total of 1,535 participants, contributing to year-on-year improvements in satisfaction rate and voluntary resignation rate of the covered employees.

9.5 Employee Engagement

COLI encourages the management to maintain communications with employees, in an effort to enhance team cohesion towards the aligned development goals.

Employee Satisfaction Survey

COLI conducts third-party employee satisfaction and engagement surveys every year to understand employees' expectations for their work and for the Company, and timely adjusts its talent management and development strategy. In 2020, our employee satisfaction score and engagement score were 85 and 92 respectively while the voluntary resignation rate of management employees and professional employees was 7.7%, all achieving the targets with year-on-year improvements.



9.5 Employee Engagement (Continued)

Communication Platforms and Team Building

COLI is committed to creating a harmonious working atmosphere. Leveraging the results of employee satisfaction survey as a reference for team building, we can better align our team building, cultural promotion and welfare system optimization efforts with the needs of employees and development direction of the Company.

During the year, COLI held a series of cultural and extended activities such as "Cultural Knowledge Guru Contest" and "Co-build Cultural Wall", to strengthen bondings among employees. To implement the satisfaction improvement scheme under the "5·21 Employee Care Plan", we launch measures or activities every month with a focus on five aspects to improve team communication, employee health and work-life balance.

Employee Satisfaction Improvement Scheme – the "5.21 (I Love You) Employee Care Plan"

Jan-Feb Communication	Mar-Apr Promotion	May-Jun Empowerment	Jul-Oct Cares	Nov-Dec Services
Manpower luncheon One-on-one luncheons between deputy general manager and middle-level	Corporate culture knowledge contest Fostered corporate culture among employees in headquarters	Quality development drills Provided experiential or extended training	Family Open Day Arranged family members to visit our projects and office areas	On 5 insurance plans, housing provident fund and corporate pension "All in one picture" presentation of employee welfare
Heartfelt Plan Hiking in Lianhua Mountain	Monthly Reading Club Headquarters-wid e book recommendation and reading salon	COLI Integration Camps Outdoor activities for newly recruited and transferred employees	Health lectures Lectures and activities on tooth cleaning and physiotherapy in traditional Chinese medicine	Human resource services Optimised the performance feedback mechanism

We also keep employees updated with the Company's policies and development strategies through regular channels such as OA intranet system-based work meetings, regular meetings and the "China Overseas" magazine. Our trade unions also organise activities for employees to provide feedback to the Company. For details, please refer to the section "Human Rights and Labour Rights" in this report.

9.6 Health and Safety

COLI puts great emphasis on safety, health and well-being of employees and business partners. Construction sites, operating projects and workplaces of the supply chain are also the focus of our occupational safety and health management. We also communicated such requirements to suppliers, contractors, subcontractors, property management companies and other business partners.

Employee Safety, Health and Well-being

COLI adopts family-friendly measures. We offer flexible working hours to pregnant and nursing employees, provide employees with maternity leave and paternity leave more than statutory requirements, and allow employees and their children to share the physical examination aid provided by the Company.

Our teams seek to identify occupational safety and health risks in the workplace, strive to provide a harmless working environment, and ensure that the employees know and effectively implement safety work procedures. COLI offers a set of health and safety guarantees for employees, including 100% coverage of physical examination and supplementary medical insurance scheme.

Uniting Efforts to Combat the Pandemic

During the COVID-19 pandemic period, we implemented a series of guidelines and measures to ensure personnel's safety, sparing no effort in pandemic control.

During the pandemic, COLI issued coronavirus prevention guidelines at various premises and executed an array of pandemic prevention measures, striving to sustain business continuity while reducing the concentration of personnel and the risk of virus transmission and ensuring safety and health of our employees, business partners and even customers.

- China Overseas Property: Pandemic Prevention Guidelines for Office Buildings, Pandemic Prevention
 Guidelines for Sales Sites, Pandemic Prevention Guidelines for Business Partners, Pandemic Prevention
 Management Measures, Three-level Contingency Plan, etc.
- COCP: Notice on COVID-19 Prevention and Control Measures and the countermeasure guidelines for commercial projects
- Universal Commercial Property: Work Arrangement Requirements on Preventing "Imported Coronavirus" for shopping malls projects

During the pandemic, COLI established pandemic control workgroups, specialised pandemic supervisor (health administrator), work plan and contingency plan for each project. We divided project sites into office area, living area, construction area and quarantined observation area, carried out temperature check and health registration for workers, and formulated 24-hour flexible work system. Our operation projects also actively communicated with employees and tenants through WeChat, email and other platforms to circulate pandemic information and safety reminders, so as to protect the health and safety of our employees and customers.

9.6 Health and Safety (Continued)

Employee Safety, Health and Well-being (Continued)

Key Pandemic Prevention Measures Across COLI

Set up emergency teams Organisational Appoint persons in charge of special prevention and control measures Support Appoint discipline inspection officers to check employee health information Flexible work system Switch daily work and training activities to Work online channels e.g. China Overseas Channel, email, WeChat, telephone and video conference Work from home Arrangement Flexible shifts and schedules Submit personal health information to "China Overseas Channel" **Health Tracking** Check temperature of employees twice a day Equip each project team with infrared thermometer, protective clothing and disinfectants Regular disinfection at office and project areas Sanitation Suspend dining at staff canteen, and implement decentralised dining Promote pandemic prevention and control updates through our WeChat official account Strengthen Issue recommendations on preventing disease transmission to customers Communications Distribute disease knowledge brochures Promote pandemic prevention knowledge at project level

9.6 Health and Safety (Continued)

Employee Safety, Health and Well-being (Continued)

Safe Production Management of COLI

Each area, regional company and project department is required to complete the safe production responsibility statement and annual work plan, and determine action plans and work standards for training, supervision, emergency drill, system construction, hazard source identification, health management, etc. Targets and duties of construction units are also defined through contracts and agreements. Furthermore, we carefully identify and record major hazards in projects, formulate the Control Measures for Major Hazards, and require the project department to submit the Special Scheme for Construction Safety and the Safety Management System specific to the project for review before the project starts.

During the year, we applied a "safe and code-compliant" comprehensive assessment mechanism and conducted random sample inspection on project sites in various regions quarterly. We also checked safety equipment, building materials, electricity consumption, fire safety management and other inspection items of business partners, to ensure compliance of projects with the Safety Inspection Standards for Building Construction (JGJ59-2011). We determined score weight according to safety risk of projects, assessed occupational safety risk of construction sites with quantitative criteria, and systematically recorded the data in the Assessment Form for Qualified Rate of On-site Safe and Civil Construction.

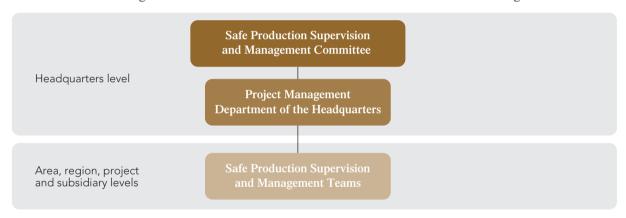
In addition, the Company also engaged a professional third-party agency to conduct safety risk assessment quarterly to ensure that 100% projects under construction are compliant with relevant safety management regulations of the Ministry of Housing and Urban-Rural Development of the People's Republic of China. Once violations are identified, we will issue the Rectification Notice on Safety Hazards to follow up the implementation progress of rectification measures. We may issue risk warnings or penalty points to relevant units, and request to suspend construction in serious case.

9.6 Health and Safety (Continued)

Employee Safety, Health and Well-being (Continued)

With regard to the management of qualification and training, we require the project department of each construction unit to have a safety director and an appointed safety officer in place, and conduct annual training and assessment to provide safety education for all construction workers. In addition to technical training specific to project construction stage, the Company also held safety education and advocacy activities from time to time, such as the special training on large high-risk equipment at Jinan Company and the special training on foundation pit support safety and detection engineering at Shenzhen Company during the year. We also encourage contractors and subcontractors to obtain third-party quality and safety management system certification (such as ISO 9001, ISO 14000 and OHSAS 18000), and establish a sound occupational safety and health management system.

COLI's Organisational Structure and Duties for Safe Production Management



9.6 Health and Safety (Continued)

Employee Safety, Health and Well-being (Continued)

Organisation	Major Duties	Top-level Person in Charge		
Safe Production Supervision and Management Committee	 The Company's top decision-making body for safety management, responsible for: Determining major policies, standards and systems Determining regional annual safety assessment indicators Deploying safe production efforts, including organisation of assessment and evaluation 	General Manager of the Company		
Project Management Department of the Headquarters	 The safe production supervision department at the headquarters, responsible for: Developing rules and systems, operating procedures, emergency rescue plan, etc. Developing medium and long term development plans and work targets Organising safety assessments and inspections Organising safety education, training and excellence-creating activities 	Safety Director, i.e. functional chief of the Project Management Department		
Safe Production Supervision and Management Teams	 Setting up teams at areas, regions, projects and subsidiaries, responsible for: Studying and proposing major policies, standards and systems on safety management Carrying out safety assessment and evaluation Strengthening the production supervision and management system and coordinating to solve problems concerned Establishing group work system, scope of duties, meeting rules, etc. 	Regional general managers, general managers of regional companies, project directors		
Other Functional Departments of the Headquarters	 Each functional department is responsible for safe production of the business within its jurisdiction The scope of duties includes: emergency response, public opinion monitoring, training and education, education on specialised safety officers and safety engineers, land safety factor and risk assessment, etc. 	14 functional departments		

9.6 Health and Safety (Continued)

Employee Safety, Health and Well-being (Continued)

With regard to operation projects, we require regional companies to ensure that the operating conditions of their tenants, suppliers and service providers are in compliance with relevant standards on occupational safety and health, and record the investigation findings in the Investigation Form on Work Conditions of Tenants, Suppliers and Service Providers. We also record work injuries of tenants, suppliers and services providers through the Health Records of Tenants, Suppliers and Service Providers, require and support them to take corrective measures with reference to relevant regulations.

9.7 Business Ethics and Integrity

The improvement of sustainable development management system requires concerted efforts from all parties. We expect that the management, employees and partners closely adhere to the Code of Conduct with integrity and professionalism. Meanwhile, we seek to strengthen anti-corruption awareness within the Company and among our business partners through codes, agreements, policies, systems and training. We also advocate the principles of ethical, social and environmental responsibility.

9.7 Business Ethics and Integrity (Continued)

Code of Conduct

All employees of COLI, including full-time and part-time employees of the headquarters, regional, project, joint venture and associate companies, signed the Work Integrity Responsibility Statement and received training related to anti-corruption. All business partners of COLI including suppliers and general contractors also signed the Integrity Agreement as part of the contract, and committed to comply with our anti-corruption policies. Employees in serious violation of the code will be dismissed, while business partners violating the Integrity Agreement may be warned, fined or disqualified from bidding and cooperation.

Anti-corruption	Comply with requirements to manage and report matters related to commission, remuneration, reception and gifts
Conflict of Interest	Concurrent paid work without approval and investment activities involving conflict of interest are not allowed
Confidentiality of Information	Employees can only use internal information in operation and management of the Company for reasons of duty
Prevent Anti-competitive Practices	Employees must comply with applicable competition laws and anti-monopoly laws; all bidding decisions must be transparent among at least three management members of the Company
Anti-discrimination	Regardless of gender, age, family status, disability, race, religion or other factors, employees must respect colleagues, clients and members of associated units
Environment, Health and Safety	The management must identify environment, health and safety impact at offices or project locations and take corresponding prevention, control and mitigation measures
Whistleblowing	Any suspected breach of the code must be reported to the Intendance and Audit Department

Integrity System

COLI also prevents corruption risk from the perspectives of governance, supervision and mechanism. In accordance with the Administrative Measure for Integrity Conversations, every new leader is required to go through preservice conversations with the Chief Executive Officer to understand the requirements on exercising authority and practising integrity. Employees must pass qualification evaluation before taking up the position to avoid serving in positions that are incompatible with their responsibilities; and leaders must rotate their posts after a certain number of years. Through self-evaluation, annual appraisal and employee satisfaction surveys, we assess performance of regional companies in preventing corruption, and evaluate bribery and corruption risks of business activities. Anticorruption requirements are also included in performance evaluation of employees.

9.7 Business Ethics and Integrity (Continued)

Integrity System (Continued)

COLI is committed to establishing a brand of integrity culture comprising five components namely "ethic, laws, rules, emotion and publicity". During the year, our headquarters and subsidiaries organised more than 300 integrity culture activities in 7 categories with the theme of "Clean COLI", with over 40,000 participants involved. The Company continued to distribute electronic files and Integrity e-Materials through the internal employee platform named China Overseas Channel, with a total of 98,974 hits and 25,291 views. Our headquarters and regional companies carried out a total of over 180 anti-corruption warning education sessions, explaining relevant compliance requirements of anti-corruption to employees via law interpretations and case studies. We also provide employees with training related to the Anti-unfair Competition Law of the People's Republic of China. During the year, all members of the Board and employees of COLI received annual training on anti-corruption and fair competition, with 179 online anti-corruption training sessions and 18,707 participants involved.

Rights of Whistleblowers

Stakeholder	Publicised Channels and Contact Information for Whistleblowers
Property owners/customers	Official website, delivery notice, property management office and maintenance
	centre
Sales sites	Official website, business cards of sales and customer service staff
Employees, business partners	Official website, the Open Letter to Partners and the Integrity Agreement

To address violations of our code and policies, we make available to employees, customers, business partners and other external stakeholders the reporting channels including mails, calls, visits and internet means, and make public our independent reporting hotline, email and other contact information. To ensure the independence of investigations, we specified the codes for handling and investigating whistleblowing information, for instance the investigation group must comprise of at least two members, so as to ensure investigation information are confidential and to control the scope of knowledge internally. The Intendance and Audit Department is responsible for analysing and proposing handling advice, and informing the real-name whistle-blower of the investigation findings. To ensure rights and interests of each party, the Company has set up relevant punishment provisions for cases where the whistle-blowers, witnesses or supervisors are retaliated, or where the whistle-blowers and witnesses fabricate facts.

Industry-specific Standards

COLI actively responds to the industry association's anti-fraud initiative and has earnestly implemented relevant standards. The Company participates in the Enterprise Anti-fraud Alliance, which includes more than 500 leading enterprises spanning from industries such as real estate, retail, e-commerce, finance and insurance. During the year, COLI participated in the "Most Influential Teams in Anti-fraud" selection organised by the Enterprise Anti-fraud Alliance, and was selected as one of the top 10 "Most Influential Corporate Teams in Anti-fraud".

OPERATIONAL COMPLIANCE

The Company has set up a Legal Department, which is responsible for establishing and continuously updating the library of laws and regulations to identify the impact of these new requirements and new provisions on the current and future development of the Company. In the first half of the year, the Legal Department launched a new legal risk management module in the Company's risk management system to help the headquarters fully understand the overall legal risk of the Company. In the second half of the year, COLI completed the in-depth integration of its legal management platform and achieved data sharing among the Group's team of lawyers. During the year, the Company, among others, compiled and issued the Manual on List of Legal Compliance Risk in Project Development and Methods for Identification, formulated the Administrative Measures for Legal Review, completed the amendment of the Guidelines on Checking Legal Risk of Projects (Trial), and updated the list of key points for checking legal compliance risk of projects.

In the last five years, the Company has not recorded any pending investigations or violations relating to bribery, extortion, fraud, money laundering or anti-competitive conduct, nor has it been subject to relevant fines or damages. In terms of laws and regulations relating to other environmental, social and governance issues that impact significantly on the Company's business operation (refer to the table below), COLI and its subsidiaries had no cases of non-compliance that were escalated to the court during the year.

Major Laws and Regulations

Environmental Protection Law of the People's Republic of China, Environmental Impact Assessment Law of the People's Republic of China, Law of the People's Republic of China on Prevention and Control of Atmospheric Pollution, Law of the People's Republic of China on Prevention and Control of Water Pollution, Law of the People's Republic of China on Prevention and Control of Noise Pollution, Administrative Regulations on Environmental Protection of Construction Projects, Administrative Measures for Environmental Protection and Acceptance of Completed Construction Projects

Relevant Governance, Environmental and Social Matters

Management of exhaust gas and greenhouse gas emissions, discharges into water and land, hazardous and non-hazardous waste, and other emissions

Labour Law of the People's Republic of China, Labour Contract Law of the People's Republic of China, Social Insurance Law of the People's Republic of China, Law of the People's Republic of China on Protection of Disabled Persons, Employment Ordinance, Employees' Compensation Ordinance Compensation and dismissal, recruitment and promotion, working hours, holidays, equal opportunity, diversity, anti-discrimination, and other employment systems

Management of occupation safety and health

Child labour, forced labour or other human rights and labour rights issues

Major Laws and Regulations	Relevant Governance, Environmental and Social Matters				
Product Quality Law of the People's Republic of China, Construction Law of the People's Republic of China, Advertising Law of the People's Republic of China, Regulation on the Quality Management of Construction Projects, Residential Properties (First-hand Sales) Ordinance, Cybersecurity Law of the People's Republic of China	Management of product and service information, health and safety, advertising, labelling, marketing methods, customer privacy, information security and other product responsibility issues				
Anti-money Laundering Law of the People's Republic of China, Interim Provisions of the State Administration for Industry and Commerce on Banning Commercial Bribery	Bribery, extortion, fraud, money laundering, and other corrupt practices				
Criminal Law of the People's Republic of China, Anti-unfair Competition Law of the People's Republic of China	Legal cases regarding corrupt practices brought against the headquarters and regional companies or their employees				
Anti-unfair Competition Law of the People's Republic of China (amended in 2019), Implementing Measures for the Accountability for Illegal Operation and Investment of Central Enterprises (Trial)	Legal cases regarding anti-competitive practices brought against the headquarters and regional companies or their employees				

LIST OF PERFORMANCE INDICATORS

Economic Value

Indicator	Unit	2020 Total	2019 Total	2018 Total
Economic Value Generated and Dist	ributed			
Net revenue	RMB'000	185,789,528	163,650,953	144,027,289
Direct operating costs	RMB'000	129,968,676	108,570,841	89,592,363
Total finance cost	RMB'000	8,546,017	8,970,167	7,858,917
Dividends payable	RMB'000	6,740,124	5,635,519	4,771,426
Tax expenses	RMB'000	21,494,912	22,204,315	21,727,807
Retained profits	RMB'000	240,975,395	207,184,440	175,507,073

Corporate Governance

Indicator	Unit	2020 Total	2019 Total	2018 Total
Concluded Legal Cases Brought against the Con	npany or its Employ	yees		
Regarding corrupt practices	Case	0	0	0
Regarding anti-competitive practices	Case	0	0	0
Confirmed Non-compliance with Laws and Reg	ulations			
Regarding air and greenhouse gas emissions, discharges into water and land, hazardous and non-hazardous waste, and other emissions issues	Case	0	0	0
Regarding compensation and dismissal, recruitment and promotion, working hours, holidays, equal opportunity, diversity, anti-discrimination, and other employment matters	Case	0	0	0
Regarding occupational safety and health	Case	0	0	0
Regarding child labour, forced labour or other human rights and labour rights issues	Case	0	0	0
Regarding product and service information, product health and safety, advertising, labelling, marketing, customer privacy, and other product responsibility issues	Case	0	0	0
Regarding bribery, extortion, fraud, money	Case	0	0	0
laundering and other corruption practices				
Regarding intellectual property rights	Case	0	0	_
Regarding anti-competitive practices	Case	0	0	

$Corporate\ Governance\ ({\tt Continued})$

Indicator	Unit	2020 Total	2019 Total	2018 Total			
Communication and Training regarding Anti-corruption Policies and Procedures							
Employees who received training on anti-corruption policies	Percentage	100%	100%	_3			
Employees from subsidiaries, joint ventures and associates who received training on anti-corruption policies	Percentage	100%	100%	100%			
Employees being regulated under Employee Code of Conduct	Percentage	100%	100%	100%			
Employees of headquarters, regional companies, projects, joint ventures and associates which signed the Work Integrity Responsibility Statement	Percentage	100%	100%	100%			
Business partners which signed the Integrity Agreement	Percentage	100%	100%	100%			

Product and Service Responsibility

Indicator	Unit	Reporting Year				
Customer Relationship Management						
Residential projects						
Customer satisfaction	Percentage	2020	2019	2018	2017	2016
		91%	89%	85%	70%	62%
Customers covered in the customer satisfaction	Percentage	2020	2019	2018	2017	2016
survey		10%	10%	10%	10%	10%

The unit for the 2018 statistical data of received training is person-time(s), which totaled 6,457 person-times; no percentage of employees covered is calculated

Product and Service Responsibility (Continued)

Indicator	Unit	2020 Total	2019 Total	2018 Total
Customer complaints		_		
Total number of customer complaints	Case	3,451	3,297	5,102
Total number of customer privacy related complaints	Case	0	0	0
Confirmed cases of breach of customer privacy or loss of customer data	Case	0	0	0
Indicator	Unit	2020 Total	2019 Total	2018 Total
Customer health and safety				
Engineering staff receiving training regarding product quality and/or product safety	Percentage	100%	89%	N/A
Commercial project staff receiving training regarding product quality and/or product safety	Percentage	100%	100%	N/A
Residential projects receiving external assurance certifications regarding product quality and/or product safety	Percentage	0%	19%	N/A

Supply Chain Management

Indicator	Unit	2020 Total	2019 Total	2018 Total
Geographical Distribution of Suppliers ⁴		_		
Northern Region	Supplier	4	3	2
Northern China	Supplier	19	15	18
Eastern China	Supplier	51	53	34
Southern China	Supplier	45	42	44
Western Region	Supplier	1	4	2
Hong Kong and Macao	Supplier	-	_	_
Overseas	Supplier	-	_	_
Total	Supplier	120	117	100
Assessment of Suppliers				
Percentage of new suppliers screened this year ⁵	Percentage	100%	100%	100%
Key business partners receiving annual comprehensive appraisal every year	Percentage	100%	100%	-
Rectification required by business partners against risks found from the annual comprehensive appraisal	Percentage	8%	6.3%	-

Community Investment

Indicator	Unit	2020 Total	2019 Total	2018 Total
Community Investment and Public Welfare				
Area of affordable housing completed during the year	m²	15,670,000	2,939,000	1,940,000
GFA of completed affordable housing relative to the residential projects of the Company	Percentage	9.57%	18.1%	14.2%

⁴ Referring to the number of suppliers maintaining cooperation relationship on central procurement with the Company under the Register of Suppliers of Central Procurement at Headquarters this year

⁵ Referring to new suppliers that were originally not on the Register of Suppliers of Central Procurement at Headquarters and were then included upon passing the prequalification assessment. The prequalification assessment covers certain environmental and social standards including requiring suppliers to provide quality management system certification documents

Employment

Indicator	Unit	2	2020 Total	2	019 Total	2	018 Total
Composition of Senior Management (inclu	iding Board membe	ers)					
By Gender							
Female	Person		5		5		4
Male	Person		53		63		68
By Age							
Aged 30 or below	Person		0		0		0
Aged 31 to 50	Person		42		49		55
Aged 51 or above	Person		16		19		17
Ratio of senior management hired from the	e local community						
Mainland China	Percentage		100%		100%		85.7%
Hong Kong, Macao and overseas	Percentage		66.7%		66.7%		68.8%
Total number of senior management (including Board members)	Person		58		68		72
Employee Distribution							
By Geographical Region							
Mainland China	Person	5,980	97.6%	6,061	98.3%	5,749	97.5%
Hong Kong, Macao and overseas	Person	148	2.4%	108	1.7%	146	2.5%
By Gender							
Female	Person	1,735	28.3%	1,737	28.2%	1,736	29.4%
Male	Person	4,393	71.7%	4,432	71.8%	4,159	70.6%
By Age							
Aged 30 or below	Person	1,576	25.7%	1,994	32.3%	1,847	31.3%
Aged 31 to 50	Person	4,380	71.5%	3,996	64.8%	3,884	65.9%
Aged 51 or above	Person	172	2.8%	179	2.9%	164	2.8%
By Employee Category							
Senior management	Person	52	0.9%	60	1.0%	64	1.1%
(excluding Board members)	_						
Middle management	Person	268	4.4%	363	5.9%	336	5.7%
Entry-level employees	Person	1,160	18.9%	1,229	19.9%	1,195	20.3%
General employees	Person	4,648	75.8%	4,517	73.2%	4,300	72.9%
By Type of Employment Contracts							
Full-time	Person	6,128	100%	6,169	100%	5,895	100%
Part-time	Person	0	0%	0	0%	0	0%
Total number of employees	Person		6,128		6,169		5,895

Retention of Talents

Indicator	Unit	2020	Гotal	2019	Γotal	2018	Γotal
Number and Percentage of New Employee	s						
By Geographical Region							
Mainland China	Person	908	15.2%	1,290	21.3%	1,255	21.8%
Hong Kong, Macao and overseas	Person	23	15.5%	19	17.7%	32	21.9%
By Gender							
Female	Person	263	15.2%	316	18.2%	968	55.8%
Male	Person	668	15.2%	993	22.4%	319	7.7%
By Age							
Aged 30 or below	Person	477	30.3%	638	32.0%	513	27.8%
Aged 31 to 50	Person	450	10.3%	657	16.4%	746	19.2%
Aged 51 or above	Person	4	2.3%	14	7.8%	28	17.1%
By Employee Category							
Senior management	Person	0	_	0	_	_	_
Middle management	Person	3	1.1%	13	3.6%	_	_
Entry-level employees	Person	86	7.4%	103	8.4%	_	_
General employees	Person	842	18.1%	1,193	26.4%	_	_
Total number and percentage of new employees	Person	931	15.2%	1,309	21.2%	1,287	21.8%

Retention of Talents (Continued)

Indicator	Unit	2020 T	otal	2019	Total	2018	Γotal
Employee Turnover in Number and Percen	tage						
By Geographical Region							
Mainland China	Person	1,121	18.7%	1,024	16.9%	443	7.7%
Hong Kong, Macao and overseas	Person	0	-	11	10.2%	27	18.5%
By Gender							
Female	Person	280	16.1%	271	15.6%	351	20.2%
Male	Person	841	19.1%	764	17.2%	119	2.9%
By Age							
Aged 30 or below	Person	244	15.5%	262	13.1%	204	11.0%
Aged 31 to 50	Person	843	19.2%	739	18.5%	263	6,8%
Aged 51 or above	Person	34	19.8%	34	19.0%	3	1.8%
By Employee Category							
Senior management	Person	2	3.8%	0	_	_	_
Middle management	Person	19	7.1%	17	4.7%	_	_
Entry-level employees	Person	138	11.9%	119	9.7%	_	_
General employees	Person	962	20.7%	899	19.9%	_	_
Total number and rate of employee	Person	1,121	18.3%	1,035	16.8%	470	8.0%
turnover							
Employee Satisfaction							
Participation of staff on employee	Reporting year	2020	2	019	2018	2017	2016
satisfaction and engagement survey	Percentage	90%	8	5%	84%	81%	_
Employee satisfaction	Reporting year	2020	2	019	2018	2017	2016
	Percentage	85%	8	4%	83%	78%	90%
Employee engagement	Reporting year	2020	2	019	2018	2017	2016
	Percentage	92%	8	3%	88%	81%	_

Training and Development

Indicator	Unit	2020 Total	2019 Total	2018 Total
Percentage of Employees Receiving Training				
By Gender				
Female	Percentage	100%	100%	
Male	Percentage	100%	100%	_
By Employee Category				
Senior management	Percentage	100%	100%	
Middle management	Percentage	100%	100%	_
Entry-level employees	Percentage	100%	100%	_
General employees	Percentage	100%	100%	_
Overall percentage of employees receiving training	Percentage	100%	100%	-
Average Training Hours per Employee				
By Gender				
Female	Hour	85	74	60
Male	Hour	84	73	70
By Employee Category				
Senior management	Hour	201	140	60
Middle management	Hour	84	67	65
Entry-level employees	Hour	83	72	62
General employees	Hour	83	73	72
Overall average training hours per employee	Hour	84	73	69
Performance Management				
Employee covered by the performance management system ⁶	Percentage	100	100	100
Staff participation under the Share Option Scheme ⁷	Percentage	18	7	_

⁶ Including cases where supervisors and subordinates were requested to agree on measurable or quantitative performance targets for conducting multi-dimensional evaluation and performance ranking of employees

⁷ Calculation only covers employees holding positions below senior management

Labour Rights

Indicator	Unit	2020 Total	2019	Γotal	2018 Total		
Occupational Health and Safety							
Employees of China Overseas							
Number of work-related injuries	Case	0		0		0	
Number of severe work-related injuries	Case	0		0		0	
Lost days due to work-related injuries	Day	0		0		0	
Number of work-related fatalities	Case	2020	2019	2018	2017	2016	
		0	0	0	0	0	
Employee covered by medical check up	Percentage	100%		100%		100%	
Employee covered by Supplementary Medical Insurance	Percentage	100%		100%		100%	
Construction sites of China Overseas							
Number of work-related injuries	Case	0		0		0	
Number of severe work-related injuries	Case	0		0		0	
Lost days due to work-related injuries	Day	0		0		0	
Number of work-related fatalities	Case	2020	2019	2018	2017	2016	
		2	0	0	0	0	
Employee Grievance							
Number of discrimination incidents reported	Case	0		0		0	
Number of basic human rights, employment and labour rights incidents reported	Case	0		0		0	

Sustainable Building

Indicator	Unit	2020	Total	2019	Total	2018 Total	
Sustainable Building Certification ⁸							
Number of new green certified buildings during the year	Project		64		74		-
Additional green certified area during the year	m^2		10,950,000		15,820,000		-
Total number and percentage of green certified buildings	Project	379	66.5%	315	78.1%	241	-
Total area and percentage of green certified area	m^2	71,470,000	73.7%	60,520,000	75.2%		-
Number of additional healthy building certifications during the year	Project		16		-		-
Material Consumption							
Total construction material used during the year – Concrete	m ³		13,288,000		17,955,756		15,319,726
Total construction material used during the year – Steel	Tonne		1,572,000		2,198,664		1,838,367
Total construction material used during the year – Wood	m ³		269,000		420,705		365,835

The Company started to measure the number and percentage area of green certified buildings since the year, while all the cumulative totals are measured from 2016 to 2020

Environmental Management⁹

				2020 Total	D .	
Indicator	Unit	Commercial Projects ¹⁰	Hotels ¹¹	Offices of COLI	Projects Development and Sales ¹²	Innovative Business ¹³
Energy Consumption ¹⁴		·				
Direct Energy Consumption				-		
Diesel	L	11,355	62,635	6,367	286,199	N/A
Gasoline	L	16,775	21,932	616,969	86,810	N/A
LPG	kg	N/A	N/A	14,547	1,126	N/A
Natural gas	GJ	88,802	35,663	81,785	N/A	847
Direct energy consumption intensity	kWh/m²	7.41 (-34%)	N/A	358.00 (+3%)	N/A	7
	kWh/guest night	N/A	49.14 (+41%)	N/A	N/A	N/A
Indirect Energy Consumption						
Purchased electricity	kWh	233,499,825	26,687,018	11,260,246	129,193,902	1,100,689
Purchased steam	GJ	N/A	N/A	N/A	N/A	0
Purchased hot water	GJ	181,493	N/A	850	N/A	4,000
Indirect energy consumption intensity	kWh/m²	84.39 (-20%)	N/A	144.84 (+2%)	N/A	69.88 (+39%)
	kWh/guest night	N/A	122.34 (+42%)	N/A	N/A	N/A

⁹ The environmental data cover projects that had commenced full-year operation and those under construction during the year

Overing commercial projects (except hotels) with more than 50% controlling interest held and operated throughout the year by the Company, including offices and shopping centres

¹¹ Covering hotel projects with more than 50% controlling interest held and operated throughout the year by the Company

¹² From 2020, COLI aggregated the operating data of sales centers and constructions sites to calculate the environmental impacts generated by individual projects of the Group throughout the process from project development to sale. Therefore, data recorded in 2020 cannot be directly compared with those recorded in 2019 and 2018

¹³ Covering innovative business projects with more than 50% controlling interest held and operated throughout the year by the Company

The unit conversion of purchased hot water is conducted with reference to the System of Energy and Water Statistical Statements (commonly used by statistical institutions and survey units) (2017 Annual Statistical Report and 2018 Regular Statistical Statement) issued by the National Bureau of Statistics, and the unit conversion of other types energy is conducted with reference to the General Rules for Integrated Energy Calculation (GB/T 2589-2008) - Standard Coal Reference Coefficient for Various Energy issued by the Standardisation Administration

				2020 Total		
Indicator	Unit	Commercial Projects ¹⁰	Hotels ¹¹	Offices of COLI	Projects Development and Sales ¹²	Innovative Business ¹³
Water Resources Management		-				
Water Consumption by Source						
Municipal water supply	m³	2,161,445	453,266	112,602	15,055,412	20,240
Other sources of water withdrawal	m^3	38,668	1,700,000	N/A	368,885	N/A
Total water consumption	m^3	2,200,113	2,153,266	112,602	15,424,297	20,240
Water consumption intensity	m^3/m^2	0.64 (-9%)	N/A	1.42 (-1%)	N/A	0.63 (+83%)
	m³/guest night	N/A	2.08 (+33%)	N/A	N/A	N/A

					Total							
						Projects						
Indicator	Unit	Commercial Projects	Hotels	Offices of COLI	Sales Centres	under Construction	Innovative Business			Offices of COLI		
Energy Consumption ¹⁴	****	,										
Direct Energy Consumption												
Diesel	L	9,693	77,72216	4,080	47,151	837,527	N/A	8,074	114,310	4,883	51,286	1,355,148
Gasoline	L	17,359	66,51816	766,288	49,406	310,273	N/A	11,822	47,32716	855,075	175,660	340,101
LPG	kg	3,566	N/A	11,64916	N/A	N/A	N/A	3,081	N/A	11,52016	N/A	N/A
Natural gas	GJ	118,05716	40,489	73,783	4,247	N/A	N/A	88,201	84,386	8,439	N/A	N/A
Direct energy consumption intensity	kWh/m²	11.2016	N/A	346.95	8.15	N/A	N/A	11.46	N/A	144.82	9.43	N/A
	kWh/guest night	N/A	34.7616	N/A	N/A	N/A	N/A	N/A	70.9616	N/A	N/A	N/A
Indirect Energy Consumption												
Purchased electricity	kWh	248,064,483	30,503,700	10,970,384	37,183,468	134,227,189	278,484	177,355,456	32,711,551	8,312,922	12,715,219	97,667,663
Purchased steam	GJ	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3,169	139	419	N/A
Purchased hot water	GJ	228,515	2,392	850	35,164	N/A	N/A	133,648	N/A	N/A	N/A	N/A
Indirect energy consumption intensity	kWh/m²	105.52	N/A	141.61	183.44	N/A	50.25	99.40	N/A	119.67	58.30	N/A
	kWh/guest night	N/A	85.95	N/A	N/A	N/A	N/A	N/A	95.39	N/A	N/A	N/A
Water Resources Management												
Water Consumption by Source												
Municipal water supply	m ³	2,083,441	566,12416	113,362	1,265,748	7,128,612	1,911	3,250,060	687,56116	194,734	602,736	6,557,339
Other sources of water withdrawal	m^3	N/A	1,650,00015	N/A	N/A	1,171,590	N/A	N/A	1,580,00015	N/A	N/A	175,896
Total water consumption	m^3	2,083,441	2,216,12415	113,362	1,265,748	8,300,202	N/A	3,250,060	2,267,56115	194,734	602,736	6,730,235
Water consumption intensity	$\mathrm{m}^3/\mathrm{m}^2$	0.71	N/A	1.43	4.95	N/A	0.35	1.51	N/A	2.79	2.74	N/A
	m³/guest night	N/A	1.5617	N/A	N/A	N/A	N/A	N/A	1.9517	N/A	N/A	N/A

As the scope of statistics was expanded, the historical data was updated based on the new scope of statistics, resulting in an increase in data

¹⁶ The data was restated after verification

 $^{^{\}rm 17}$ $\,$ The data was updated due to expansion of scope of statistics

Environmental Management⁹ (Continued)

				2020 Total		
Indicator	Unit	Commercial Projects ¹⁰	Hotels ¹¹	Offices of COLI	Projects Development and Sales ¹²	Innovative Business ¹³
GHG Emissions ¹⁸						
Direct emissions (Scope 1)	tonne CO ₂ e	9,652	4,047	6,117	2,097	47
Indirect emissions (Scope 2)	tonne CO ₂ e	179,145	15,350	7,516	87,933	1,522
Others (Scope 3) ¹⁹	tonne CO ₂ e	N/A	N/A	595	N/A	N/A
Total emissions (Scope 1+2)	tonne CO ₂ e	188,797	19,397	13,633	90,030	1,569
Total emission intensity (Scope 1+2)	tonne CO ₂ e/m²	0.06	N/A	0.17	N/A	0.05
	tonne CO ₂ e/guest night	N/A	0.09	N/A	N/A	N/A
Waste Management						
Volume of Non-hazardous Waste Disposed of						
Renovation, construction and demolition waste	tonne	32,579	31	N/A	395,389	N/A
Earthwork/muck	tonne	N/A	N/A	N/A	38,689,990	N/A
General waste/domestic waste	tonne	65,114	1,290	3,883	9,063	55
Horticultural waste	tonne	558	141	N/A	3,900	N/A
Grease trap waste	kg	333,992	7,950	N/A	N/A	N/A

The emission factors of heat supply make reference to the Accounting Methods and Reporting Guidelines on Greenhouse Gas Emission for Enterprises in Industry and Other Industries (trial) issued by the National Development and Reform Commission (NDRC), and other emission factors make reference to the Average CO₂ Emission Factors of China's Regional Grid in 2011 and 2012 issued by the NDRC and How to Prepare an ESG Report - Appendix 2 Reporting Guidance on Environmental KPIs issued by the Stock Exchange

¹⁹ Emissions from air travel by employees

				2019 T								
						Projects						
T. P	TI.S	Commercial		Offices	Sales	under	Innovative			Offices of COLI		
Indicator	Unit	Projects	Hotels	of COLI	Centres	Construction	Business	Projects	Hotels	of COLI	Centres	Construction
GHG Emissions ¹⁸												
Direct emissions (Scope 1)	tonne CO ₂ e	30,57816	3,59916	5,88516	471	2,892	N/A	11,951	6,33516	2,45916	533	4,311
Indirect emissions (Scope 2)	tonne CO ₂ e	195,048	18,357	7,355	30,223	93,818	233	130,907	19,646	5,860	8,684	64,216
Others (Scope 3) ¹⁹	tonne CO ₂ e	36	N/A	1,716 ²⁰	8.35	N/A	N/A	94	1,390	270	N/A	N/A
Total emissions (Scope 1+2)	tonne CO ₂ e	225,98616	21,95616	13,24016	30,694	96,710	233	142,858	25,98116	8,31916	9,217	68,527
Total emission intensity (Scope 1+2)	tonne CO ₂ e/ m²	0.08	N/A	0.17	0.12	N/A	0.04	0.07	N/A	0.12	0.04	N/A
	tonne CO ₂ e/ guest night	N/A	0.06	N/A	N/A	N/A	N/A	N/A	0.07	N/A	N/A	N/A
Waste Management												
Volume of Non-hazardous Waste Dispose	d of											
Renovation, construction and demolition waste	tonne	30,842	40	N/A	N/A	487,268	N/A	22,447	41	N/A	N/A	626,913
Earthwork/muck	tonne	N/A	N/A	N/A	N/A	28,667,296	N/A	N/A	N/A	N/A	N/A	14,113,530
General waste/domestic waste	tonne	67,955	1,63416	4,899	1,204	10,067	1	68,963	1,873	1,123	2,621	23,481
Horticultural waste	tonne	220	300	N/A	N/A	389	N/A	117	182	N/A	N/A	7,162
Grease trap waste	kg	276,128	65,000	N/A	N/A	N/A	N/A	194,991	70,500	N/A	N/A	N/A

 $^{^{20}}$ In 2019, the scope of statistics was expanded, resulting in significant year-on-year changes

				2020 Total	2.1	
Indicator	Unit	Commercial Projects ¹⁰	Hotels ¹¹	Offices of COLI	Projects Development and Sales ¹²	Innovative Business ¹³
Waste Management						
Volume of Non-hazardous Waste Recycled						
Food waste	kg	1,347,767	82,500	37,288	83,905	N/A
Metal	kg	59,282	380	241	6,655,565	N/A
Paper	kg	6,989	5,172	3,806	20,810	N/A
Glass	kg	26,764	1,800	N/A	53,848	N/A
Plastic	kg	2,472	5	540	36,467	N/A
Total volume of non-hazardous waste generated	tonne	100,028	1,559	3,925	39,105,140	55
Volume of Hazardous Waste Disposed of						
Waste oil	kg	49,004	7,500	N/A	2,500	N/A
Waste fluorescent tubes/bulbs	kg	4,483	140	249	2,000	N/A
Electronic waste	kg	258	10	453	750	N/A
Batteries	kg	379	25	18	1,434	N/A
Total volume of hazardous waste generated	tonne	54	8	1	7	N/A

				2019 T	'otal					2018 Total		
						Projects						
Indicator	Unit	Commercial Projects	Hotels	Offices of COLI	Sales Centres	under Construction	Innovative Business			Offices of COLI		under Construction
Waste Management								,				
Volume of Non-hazardous Waste Dispo	sed of											
Food waste	kg	1,675,859	186,000	37,018	32,913	66,279	N/A	916,125	200,500	32,324	N/A	454,083
Metal	kg	69,379	800	279	4,504	1,782,688	N/A	70	220	31	N/A	57,078,481
Paper	kg	5,294	6,372	3,513	3,205	16,814	54	730	3,402	3,329	N/A	159,777
Glass	kg	24,972	2,500	N/A	528	5,989	N/A	14,300	2,020	0	N/A	760
Plastic	kg	1,858	4,800	260	52	50	N/A	200	5,552	43	N/A	7,520
Total volume of non-hazardous waste generated	tonne	101,071	2,23915	4,940	1,245	29,166,892	1	92,653	2,378	1,159	2,621	14,282,787
Volume of Hazardous Waste Disposed	of											
Waste oil	kg	51,238	40,000	N/A	N/A	4,931	N/A	21,634	45,700	N/A	N/A	14,497
Waste fluorescent tubes/bulbs	kg	3,972	1,750	172	1,252	3,371	N/A	3,232	1,968	1,876	982	3,532
Electronic waste	kg	315	0	423	158	2,992	N/A	257	0	N/A	101	3,355
Batteries	kg	324	200	12	366	898	2	101	200	1,404	N/A	1,368
Total volume of hazardous waste generated	tonne	56	42	1	2	12	0.002	25	48	3	1	23

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102-5		Ownership and legal form	2. About this Report	6
102-6 102-7		Markets served Scale of the organisation	3. COLI's Strength	8
102-8	KPI B1.1	Information on employees and other workers	COLI's Strength List of Performance Indicators	8 114
102-9	KPI B5.1	Supply chain	6. Good Products – Creating Enjoyable Space11. List of Performance Indicators	26 114
102-10		Significant changes to the organisation and its supply chain	No significant changes to the scale, structure and ownership of COLI and its supply chain during the year	
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Stakeholder Engagement			
102-40	List of stakeholder groups	5. Stakeholder Engagement	20
102-41	Collective bargaining agreements	Employees of COLI are not covered by collective bargaining agreements	
102-42	Identifying and selecting stakeholders	5. Stakeholder Engagement Stakeholders are identified based on their dependence and influence on the Company's decision making	
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General Disclosure

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102-46		Defining report content and topic boundaries	2. About this Report	6
102-47		List of material topics	5. Stakeholder Engagement	20
102-48		Restatements of information	Certain environmental data in the performance indicator table has been restated. For details, please refer to the remarks in the table	
102-49		Changes in reporting	5. Stakeholder Engagement	20
102-50		Reporting period	2. About this Report	6
102-51 102-52 102-53 102-54		Date of most recent report Reporting cycle Contact point for questions regarding the report Claims of reporting in accordance with the GRI Standards	2. About this Report	6
102-55		GRI content index	12. Report Content Index	131
102-56		External assurance	COLI has yet to obtain external assurance for the report, and will review the report compilation process and data management status to consider adopting such practice in the future	

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103-3		Evaluation of the management approach	10. Operational Compliance	112
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103-3 	KPI B7.2	Evaluation of the management approach		
205-3	GD-B7 & KPI B7.1	Confirmed incidents of corruption and actions taken	11. List of Performance Indicators; we had no confirmed incidents or complaints of non- compliance concerning breach of relevant laws and regulations during the reporting period.	114

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103-3		Evaluation of the management approach			
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403-9	KPI B2.1 & KPI B2.2	Work-related injury	9. Good Effectiveness – Creating Shared Value	81
			11. List of Performance Indicators COLI recorded no cases of work-related injuries of its employees and no lost days from work-related injuries.	114

GRI Standards	HKEx ESG Guide and SASB	Description	References and Remarks	Page
Training and Ed	ducation			
103-1		Explanation of the material topic and its boundary	 4. Sustainability Management 9. Good Effectiveness – Creating Shared Value 	9
103-2	GD-B3	The management approach and its components	o.coming charca value	
103-3		Evaluation of the management approach		
404-1	KPI B3.2	Average hours of training per year per employee	9. Good Effectiveness – Creating Shared Value	81
			11. List of Performance Indicators	114
	KPI B3.1	The percentage of employees trained by gender and employee category	During the year, COLI continuously provided tailor-made training for employees of different categories, but did not record the percentage of employees trained by gender and employee category	
Diversity and E	equal Opportunity			
103-1		Explanation of the material topic and its boundary	4. Sustainability Management	9
103-2	GD-B1	The management approach and its components	9. Good Effectiveness – Creating Shared Value	81
103-3		Evaluation of the management approach	10. Operational Compliance	112
405-1	KPI B1.1	Diversity of governance bodies and employees	9. Good Effectiveness – Creating Shared Value	81
			11. List of Performance Indicators	114

GRI Standards	HKEx ESG Guide and SASB	Description	References and Remarks	Page
Anti-discrimina	tion			
103-1		Explanation of the material topic and its boundary	4. Sustainability Management	9
103-2	GD-B1	The management approach and its components	9. Good Effectiveness – Creating Shared Value	81
103-3		Evaluation of the management approach	10. Operational Compliance	112
406-1	GD-B1	Incidents of discrimination and corrective actions taken	11. List of Performance Indicators	114
Local Commun	ities			
103-1		Explanation of the material topic and its boundary	4. Sustainability Management	9
103-2	GD-B8	The management approach and its components	5. Stakeholder Engagement6. Good Products –	20 26
103-3		Evaluation of the management approach	Creating Enjoyable Space 7. Good Services – Full-cycle	
			Customer Management 8. Good Citizen – Sustainable Design and Construction	53
413-1		Operation sites with local community engagement, impact assessments, and development programmes	Good Citizen – Sustainable Design and Construction	53
Supplier Social	Assessment			
103-1		Explanation of the material topic and its boundary	4. Sustainability Management	9
103-2	GD-B5	The management approach and its components	6. Good Products – Creating Enjoyable Space	26
103-3	KPI B5.2	Evaluation of the management approach	9. Good Effectiveness – Creating Shared Value	81
414-1	KPI B5.2 & KPI B5.3	New suppliers that were screened using social criteria	6. Good Products – Creating Enjoyable Space	26
			11. List of Performance Indicators	114

GRI Standards	HKEx ESG Guide and SASB	Description	References and Remarks	Page
Customer Healt	h and Safety			
103-1		Explanation of the material topic and its boundary	Sustainability Management	9
103-2	GD-B6; KPI B6.1 & KPI B6.4 & IF-RE-410a.3	The management approach and its components	6. Good Products – Creating Enjoyable Space	26
103-3		Evaluation of the management approach	7. Good Services – Full-cycle Customer Management	40
			10. Operational Compliance; the procedure of product recall is not applicable to COLI due to the nature of its business activities and products	112
416-2		Incidents of non-compliance concerning the health and safety impacts of	6. Good Products – Creating Enjoyable Space	26
		products and services	7. Good Services – Full-cycle Customer Management	40
			11. List of Performance Indicators	114
Marketing and	Labelling			
103-1		Explanation of the material topic and its boundary	Sustainability Management	9
103-2	GD-B6	The management approach and its components	6. Good Products – Creating Enjoyable Space	26
103-3		Evaluation of the management approach	7. Good Services – Full-cycle Customer Management	40
			10. Operational Compliance	112
417-2		Incidents of non-compliance concerning product and service information and labelling	11. List of Performance Indicators	114

GRI Standards	HKEx ESG Guide and SASB	Description	References and Remarks	Page
Customer Priva	су			
103-1		Explanation of the material topic and its boundary	4. Sustainability Management	9
103-2	GD-B6	The management approach and its components	6. Good Products – Creating Enjoyable Space	26
103-3	KPI B6.5	Evaluation of the management approach	7. Good Services – Full-cycle Customer Management	40
			10. Operational Compliance	112
418-1	KPI B6.2	Substantiated complaints concerning breaches of customer privacy and losses	7. Good Services – Full-cycle Customer Management	40
		of customer data	11. List of Performance Indicators	114
Socioeconomic	Compliance			
103-1		Explanation of the material topic and its boundary	4. Sustainability Management	9
103-2		The management approach and its components	10. Operational Compliance	112
103-3		Evaluation of the management approach		
419-1	GD-B1, GD-B2, GD-B4, GD- B6 & GD-B7	Non-compliance with laws and regulations in the social and economic area	11. List of Performance Indicators; we had no confirmed incidents or complaints of non- compliance concerning breach of relevant laws and regulations during the reporting period.	114
	KPI B6.3	Description of practices relating to	4. Sustainability	9

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