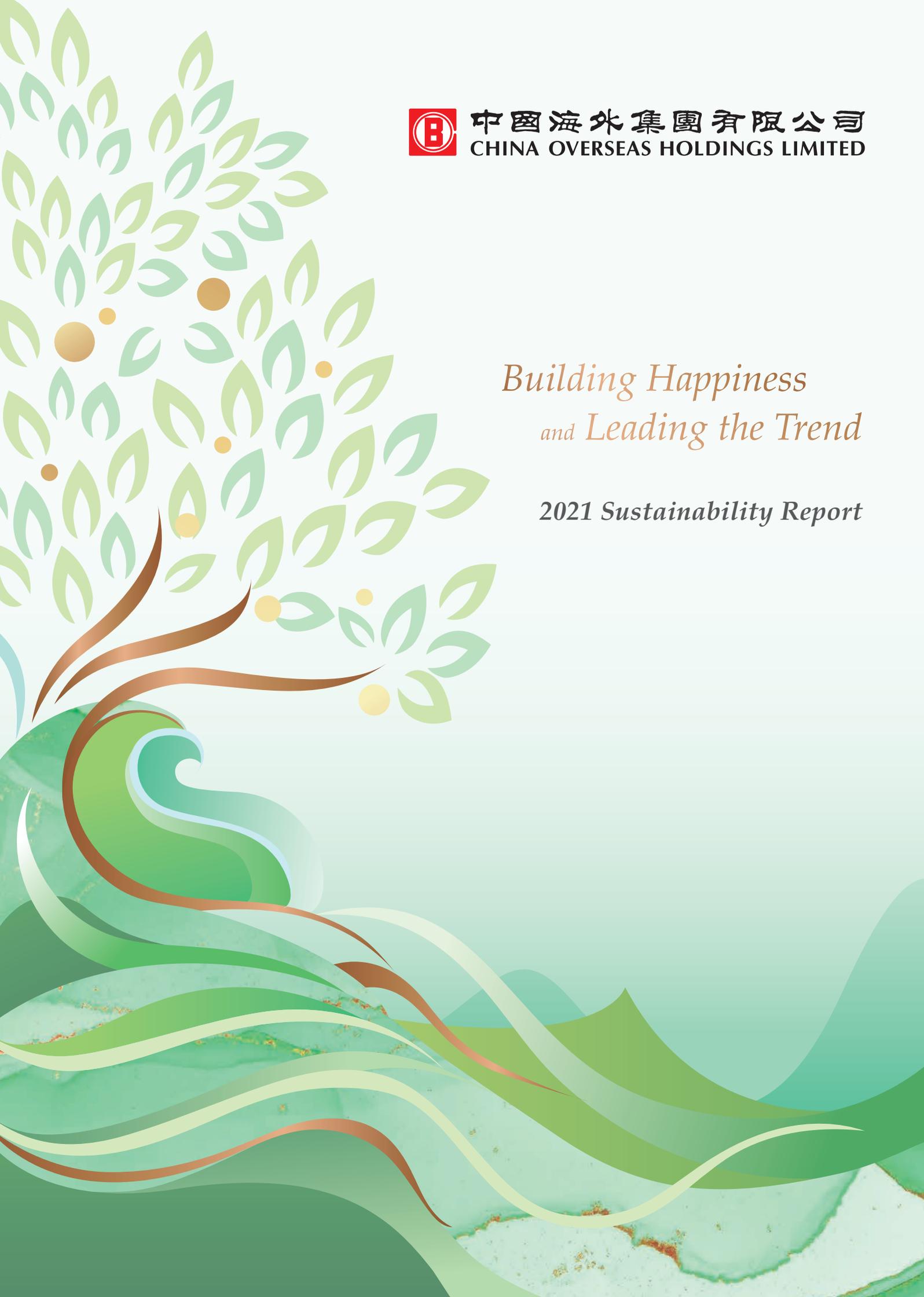




中國海外集團有限公司
CHINA OVERSEAS HOLDINGS LIMITED

*Building Happiness
and Leading the Trend*

2021 Sustainability Report





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COHL Profile

China Overseas Holdings Limited ("COHL" or the "Group"), established in Hong Kong in June 1979, is a subsidiary of China State Construction Engineering Corporation ("CSCEC"). The Group has five listed companies in Hong Kong, with its businesses covering property development and operation, construction and infrastructure investment and property services. It has constructed a whole industry chain model integrating investment, construction, operation and services.

42 Years
of establishment

Ownership of
5 listed companies

Real estate developer and operator with the **largest scale of single-ownership office buildings in Mainland China**

Largest engineering contractor, the largest Chinese property investor and the largest public facility management service provider in Hong Kong and Macau

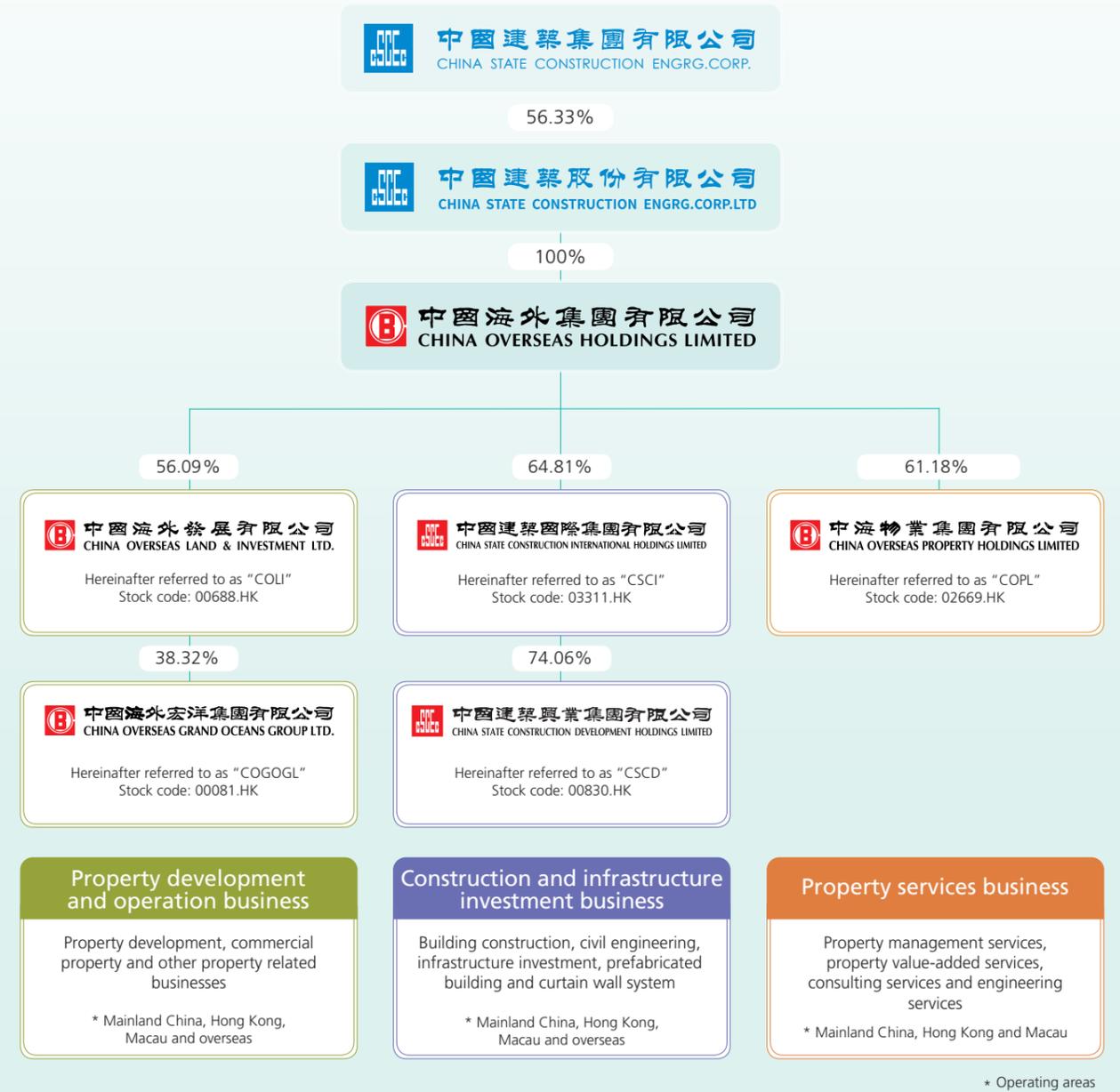
Businesses covering **more than 100 major cities**

Total assets of over **HKD1,200 billion**

Operating revenue of **HKD379.6 billion**

Sum of signed contract of **HKD606.1 billion**

COHL Profile



Shareholding percentage as at 31 December 2021

The above data is as of December 31, 2021

COHL Profile

Highlights of the year

Property development and operation business

China Overseas Building	The project is the first domestic Grade 5A high-rise office building with nearly zero energy consumption and zero carbon emission (operating stage), and has obtained various sustainable building pre-certifications.
OFFICEZIP project at Beijing China Overseas Fortune Center	It is the world's first unconventional office project obtaining the WELL V2 CORE platinum certification.
Guanlan Palace project	The project realized all-dimensional high-quality health system which is equipped with home facilities to fulfil typical needs of adults and children. It will be a cooperation project with South China Agricultural Research Institute in creating an experiencing space for pastoral community.
Maison De Renouveau project	As a smart home pilot project, it aims to offer a new lifestyle for customers through the combination of innovative technologies and scenarios based on in-depth customer insights.

Construction and infrastructure investment business

Hong Kong Organic Resources Recovery Center Phase 2 (O·PARK 2)	As the first pilot project to implement carbon neutrality during construction phase, the Group is committed to achieve carbon neutrality through three major strategies of sustainable management, technological innovation and support for voluntary emission reduction.
Community isolation facilities	Upholding the belief of "Together, we fight the virus" and assuming the important task, the Group stood on the first line of the pandemic and rapidly built numerous emergency isolation facilities.
Macau New Neighborhood project in Hengqin	The project is the first "Macau Community" built by the Macau SAR Government in the Mainland China, which is a crucial initiative for Macau's participation in the construction of the Guangdong-Hong Kong-Macau Greater Bay Area and its integration into the overall development of the country.
Shenzhen International Hotel	The project is the first seven-story MiC permanent building and integrated permanent anti-epidemic hotel project in the Mainland China, which was the first project to receive a full score according to the "Shenzhen Municipal Assembled Building Scoring Rules".

COHL Profile

Property services business

UN+	Focusing on community asset operation, customer asset operation and lifestyle service operation, it is a professional and multi-functional online and offline service platform, forming the "U+" internet ecosystem to enhance the Group's property management services and value-added service experience.
Xinghai Wulian	With the service concept of "1+2+N+X", it provides customers with comprehensive smart community solutions for various sectors including commercial office buildings, residential areas, urban complexes, hotels and industrial parks, covering the planning, design, implementation, delivery, maintenance and operation processes.
Smart Venue for the 2022 Beijing Winter Olympics	The Group undertook the smart construction and operation of "Three Venues and One Village", it also participated in a key project "High-tech Winter Games" of the National Key R&D Programme and conducted research on "R&D and application demonstration of smart display and advanced visualization technologies".
Yancheng Electricity Zero-Carbon Smart Park	The project focused on digitalization and informatization for transformation and upgrade of property management, launching comprehensive strategic cooperation on smart community and property management technology.

Vision of Sustainable Development

COHL has always been pursuing the concept of responsible development. Upholding the mission of “We Manage Happiness” and the vision of “Becoming a World-class Investment, Construction and Operation Service Provider”, the Group has been continuously strengthening its sustainable development governance in four aspects of employees, operations, environment and communities, actively contributing to the UN Sustainable Development Goals (SDGs).



Building a Happy Life for Employees Leading a Safe and Inclusive Team

Employees are the force behind the creation and implementation of enterprise value. Adhering to the talent management concept of “Assembling the Enterprising Ones and Motivating the Promising Ones”, COHL has been continually advancing the talent management system. In order to create an equal, safe, developing and harmonious working environment for employees, it always respects the value aspirations of employees, and fulfil their pursuit of happiness in both work and life.



Building a Happy Life for Customers Leading Quality and Efficient Operation

Keeping in mind the mission of “We Manage Happiness”, COHL is committed to cultivate a high-quality and efficient corporate culture, adhering to the core values of “customer-oriented, quality assurance and value creation”. The Group sustains a green and sustainable supply chain and asserts that quality is above everything else. It continues to provide customers with products and services that satisfy their needs and surpass expectations, so as to constantly improve customer satisfaction.



Vision of Sustainable Development



Building a Green and Happy Life Leading an Environmental-friendly and Low-Carbon Space

COHL upholds its corporate mission of “We Manage Happiness” and attaches great importance to the environmental impact of its operation processes. The Group incorporates the concepts of environmental protection and sustainable development into its daily operation, striving to minimize the environmental impact of operation through developing green real estate and buildings, adopting energy saving and emissions reduction technologies and practicing green office, so as to lead the trend of green building development.



Building a Happy Life for Communities Leading a Harmonious and Prosperous Society

Believing that communities are the soil for the survival and development of enterprises, COHL endorses the concept of nurturing and contributing to the society. By engaging in people’s livelihood construction, reinforcing community connections, and actively participating in poverty alleviation and charitable donations, the Group is dedicated to fulfilling its corporate social responsibilities and building a harmonious and prosperous community life.



Vision of Sustainable Development

To create a sustainable future, the Group has updated its vision of sustainable development in 2021, providing further detailed instructions for its business units to formulate sustainable development targets and plans. The remarkable performance reflected that the elements of sustainable development have been progressively incorporated in all decision-making and operation processes. Under its guidance, COHL's subsidiaries have comprehensively considered the following factors when developing their sustainable development strategies:

- 1 International trends in sustainable development
- 2 Regulatory requirements of securities and investment market
- 3 Regulatory requirements of securities and investment market
- 4 Standards of international ratings and indices
- 5 Measures and targets of industry peers

¹ 2019 baseline year
² 2020 baseline year
³ Task Force on Climate-related Financial Disclosures (TCFD)

Vision of Sustainable Development

Key milestones

Property development and operation business	Construction and infrastructure investment business	Property services business
<ul style="list-style-type: none"> Carried out research on the development strategy and implementation roadmap for achieving dual-carbon targets, conducted research on zero-carbon emissions and ultra-low energy consumption buildings, and accelerated the development of green products. Set targets for energy use, striving to reduce carbon emission density by 3%¹ for office projects and reduce energy consumption density by 5% and water consumption density by 5%² for innovative projects by 2023. Conducted a detailed climate risk assessment with reference to TCFD³ Recommendations, so as to understand the impact of climate on business in terms of exposure and sensitivity, and thereby formulate appropriate action plans. Successfully issued the second green bond, the first-ever green carbon neutrality bond among domestic peers Promoted green leasing through demanding lessees to incorporate environmental management into their daily business operations in accordance with the requirements of the China Overseas Sustainable Decoration Manual and China Overseas COOC Healthy Building Standards. 	<ul style="list-style-type: none"> Improved the sustainable development management structure and established a Low Carbon Strategy Committee Set a near-term carbon reduction target of reducing carbon intensity by 25% (carbon emissions/turnover) by 2025 compared to 2018, and set a long-term carbon reduction target of achieving carbon neutrality by 2060 Became a TCFD supporter and started climate scenario analysis work Implemented a pilot project to develop carbon neutral construction and perform carbon assessment during the construction phase, and included a low carbon section in the environmental audit process Planned to review and formulate sustainability policies and guidelines in phases in 2022 and 2023, including the Water Resources Management Policy, Sustainable Procurement Guideline, and Sustainability Initiative for Suppliers and Subcontractors, etc. 	<ul style="list-style-type: none"> Started the development of quantitative environmental targets and future action plans, progressively achieving emissions reduction targets in line with national goals Formulated a climate change policy and developed a climate-related financial risks and opportunities response plan based on TCFD Recommendations Developed a three-year stakeholder communication plan with reference to the AA1000 Stakeholder Engagement Standard, systematically expanded the stakeholder communication network, and collected stakeholders' opinions through various activities Progressively improved the risk management and integrated sustainable development considerations into the risk management system and long-term strategy

Feature Story:

Fighting the virus together

COHL has been established in Hong Kong for nearly half a century, dedicating to the mission of serving the country and building social development, to survive and grow with Hong Kong. In the first two years of the COVID-19 pandemic outbreak, the Group participated in the construction of the Lei Yue Mun Prevention and Quarantine Centre, the Penny's Bay Quarantine Centre, the community treatment facility expansion at AsiaWorld Expo and the North Lantau Hospital Hong Kong Infection Control Centre (HKICC). For that, it has been praised by the HKSAR Government and regarded as the most reliable partner in the Government's fight against the pandemic.



The North Lantau Hospital Hong Kong Infection Control Centre (HKICC)

Feature Story: Fighting the virus together

On January 20, 2021, the completion and handover ceremony of the HKICC was held, marking the completion of the three major projects supported by the Central Government in Hong Kong's anti-epidemic work. On the day of the ceremony, the then Chief Executive of the HKSAR Government, Mrs. Carrie Lam and other government officials attended the ceremony. The Governor of Guangdong Province, Mr. Ma Xingrui, the Secretary of the CPC Shenzhen Municipal Committee, Mr. Wang Weizhong and the Deputy Director of the Hong Kong and Macao Affairs Office of the State Council, Mr. Huang Liuquan, have also attended the ceremony through online and delivered speeches. The three parties jointly pressed the button and unveiled the plaque, symbolizing the official completion and handover of the temporary hospital. As the first fully MIC hospital with negative pressure isolation wards in Hong Kong, the complexity and difficulty of this project is beyond imagination. The project construction was required to be completed within 4 months, and was designed and constructed according to the standard of permanent building. The structure can resist the hurricane of No. 10 tropical cyclone warning, while the drainage system can prevent the once-every-50-year rainstorm. Facing numerous obstacles, the Group mobilized the backbone force from Hong Kong and Mainland to establish an elite team in devotion to the project construction, and actively cooperation with various departments of the HKSAR Government, empowering Hong Kong to combat against the sudden pandemic.



Penny's Bay Quarantine Centre (phase 1b & 3B)

Feature Story: Fighting the virus together



"It is indeed not easy to build such constructions in four-month time, I would like to thank you all on behalf of the Group. Our victory is in sight. In the last few days, we will make persistent efforts to repay Hong Kong citizens with an excellent result."

Chairman and President of COHL, commander-in-chief of the project
Mr. Yan Jianguo

"We adopted the world's state-of-the-art Modular Integrated Construction method, speeding up the construction of the hospital. We are able to build the hospital in less than 4 months, which usually takes 3 to 4 years to complete. The hospital has met the expectations of the central government and the Hong Kong SAR Government, with rapid construction and highest standard, it will ease the pandemic pressure of Hong Kong to a large extent."

Executive Director of CSCI, deputy general commander of the project
Mr. Zhang Haipeng

Feature Story: Fighting the virus together

Construction of Pandemic Prevention Projects

In early 2022, as the fifth wave of pandemic occurred, Hong Kong encountered the most severe challenge of epidemic prevention in recent two years, given insufficient isolation and treatment facilities at the time. Upholding the belief of "Together, we fight the virus", the Group has once again undertaken the important task and stood on the front line of the pandemic prevention. It built a number of emergency medical facilities at a rapid rate and made contributions to the Hong Kong society continuously.

In facing of the sudden outbreak of the pandemic, the Group unified and deployed resources of its subsidiaries to complete multiple emergency medical facility projects within a very short construction period. The Group established a command office, in which Mr. Yan Jianguo, the Chairman of COHL and the Chairman of the Group's Board of Directors served as the commander-in-chief, and had more than 60% of the senior management participated in coordinating the materials procurement and logistics. It organized a special team in Mainland China to support Hong Kong's pandemic prevention work, which an isolation and quarantine facility construction team was formed, deploying resources across the country to organize materials for production and preparation urgently, and coordinating with Customs, terminals, shipping companies and other units. It also set up a central warehouse to ensure delivering the products to Hong Kong in the shortest possible time. The HKSAR Government, the Liaison Office of the Central Government and the COHL established a tripartite liaison mechanism. By engaging specific personnel in charge for specialized duties and operating the construction in a 24-hour basis, it facilitated the construction of various projects at an unprecedented speed.

The facilities are divided into two categories. The first batch of projects include community isolation facilities ("makeshift hospitals") based on box houses. The six makeshift hospitals are located in Tsing Yi, San Tin, Fanling, Hung Shui Kiu, Yuen Long and Hong Kong-Zhuhai-Macao Bridge (HZMB) Hong Kong Port, providing a total of 20,916 isolation beds. The Group set up a coordination and communication channel with the government and relevant departments, establishing the project construction standards for the temporary housing units. The facility design was also modified according to the daily habits of Hong Kong people, in order to enhance the user experience. Based on the previous experience, the Group completed various processes such as the project design, material procurement, site levelling, house arrangement, electrical and mechanical installation, furniture layout in about a month. With the support of the Central Government and the HKSAR Government, it coordinated the use of sea and railway transport and successfully transported nearly 7,800 box houses within 20 days. As a temporary facility, it is expected that the box housing units require more frequent maintenance. The Group coordinated personnel, materials, equipment, etc. of different projects and maintained communication with the property services team, in order to provide 24-hour quick professional services.

The six makeshift hospitals providing a total of

20,916 isolation beds

transported nearly

7,800

box houses within 20 days

Feature Story: Fighting the virus together

The construction scale of the six projects is set out in the following table:

<p>Tsing Yi</p>  <p>Floor area: about 60,000 square meters Building area: about 30,000 square meters Number of beds: 3,900+</p>	<p>San Tin</p>  <p>Floor area: about 38,000 square meters Building area: about 15,000 square meters Number of beds: 2,800+</p>
<p>HZMB Hong Kong Port</p>  <p>Floor area: about 24,000 square meters Building area: about 8,000 square meters Number of beds: about 1,200</p>	<p>Fanling</p>  <p>Floor area: about 20,000 square meters Building area: about 7,400 square meters Number of beds: 1,000+</p>
<p>Hung Shui Kiu</p>  <p>Floor area: about 32,000 square meters Building area: about 16,000 square meters Number of beds: about 2,300+</p>	<p>Yuen Long</p>  <p>Floor area: about 100,000 square meters Building area: about 30,000 square meters Number of beds: 9,400+</p>

Feature Story: Fighting the virus together



Kai Tak Community Isolation Facility
 a four-storey building
 Number of beds : 6,000+



Penny's Bay Community Isolation Facility
 the largest isolation facility
 a two-storey building
 Number of beds : 14,000+

The second batch of projects is isolation facilities built with Modular Integrated Construction (MiC) which are located at the Kai Tak Cruise Terminal and Penny's Bay. With a total construction area of approximately 386,000 square meters, it can accommodate more than 20,000 beds. The projects include negative pressure wards, which are designed to consider various infection control standards and requirements such as cleansing zoning, drainage, sewage and exhaust gas. The Penny's Bay isolation facility is of the largest scale among all projects, divided into six zones and consisted of two storeys. It was designed, constructed and inspected in strict accordance with the permanent building standards of Hong Kong. The Group adopted the C-Smart Intelligent Site Management Platform, and cooperated with university professional teams to establish a smart traffic control system for boosting the logistics efficiency of projects in the Kai Tak and Penny's Bay, and thereby realizing the standardization, precision and intellectualization of the whole-process management from the production factory to the construction site.

Feature Story: Fighting the virus together

In addition, the Group undertook numerous major epidemic prevention projects in the Mainland China and Macau to enhance the overall capacity of the society in combating and mitigating the impact of the pandemic. In the case of Shenzhen International Hotel, the project is a multi-storey steel-frame assembly building with a total gross floor area of over 250,000 square meters, which can accommodate 3,800 people for quarantine and 600 staff. The Group had previously built a prototype building on a trial basis at its prefabricated construction factory in Zhuhai and achieved a breakthrough of completing the 7-story main construction from foundation pouring to topping out in 12 days, while meeting the requirements of rapid construction, hotel standards, quarantine, delivery and decoration, etc. Despite the considerable construction workload and a tight working schedule, the Group had worked together and successfully overcome various difficulties, and was recognized by many leaders and public departments of the Shenzhen Municipal Government from the mayor on down. The project also achieved the following significant results:

The first

7-storey

MiC permanent building project in the Mainland China

The first integrated

permanent

pandemic prevention hotel project in China

The first project in China

a full score

according to the "Shenzhen Municipal Assembled Building Scoring Rules"

The first enterprise in China to use

digital RMB

for construction projects

The highest construction speed of a multi-storey hotel in China, with two of the multi-storey buildings were built in

only 44 days



Shenzhen International Hotel

Feature Story: Fighting the virus together

Assisting the Community to Fight Against the Pandemic

The Group concerns with the health and safety of customers; Since the pandemic outbreak, each business unit has improved its epidemic prevention and control measures constantly in efforts to reduce the transmission risk of the epidemic. Regarding its property services business, the Group has continued to strengthen its epidemic prevention system in accordance with the national epidemic prevention requirements, and gradually formed a 1+X epidemic prevention system. During the Year, based on the past experience in epidemic prevention and control, the Group formulated the Contingency Plan and various special work guidelines, and established the standard procedure for epidemic prevention, instructing employees to implement hierarchical management according to the level of epidemic emergencies.



Organizational leadership

The Group established an epidemic prevention and control leadership group and held several special meetings in coordinating the deployment of pandemic prevention work of the property. Taking its property services business as an example, the Group developed a three-level epidemic prevention organizational system of "Headquarter, City Company and 1 Project Management", in which an emergency early warning and rapid response mechanism was established. The Group has maintained normalized communication with local governments, so as to accurately analyze the pandemic situation and ensure timely response.



Epidemic Prevention

Incorporating its actual work in property management, the Group developed a series of accurate and effective community pandemic prevention standards, and proactively cooperated with the CSCEC in formulating the Epidemic Prevention Guidelines for Independent Business and the Epidemic Prevention Guidelines for Residential Areas. It independently devised a national dynamic monitoring system for pandemic prevention and control, achieving real time data scraping through crawling technology and providing a basis for scientific decision-making in epidemic prevention and control.



Material guarantee

The Group coordinated the epidemic prevention materials and established an emergency procurement supplier list to improve the epidemic prevention material allocation mechanism, resolving the material shortage of various units in a timely manner. Moreover, due to the pandemic, citizens in various regions of Mainland China consider avoiding densely populated offline bazars. During the Year, the Group held a number of bazaar activities in online markets for homeowners of China Overseas in Shanghai, Guangzhou, Shenzhen, Shenyang, Xi'an, Suzhou, Chengdu, Chongqing and Foshan, with the views reaching 50,000. Owners can purchase products needed, such as household products, agricultural products and small smart household appliances, etc.

Feature Story: Fighting the virus together



Emergency drill

The Group conducted emergency drills at least once every two months for all projects under management. Using the "practical drill + scenario planning" mode, simulating different scenarios such as Health Code abnormality, nucleic acid test abnormality, closure at project site, etc., it improved its capabilities in command and decision-making, as well as coordination.



Cooperating with the government in epidemic prevention work

In close cooperation with government departments in Shenzhen, Xi'an, Tianjin, Macau and other places, the Group actively mobilized resources from all parties to implement various task, including the construction of nucleic acid testing stations, sanitation and cleaning, resident registration, etc. A total of 25,000 employees were deployed. In addition, during the comprehensive nucleic acid testing in Hong Kong, the Group assisted the Department of Health and the Home Affairs Department of HKSAR and cooperated with the BGI Genomics Huo-Yan Laboratory in setting up mobile specimen collection stations. A total of 1.82 million people have been tested, accounting for 25% of the Hong Kong population.

During the pandemic, the Group's property development and operation business also established pandemic control workgroups and constructed an internal pandemic prevention and control mechanism to effectively implement supervision and inspection of epidemic prevention work plans. The workgroups carried out an array of pandemic prevention measures and issued coronavirus prevention guidelines at various premises, such as 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. It strives to minimize gatherings and lower the risk of virus transmission, so as to protect the safety and health of employees, business partners and customers.

Feature Story: Fighting the virus together

Caring for Vulnerable Groups in the Community

In face of the COVID-19 pandemic, the Group has worked with internal and external stakeholders in fighting against the pandemic together and actively participated in public welfare activities. Regional companies of the Group organized the distribution of epidemic prevention materials to surrounding schools, sent blessings to nucleic acid testing personnel, and held free medical consultations with prroperty owners and epidemic prevention materials distribution activities. In early 2022, Hong Kong was facing the fifth wave of COVID-19 pandemic, the Group's employees proactively engaged in volunteer services and helped the donation of epidemic prevention materials such as adult and child face masks, face shields and rapid test kits, etc. to various charitable organizations, including Hong Kong Playground Association, Lutheran Church Hong Kong Synod, Han Andersen Club, The Ronald McDonald House Charities (RMHC) Hong Kong. It has actively fulfilled its corporate social responsibility and join hands with the community in the fight against the pandemic.



COHL donated more than HKD 1 million of anti-epidemic materials to the community

Feature Story: Fighting the virus together

Normalized Epidemic Prevention and Control Mechanism

The Group continued to shoulder the corporate social responsibility of epidemic prevention and control, and established a normalized epidemic prevention and control mechanism. In the case of its property development and operation business, the Company conducted a number of critical pandemic prevention measures at each operation point:

<h4>Institutional Support</h4> <ul style="list-style-type: none"> • Establish emergency response teams • Appoint persons in charge of special prevention and control measures • Assign employee health information checking to discipline inspection officers 	<h4>Work Arrangement</h4> <ul style="list-style-type: none"> • Flexible working system • Work from home • Flexible shifts and schedules • Switch daily work and training activities to online channels, e.g., China Overseas Channel, email, WeChat, telephone and video conference 	<h4>Health Tracking</h4> <ul style="list-style-type: none"> • Report personal health information to "China Overseas Channel" • Conduct temperature checks for employees twice a day • Equip each project team with infrared thermometers, protective clothing and disinfectants
<h4>Sanitation</h4> <ul style="list-style-type: none"> • Strengthen regular disinfection at office and project areas • Suspend dining at staff canteen, and arrange dining with a segregated mode 	<h4>Strengthened Communications</h4> <ul style="list-style-type: none"> • Disseminate pandemic prevention and control updates through the official WeChat account • Circulate recommendations on preventing the spread of disease to customers • Distribute disease knowledge brochures • Promote pandemic prevention knowledge at project level 	

Feature Story:

Aiming at dual carbon goals

Under China's goal of achieving carbon neutrality by 2060, green and low-carbon development has become the prominent development direction of real estate enterprises in the future. In 2021, COHL actively conducted research on the dual-carbon development strategy and implementation roadmap, carried out dual-carbon related work, and continued to promote the R&D for "green, healthy, intelligent and industrial scale" products. The Group has made breakthroughs in areas of green buildings and zero-carbon buildings, which a number of benchmark green building projects have been successfully constructed. In addition, the Group has also extended to both the front and back ends, and fully integrated the dual green carbon development concept into its overall development strategy through establishing a green carbon supply chain and developing green finance.



Hong Kong Organic Resources Recovery Centre Phase 2 (O-Park2)

Feature Story: Aiming at dual carbon goals

Feature Story: Aiming at dual carbon goals



The project uses discarded wood to make tables and chairs for workers to rest

Promoting Zero-energy Building

The Group has devoted considerable effort in carrying out the R&D and implementation of zero-carbon and ultra-low energy consumption buildings. It promoted the green and healthy building concept throughout the whole lifecycle of each project, from planning to development. Meanwhile, the Group adopted cutting-edge intelligent interactive technology to design a healthy living experience from the perspective of customers and integrate healthy features into green buildings.

The Group mainly adopted green design in the process of project development, providing ideal growth soil for various animals and plants in order to protect the biodiversity of the project. For example, the Group usually plant middle-aged trees at project sites to achieve the multi-level landscaping effect combining "trees, shrubs and grasses". It enhances the soil depth and drainage capacity in the planting areas to meet the growth needs of different types of plants. Moreover, during the construction of outdoor night lighting equipment, the Group strictly abides by the national light pollution control standard, i.e., Code for Design of Urban Night Lighting, minimizing the negative impact on nocturnal animals. For new construction and large urban renewal projects, it also requires each construction site to implement stringent environmental measures to safeguard the natural ecosystem.

The Group has substantially invested in green building technology and obtained

147 relevant technology patents

The Group has substantially invested in green building technology innovation and R&D, and obtained 147 relevant technology patents. In 2021, it continued to invest in green building technology R&D and obtained 64 new patents, demonstrating its significant contributions to green building technology, environmental protection and the technical readiness of the industry.

Feature Story: Aiming at dual carbon goals

Patent	Description
A ventilation curtain wall structure suitable for building facades	An open ventilation curtain wall is set up in the recessed part of the building exterior curtain wall frame. The fixed window is located on the outer facade of the exterior curtain wall frame with a light-transmission area larger than that of the openable window. It can tackle the problem that the facade effect of the building curtain wall is uneven when the exterior window is open, and the window cannot be opened for ventilation in the rainy season.
A smart home system that controls the environment in real time	As a smart home system that can control the indoor environment in real time, it uses wireless sensor network technology to collect indoor temperature and humidity data. It then sends adjustment instructions to control the operation of temperature regulating device and dehumidification device after data analysis and processing, which helps realize intelligent regulation of home temperature and humidity.
A combined wall greening device for home use	Through a combination of multiple greening units, it forms different styles of wall decoration. While meeting the functional requirements of a home green wall device, it is flexible and convenient to use and makes the enclosure and care of plants easier on a daily basis. The device can beautify the living space and create a healthy and green home.
A cross-flow heat exchange fresh air system	The air inlet pipe and exhaust pipe of the system are cross-arranged in the heat exchange unit, allowing the air in and out of the room to fully perform heat exchange in the heat exchange unit and therefore increasing the temperature of the air entering the room. The heat of the discharged air is effectively used to reduce energy loss, thus improving the energy efficiency of the building fresh air system.

Feature Story: Aiming at dual carbon goals

Patent	Description
A water-cooled fresh air system	Through a water-cooling box, a heat exchange pipe and an indoor axial fan, the outdoor air is sent indoors. The water-cooling pipe cools the air passes, so that the air entering the room can be cooled in advance. With a simple structure, it can effectively reduce the energy consumption of the building fresh air system at low cost.
A multifunctional smart building curtain wall based on new energy	By setting up a multifunctional smart curtain wall system with a photosensitive device, adjusting the angle of the exterior curtain wall exposed to sunlight can allow the solar panels to receive the maximum amount of solar radiation. Meanwhile, through the refraction of the first component module, the light entering the room through the exterior curtain wall and the interior curtain wall is weakened, which prevents high indoor temperature of the building and avoid glare caused by overly intensive sunlight. It can improve the efficiency of use of solar photovoltaic while attain the effect of heat insulation.
A chilled water storage system	In the system process, the two working conditions of cold storage and cold release are only done by one set of water pump, which saves the number of water pumps and enhances the efficiency of using water pumps. An electric regulating valve is arranged in the pipeline connecting the evaporator water outlet of the water chiller and the heat exchanger to meet the extremely low load demand at night and minimize the operation of water chillers. With significant energy-saving effect and stable operation, it can achieve green energy-saving effect at a low cost.

The Group proactively puts the green and healthy building concept into practice and has obtained relevant certifications for various new and existing property projects, such as China's Green Building Star Certification, Healthy Building Star Certification, BEAM Plus, LEED, BREEAM and WELL, etc. Considering the Group's property development and operation business, as of the end of 2021, the Group has accumulated a total of 80 green building certified projects (70 residential projects and 10 commercial projects), with a total certified gross floor area of 12.73 million square meters.



Feature Story: Aiming at dual carbon goals



The COHL's China Overseas Building project in Shenzhen

Energy-saving efficiency of the building, with an overall energy-saving rate

61%

Renewable energy utilisation rate

12%

Building China's first 5A high-rise office building with nearly zero-energy consumption

The COHL's China Overseas Building project in Shenzhen, has applied 11 special designs for energy-saving and carbon reduction, including building energy conservation and efficient use of energy. It is the first 5A-level high-rise office building with nearly zero-energy consumption in China. After expert assessment, the building's zero-carbon building technical scheme has reached the internationally advanced standard, and is a nearly zero-energy consumption buildings and zero-carbon buildings in subtropical areas.

The project combined a variety of green technologies, adopted the natural green building energy-saving design, and had an in-depth analysis on the perennial climate, wind direction, light and heat conditions of the project site was conducted to optimize the design in terms of layout planning, enclosure structure, natural ventilation, natural lighting, etc. It also adopted a series of technologies, including high-efficiency energy system, magnetic levitation high-efficiency computer room, waste heat recovery of data computer room, fresh air heat recovery, high-efficiency smart lighting and roof photovoltaic renewable energy, in order to improve energy efficiency and achieve energy conservation and carbon reduction. The green technologies applied have enhance the energy-saving efficiency of the building, with an overall energy-saving rate of 61% and a renewable energy utilisation rate of 12%.

Feature Story: Aiming at dual carbon goals

Ultra-low Energy Building Project: Hohhot Glorioushire Project in Hohhot, Inner Mongolia

Hohhot Glorioushire Project in Hohhot, Inner Mongolia is the first large-scale ultra-low energy consumption residential project in the severe cold area of Mainland China. It has nine residential buildings which adopt passive technology to greatly reduce the demand for active heating and cooling in the building. Also, low-energy consumption energy equipment is used to provide a comfortable indoor environment with less energy consumption. The energy-saving heating rate of project is 92%, which is at least 50% lower than the energy consumption of China's residential building energy-saving design standards, significantly reducing the dependence on active energy consumption.

The project is designed in accordance with the ultra-low energy consumption, green building three-star, healthy building three-star certification standards. It has obtained the "Ultra-low Energy Building" certificate by the China Association of Building Energy Efficiency and the healthy building two-star certification. It is planned to obtain green building and healthy building three-star certification after delivery and operation commences. The project will create an indoor "five balances systems", namely balanced temperature, balanced oxygen level, balanced humidity, balanced cleanliness and balanced tranquility. It can effectively lessen the consumption of non-renewable resources such as coal, natural gas, electricity and water, relieving the pressure of energy shortage while reducing the emissions of carbon dioxide and other pollutants, so as to realize the friendly symbiosis of people, buildings and the environment. According to the preliminary calculations, the annual emission of carbon dioxide in the operation of the ultra-low energy consumption building of the project is 0.07 tonnes of carbon dioxide equivalent per square meter. Compared with the conventional residential buildings in the 1980s, it can reduce an annual emission of carbon dioxide by 0.058 tonnes per square meter.



Hohhot Glorioushire Project in Hohhot, Inner Mongolia

Feature Story: Aiming at dual carbon goals

Constructing a Green-carbon Supply Chain

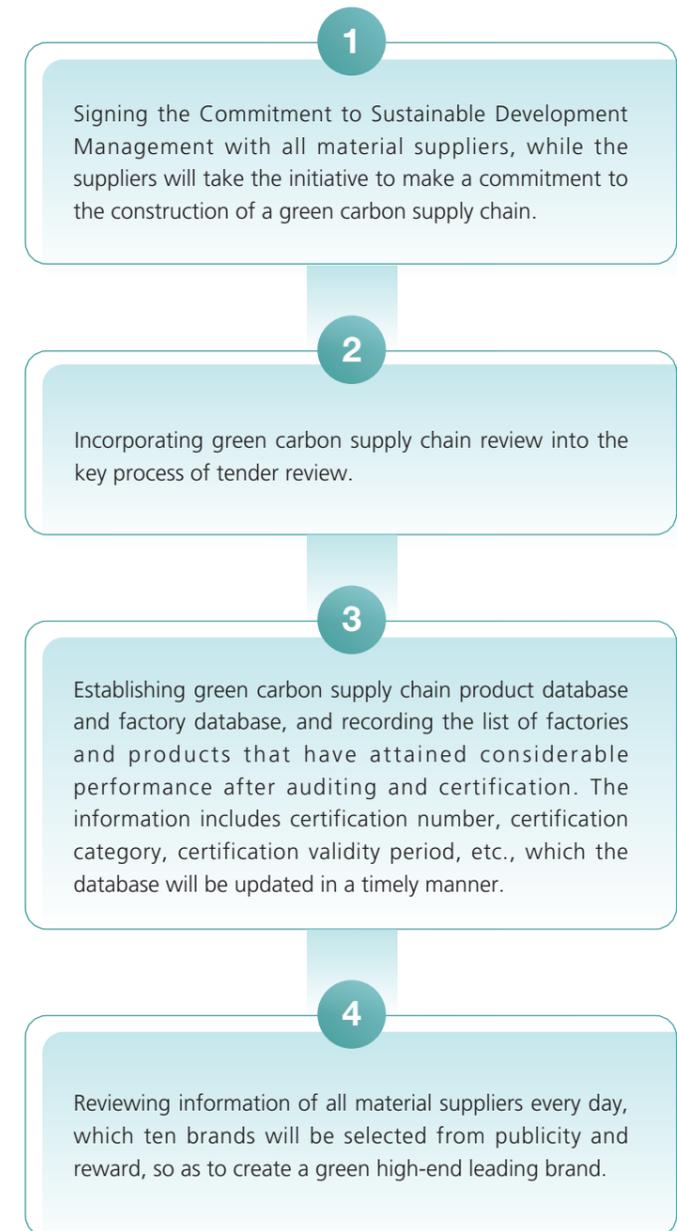
The Group is committed to integrating sustainability practices into its value chain and promoting green supply chain and green procurement. To this end, business units of the Group have stipulated the procedures and conditions for selecting suppliers based on their operational conditions, and standardized the procurement procedures to ensure supply chain management, construction equipment and materials are constantly meeting the stringent environmental, quality and safety requirements.

Since 2020, the Group has proactively fostered the standardization of green and healthy material procurement standards, and developed green standards which cover green products, green building materials, carbon footprint assessment and 10-ring certification at the product level, while the corporate-level standards include green factories, green enterprises and ISO5001 energy management system certification. The Group also collected the GSC whitelist under the China Real Estate Industry Green Supply Chain Initiative and the green assessment and certification data of the Ministry of Industry and Information Technology and the Ministry of Ecology and Environment, in an effort to implement the China Overseas Green and Healthy Residential Property Standards.

The Group has carried out an array of promotion, publicity and review work on the green carbon certification of its supply chain partners. In 2021, the Group completed the sorting out of green procurement categories and formulation of standards, which will be updated according to the national policies in due course. At present, 74 suppliers have been certified to meet the green standards, representing 46% of the total, while the Group purchased around RMB 2.1 billion of materials that meet the green standards, accounting for approximately 20% of the total. Looking ahead, the Group plans to achieve no less than 60% of green building materials and green product procurement by 2023.

In order to promote the green product certification of its partnering suppliers, the Group took the initiative to issue proposals to encourage the existing cooperating suppliers to obtain and provide green product certifications, as well as apply for various types of green certification. Moreover, with the aim of promoting the long-term effectiveness of green carbon supply chain management mechanism, the Group cooperated with various material suppliers to study and establish a mechanism for the green carbon supply chain development, which mainly involves the following items. With the establishment of robust mechanism and multiple standards, the Group and its suppliers work together to protect the ecological environment and promote sustainable development.

Feature Story: Aiming at dual carbon goals



Feature Story: Aiming at dual carbon goals

Expanding Green Finance

Dedicated to green building practices, the Group has formulated the Green Finance Framework by referring to the Green Bond Principles issued by International Capital Market Association (ICMA) and the Green Loan Principles jointly issued by Loan Market Association (LMA), the Asia Pacific Loan Market Association (APLMA) and the Loan Syndication and Trading Association (LSTA) as the structural guidelines, in order to support the development of green finance and actively respond to China's strategic goals of "carbon peaking" and "carbon neutrality".

The Green Finance Framework describes the Group's requirements for "qualified assets", which the Sustainable Products Group and the Chief Operating Officer are responsible for reviewing and approving the list qualified assets, ensuring that the assets contribute to environmental sustainability and low-carbon development of the society. To assure the proceeds remain invested in qualified assets during the term of the bonds, the Finance and Treasury Department of the Group manages and tracks the use of proceeds, keeps independent and official internal records, and disclose the status of proceeds from green bonds in the ESG reports.

In response to China's green development strategy, in 2020, the Group issued the first green asset-backed securities of RMB 3.7 billion under a special scheme. It is also the first green CMBS project with the largest issuance scale and the lowest issuance interest rate in China, and won the Best CMBS Award of the Year for the "Frontiers Awards" of the fifth Annual China Real Estate Securitization Summit. The China Overseas Property Plaza in Beijing and Blocks A and B of the China Overseas International Centre in Chengdu constitutes the underlying asset of the CMBS product. The two projects were awarded the LEED Gold and Silver certification respectively.

Feature Story: Aiming at dual carbon goals

Following the issuance of its first green asset-backed securities in 2020, the Group has successfully issued its second green bond in 2021, which is also the first green carbon neutrality bond in the domestic industry. As an 18-year CMBS product of RMB 2.1 billion, its coupon rate is 3.6%, which was the largest-ever for similar products in the post-pandemic period. The underlying asset of the CMBS product is the China Overseas International Centre project located at the central business district of Chengdu. The project includes 10 international Grade A office buildings, with Fortune 500 and unicorn companies settled in, of which Blocks C and D have obtained LEED Gold certification, and Block J has obtained LEED Gold pre-certification.

In November 2021, the Group was certified by the Hong Kong Construction Industry Council Sustainable Finance Certification Scheme as one of the first 16 accredited organizations. It represented the Group has complied with international and Hong Kong's ESG standards as well as banks' requirements for ESG products, demonstrating the Group's leading sustainability status in the industry and laying a solid foundation for the development of sustainable financing. Under the certification scheme, the Group completed two sustainability-linked loans with interest rates linked to its ESG performance, and will receive preferential interest rate if it achieves its objectives. The Group will continue to improve its sustainability performance and actively explore the opportunities brought by various green financial instruments.



Stakeholder Engagement

Support from stakeholder is the crucial element to the Group’s success of sustainable development. According to the nature of various businesses, its subsidiaries have adopted a comprehensive approach in conducting materiality assessment and prioritized important environmental, social and governance (ESG) issues. The process of materiality assessment mainly involves the following four steps:



Stakeholder Engagement

Based on the results of materiality assessment, the Group continuously review its vision of sustainable development and reporting work, so as to create greater value for stakeholders. The Report focuses on the Group’s commitments to Happy Life at four levels, and discloses its annual work and performance regarding the relevant UN SDGs.





Building a

Happy Life for Employees

Leading a **Safe and**

Inclusive Team

With the aim of creating an equal, safe, developing and harmonious working environment for employees, the Group always respects employees' value aspirations and satisfy their pursuit of happiness in work and life.



Building a Happy Life for Employees Leading a Safe and Inclusive Team

- Carried out a three-year special rectification initiative for production safety to improve the production safety responsibility system
- Established an industry-leading solution reviewing system for large machinery and equipment and foundation pit support
- Developed the C-Smart Site technology to realize integrated construction management
- Conducted climate scenario analysis, and planned emergency management and emergency evacuation plans for flood
- Continued to expand the recruitment channels through the three brands of “Sons of the Sea”, “Sea’s Recruits” and “Stars of the Sea”
- Set up the Xiangjiang Management Institute to nurture high-quality cadre force
- Actively built a diversified management team and is gradually reaching the ideal ratio
- Appointed female independent non-executive directors to enhance board diversity and governance



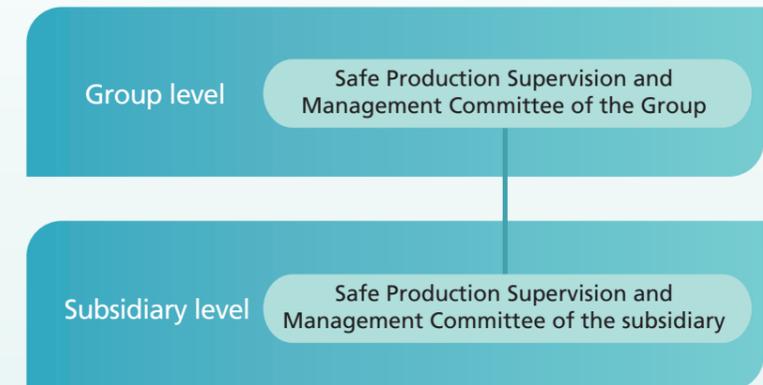
SDG 3 Good Health and Well-being

Safety, health and well-being of employees and business partners are the utmost concern of the Group; The COHL team adheres to strict and high-standard occupational safety and health guidelines, actively identifies potential occupational safety and health risks in the workplace and strives to provide and maintain a zero-hazard working environment. The Group delegates the Safety Production Supervision and Management Committee as the highest decision-making body for safety management, its responsibilities include reviewing major policies, standards and systems, as well as approval of the annual safety assessment indicators of each unit, etc. The Committee hold meetings twice a year to discuss different production safety issues and examine the implementation of safety management to ensure the effectiveness of the management system. Under the Committee, the Project Management Department of the Headquarters is responsible for developing rules and regulations, operating procedures, emergency rescue plans, and formulating medium and long-term development plans and work targets, as well as conducting safety assessments, inspections and trainings.

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Organizational structure for production safety management



According to the actual situation of its subsidiaries, the Group has set up a production safety management system and formulated a series of policies and internal documents. For example:

- COHL Safety Production Management Measures
- COHL Safety Production Management Manual
- COHL Safety Production Responsibility List

The above documents define the Group’s production safety targets and stipulate responsibilities and requirements for management personnel, ensuring that each unit has fully implemented the safety management policy of “safety first, prevention first and comprehensive management” in daily operations. In 2021, COHL focused on the in-depth promotion of special production safety initiative and the progressive implementation of the three-year plan of special production safety rectification, prompting the establishment of a comprehensive employee production safety responsibility system. With the development of a hierarchical management and control system for production safety production risks and the standardization of production safety monitoring systems, the overall production safety of the Group sustained in a stable and controllable situation. As of December 2021, the Group has not had production safety responsibility incidents, and met the targeting indicator in the Letter of Responsibility for Safety Production.

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The Group initiated two production safety special action plans, the details are as follows:

- Strengthening management of potential safety hazards:** Strictly implemented the safety inspection system lead by leaders, COHL leaders have led 35 inspections regarding key periods, key areas and key projects, reinforcing safety risk management and control. The Group organized a total of 102 safety random inspections, achieving 100% coverage of the Group's businesses.
- Advancing the supervision mode:** Considering its construction business in Mainland China, the Group has innovatively developed the "Intra-city Joint Inspection" system. Through joint inspection, it facilitated the exchange of safety management experience among projects within the same city, which is conducive to the promotion and application of safety measures. On the other hand, it increased the fairness of supervision and monitoring, which is beneficial to the horizontal comparison and analysis of the project safety management level.
- Comprehensive assessment system:** Regarding its property development and investment business in Mainland China, the Group has upgraded the third-party unannounced production safety assessment system which had been adopted for many years. It further improved the supervision effectiveness through adding assessment items, revising assessment standards, enhancing assessment methods, expanding the application scope of assessment results to cover all safety nodes of the project.

On the basis of the established normalized safety management communication mechanism, the Group developed a working mechanism for quarterly production safety joint meeting. The joint meeting is held by the Group's leaders in charge, and participated by the safety directors and heads of the safety management departments of its listed companies.



Moreover, in regard of the occurrence of extreme weather such as heavy rain and typhoons across the country, the Group explicitly has strengthened its responsiveness to emergencies during the Year, and actively cooperated with the CSCEC to implement flood control and disaster relief and contingency plan for projects in Henan, Hebei, Hubei and other regions. It established a temporary working group to follow up the disaster reporting and emergency responses on a daily basis, and conducted post-disaster safety inspection for resumption of work and production so as to secure project safety. In various events of extreme weather and disaster throughout the year, there were no casualties and significant property losses for various businesses of the Group, and all projects and workplaces resumed work in a smooth and safe manner.

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The Group continued adopting multiple forms to cultivate a safety culture, including carrying out "Safe Production Month", "Signing of Safety Charter", "Watching Warning Educational Videos", etc. It also held different types of safety training activities for various levels of management and project front-line workers, so as to raise the awareness of production safety and risk prevention and control for all personnel. From April 2021, management of each project construction unit and leaders of regional companies led the project participating to hold safety morning assemblies and deliver safety speeches on a daily basis, in order to draw higher attention of the participating units and front-line workers to production safety, promote the effort for project safety management and practice the Group's safety concept of "Safety for Me, You and COHL". The event had a total of 1.83 million of attendance.

In addition, the Group organized the "Safety Production Month", when leaders and personnel of each secondary unit signed the "Safety Charter", and jointly committed to shoulder safety responsibilities and promote safety development. It also provided special safety trainings held by industry experts for more than 1,400 employees. During the Safety Production Month, the Group's businesses conducted over 850 safety trainings, more than 340 of promotion activities, 2,160 safety inspections and over 2,800 emergency drills.



COHL organized "Safe Production Month" kick-off ceremony

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In addition, the Group requires operating entities of its subsidiaries to sign the Letter of Responsibility for Safety Production of COHL to clarify its production safety requirements and indicators, in which their implementation will be taken into account in performance appraisal. The Group and its subsidiaries have developed a four-level management and control system for production safety risks. The project company conducts daily self-inspection, superior management organization of the project conducts regular full coverage inspection, business units of the Group conduct key inspection and the Group headquarter conducts spot check. For key projects, the Group conducts safety inspections led by leaders. These measures effectively ensure that the project company has carefully followed up the relevant corrective measures to eradicate potential safety hazards.

Occupational Health and Safety Management System

With the employee safety management approach of “Life and safety operation first”, the Group reviews and revises its Safety Production Management Manual on a regular basis. In 2021, its property services business formulated a number of production safety guidelines in accordance with the principles of the Safety Production Management Manual, and introduced measures such as shift inspections by leaders and hierarchical control of potential hazards. In addition, the Safety Production Committee appointed an occupational health and safety representative during the Year, who is responsible for ensuring that the management can obtain reasonable suggestions and needs of employees on occupational health and safety in a comprehensive and timely manner, and coordinating the implementation of relevant measures.

Considering the construction projects, the Group’s occupational safety and health management system complies with internationally recognized standards, its subsidiary are gradually updating from OHSAS 18001 certification to the new ISO 45001 certification. Also, the Hong Kong and Macau units review and update their safety and health policies every year to define their annual safety management goals.

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Building Construction Safety Inspection

The Group attaches great importance to hidden risks in large machinery and equipment and foundation pit support. Using its property development and operation business as an example, the Company has carried out the special management of foundation pit support over the years, and established an industry-leading review system for foundation pit support solutions. Moreover, it strictly manages the entrance of large machinery and equipment. All machinery and equipment of projects under construction are tested twice a year, operating equipment with potential risks is immediately prohibited once identified until the risks are eliminated. During the Year, safety education and promotion activities were held including the special training on large high-risk equipment at the Jinan company and the special training on foundation pit support safety and detection engineering at the Shenzhen company.

In 2021, to ensure compliance of projects with the Safety Inspection Standards for Building Construction (JGJ59-2011), the Company established a “safe and code-compliant” comprehensive assessment mechanism and activated it 752 times, and conducted 3 random inspections on regional project sites. Covering 263 projects under construction, inspections on safety equipment, building materials, electricity consumption, fire safety management and other items of business partners were carried out, in which the score weights of the assessment mechanism were determined according to safety risk of projects. Occupational safety risks at construction sites were evaluated based on quantitative criteria, and relevant data are systematically recorded in the Assessment Form for Qualified Rate of On-site Safe and Civil Construction.



COHL management inspected the projects in Hong Kong

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Safety Production Education

While continuously improving the effectiveness of production safety management, the Group has actively fostered safety management talents. It established the Safety Management Talent Pool of COHL to provide special training, enhancing the Group's overall safety management capabilities. Regarding its property development and operation business, all project departments of construction units are required to have a safety director and an appointed safety officer in place, and provide all construction workers with safety education and conduct training and assessment once a year. In 2021, a total of 2,500 hours of safety-related training were provided. To further promote the safety awareness of employees, morning assemblies were held on each project site on a daily basis, the safety education conducted had a total of 2 million attendances during the Year, progressively prompting production safety throughout the year.

For its property services business, the Company has a safety education and training system in place to define education and training contents and targets. On top of organizing various occupational health and safety trainings for employees every year, the Company also requires all personnel involved in projects to attend the safety education and training organised by the local government and obtain the corresponding safety production qualification certificates, and complete the relevant continuing education and training within the three-year validity period. In order to raise the protection awareness of production safety among all employees, the Company held a total of 3,144 production safety knowledge competitions and safety trainings at all levels in 2021.

In 2021, a total of
2,500 hours
of safety-related
training were
provided

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Intelligent Construction Sites

In recent years, the Group's construction and infrastructure investment business has actively development smart construction sites. In September 2021, the C-Smart Site R&D Centre of CSHK was officially opened in the Hong Kong Science Park. C-Smart Site combines technologies such as face recognition, IoTs, AI, and cloud computing to collect site information and automatically aggregate it into an integrated management platform, effectively assisting integrated construction management. The following are measures for safety management:

- **Automatic clock in/off of safety helmet:** managers are informed with the real-time labour distribution across all site areas; The function enables faster tracking of close contact of confirmed cases and early cutting out of the infection chain
- **Fire monitoring:** AI can automatically detect smoke and activate fire alarm; It allows quick evacuation of site personnel in the event of fire
- **Material management and license plate recognition:** Remote control of prefabricated components can strengthen quality inspection and transport monitoring; Only registered vehicles are allowed to enter the construction site, which helps manage access and enhance site safety



The Group develops smart construction sites,
enhances the efficiency of management

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Climate Change Action

According to the regulatory requirements and TCFD Recommendations, the Group conducted climate scenario analysis. Taking its construction and infrastructure investment business as an example, the Company has commissioned an international professional consultant team to carry out climate scenario analysis. Based on the representative concentration paths (RCPs) of the Intergovernmental Panel on Climate Change (IPCC) and the research and development model for climate scenarios published by the Organization for Economic Cooperation and Development (OECD) and the International Energy Agency (IEA) in 2017, it assessed the impact of climate-related physical risks on projects under construction and property holdings under 2 ° C and 4 ° C scenarios. For operations in Hong Kong, continuous and extensive precipitation may damage equipment and materials, as well as pose health and safety hazards. To safeguard the health and safety of workers, the Group will conduct specific construction site flood risk assessment and improve the emergency management and emergency evacuation plans in the event of floods.



Safety Inspection and Management

The Group carried out specific inspection and management activities on targeted hidden safety hazard during the Year. Referring to its property services business, the Company carried out monthly project inspections, quarterly urban company inspections and random inspections by the headquarters to ensure the safety performance. In addition, a hierarchical supervision mechanism has been established to implement dynamic and closed-loop management for critical and major hidden dangers. A total of 43,600 hidden safety dangers were identified and effectively eliminated according to relevant procedures throughout the year.

Three-tiered Safety Inspection and Management



In terms of construction projects, the Group continued to identify safety hazards and assess safety risks throughout the construction process. Significant hazards are compiled into a checklist and rated according to the severity and likelihood of risks. When identifying safety hazards, the Group considers not only personnel in the vicinity of the workplace, but also employees working in locations outside its direct control.

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SDG 8 Decent Work and Economic Growth

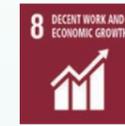
Attracting and nurturing talent are pivotal to the Group’s prosperity. COHL is committed to securing employees’ welfare and creating a diverse and inclusive working environment, so as to empower employees to reach their full potential and grow together with the Group. Upholding to the talent notion of “To Assemble the Enterprising Ones and Motivate the Promising Ones”, COHL formulated the COHL Human Resources Management System, which defines competitive remuneration packages, employee benefits and regular remuneration review, establishing a talent echelon and implementing management through assessment and incentive.

The Group continuously improves the authorization control system for its listed companies, and has established the professional manager system to reinforce the three-level leader management system involving CSCEC, COHL and the listed companies. It has developed the following policy documents to highlight the guidance of “distinguishing heroes by performance, deciding reward and punishment by contribution” :

- COHL Leader Management Measures
- Professional Manager Management Measures
- COHL Total Remuneration Management Measures (Trial Implementation)

Moreover, the Group adopts a zero-tolerance policy on the employment of child labour and any form of forced labour, and strictly implements the employment approval process. All new employees are required to provide personal identification and information documents before employment, and sign a job application form to confirm their personal will in order to avoid the employment of illegal labour such as child labour and forced labour.

Building a Happy Life for Employees Leading a Safe and Inclusive Team



Talent Training Mechanism

During the Year, the Group continued to expand recruitment channels through the three brands namely “Sons of the Sea”, “Sea’s Recruits” and “Stars of the Sea”. It also designed training plans to meet the development needs of fresh graduates and experienced workers, promoting diversity and capability development of talents, to align with the Group’s future development. Concerning the example of its property development and operation business:

“Sons of the Sea” Scheme

“Sons of the Sea” is the strategic talent project of the Group to recruit fresh graduates for property development and business management positions, and cultivate management talents through a training and development composed of six segments.

<p>Sons of the Sea Study Scheme</p> <ul style="list-style-type: none"> • Held study camps and conducted recruitment in 29 target colleges and universities in 15 cities, and introduced the career orientation and corporate of the Company to participants 	<p>Sons of the Sea Recruitment Scheme</p> <ul style="list-style-type: none"> • Set up 12 national stations and 1 oversea online station for recruitment, covering top key universities at home and aboard. During the Year, certain recruiting stations conducted online presentations and interviews in view of the pandemic 	<p>Sons of the Sea Pilot Training Scheme</p> <ul style="list-style-type: none"> • Introduced the Company’s corporate culture, talent philosophy and strategy, career path and talent development mechanism to newly recruited “Sons of the Sea” through various activities
<p>Sons of the Sea Internship Scheme</p> <ul style="list-style-type: none"> • College students participating in the study camp can be assigned to regional subsidiaries of the Company for summer internship 	<p>Sons of the Sea Pilot Training Scheme</p> <ul style="list-style-type: none"> • Closely track the growth of “Sons of the Sea” in their first three years of employment, and assign assistant general managers or higher-level management professionals as mentors to share their knowledge and experience through intensive training, job rotation and roundtable forums 	<p>Sons of the Sea Experience Scheme</p> <ul style="list-style-type: none"> • Invited candidates of “Sons of the Sea” to visit the Company and its projects and communicate with previous candidates

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“Sea’s Recruits” Scheme

During the Year, the Group continued to implement the “Sea’s Recruits” scheme, which targeted at professionals with at least two years of work experience, and conducted recruitment and offered special trainings. The 2021 special training covers topics such as corporate history, major project progress, finance and human resource management, allowing new employees to promptly understand the Group’s business operation.

“Stars of the Sea” Scheme

In response to the talent needs from four major business lines of sales, commerce, education and elderly care, the Group continued the Stars of the Sea” scheme, striving to recruit outstanding fresh graduates, thereby attracting potential talents and providing professional training. In 2021, the “Stars of the Sea” campus recruitment events covered over 40 cities across China and more than 50 undergraduate colleges and universities, in which over 400 talents were recruited.

In addition, the Group continued to carry out the Elderly Care Talent Introduction Scheme for its two innovative business lines of elderly care and education. It recruited distinguishing teacher from well-known schools in various provinces and cities through the “Sea’s Recruits – Famous Teachers Scheme” and outstanding graduates from prestigious teachers’ college through the “Stars of the Sea” scheme.



COHL organized the 2021 Taiyuan “Stars of the Sea” mentor appointment ceremony



Establishing a Cadre Force

The Group has set up the Xiangjiang Management Institute for the operation of its construction and infrastructure investment business, providing training for senior management, key personnel and young students in an effort to cultivate a high-quality cadre force. The training focuses on the Group’s strategic development needs, expanding the international vision, as well as boosting innovation and governance capabilities. The Company has built and managed a knowledge base that compiles various training contents, question banks, courseware and videos, including work guidelines, project summaries, scientific research reports, etc. Workshops to share and exchange learning results internally, as well as external exchanges and visits, were also organized. At the same time, the Company launched the “Qianhai Experience Programme” which Hong Kong employees of all ages were selected and sent to experience working and living in the Greater Bay Area. Moreover, COHL introduced the “Thousand People Across the River Project”, a total of 1,000 Hong Kong employees were sent across the Shenzhen River to work in the Mainland China during the 14th Five-Year Plan period. With the aim of prompting the integration of Hong Kong professionals into the Greater Bay Area, it provided an attractive platform for potential and aspiring professionals and young people in Hong Kong to work in the Greater Bay Area for three to year years or for short-term rotation.



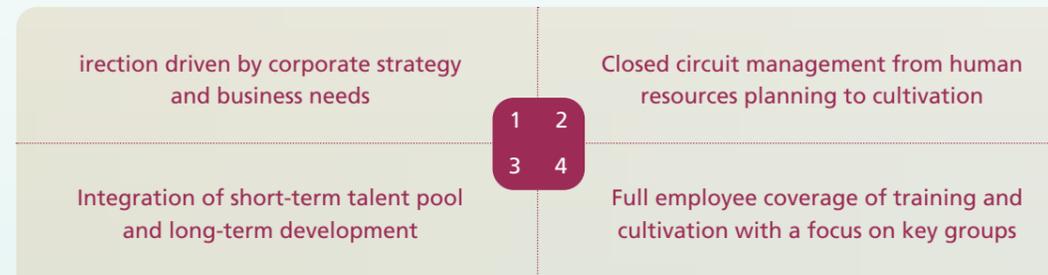
COHL organized different training schemes to cultivate talent

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Diverse Training Courses

The Group believes the inheritance of professional knowledge and management skills would drive the development of the property management industry. Regarding its property services business, the Group has put in place policies such as the Talent Development and Training Management Measures, and developed the basis of Talent Development System in accordance with the following four principles:



With reference to the annual training plan, the Company arranged various training activities for different employees in 2021, and divided the employee development projects according to the training target and the training project nature, including:

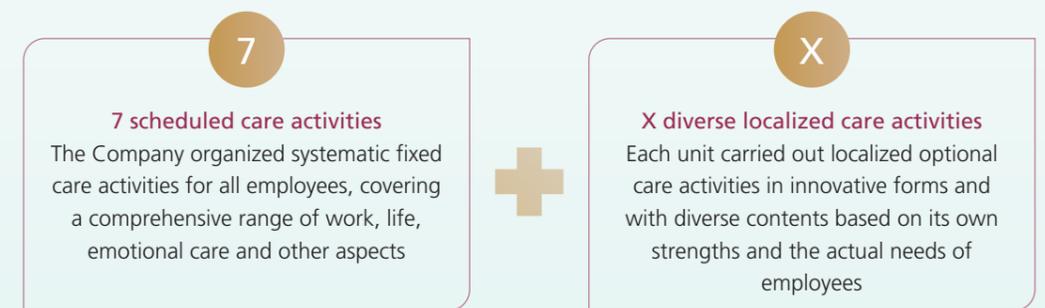
Project Training Programmes Provided project general manager certification training to 67 trainees from 12 platform companies.	1st Youth Management Class Through talent assessment and talent review, 43 candidates were selected from 160 candidates who met the basic requirements to participate in the 1st Youth Management Class training.
Set Sail Provided an 8-day course to help new management trainees quickly understand the corporate culture, professional requirements and business policies, etc. A total of 179 management trainees participated in the training.	COPL online learning platform Invited 514 instructors to conduct online supporting courses, and held 9,694 knowledge courses with 42,657 employees participated, accounting for 3.5 hours of average monthly learning hour.

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Staff care programme

The Group formulates care programme for employees every year to enhance their satisfaction and happiness. Take the property services business as an example, in 2021, under the theme of "N-times of Happiness", the Group adopted the "7+X" mode of scheduled care combined with optional care to demonstrate care and attention to employees.



On the other hand, the Group provides employees with health and safety protection. Considering the example of its property development and operation business, employees enjoy a series of health and safety guarantees, including 100% coverage of physical examination and supplementary medical insurance scheme. In 2021, the Company carried out the "Employee Health 521" management plan, which delivered "caring moments" from five aspects: online consultation, expert outpatient service, physical examination, green channel for critical illness and post-operative care, providing employees with the protection of supplementary medical insurance and psychological care. Meanwhile, it held 6 health and psychological activities during the Year, with more than 8,000 participants.

Building a Happy Life for Employees Leading a Safe and Inclusive Team



SDG 10 Reduced Inequalities

As a caring employer, COHL maintains a sound labour-management relationship with its employees, and establishes an equal working environment for labour and management through constant and sincere communication and consultation. In strive to eliminate discrimination, COHL respects the diversity of individuals with different characteristics and backgrounds, attracting and gathering numerous outstanding talents to help the Group to better understand and get ready for challenges, thereby building competitive advantages.

The Group offers equal and diverse work and promotion opportunities, and insists in the human resources strategy of “Inclusive and People-oriented” to realize the healthy competition and fair development of talents. It follows the uniform selection criteria and provides equal opportunities for recruitment, promotion, training, dismissal and employment, in which no differences in personnel decisions or treatment based on race, disability, gender, marital status, pregnancy or family status will be tolerated. Over the years, the Group has supported women’s fair employment and actively established a diverse management team. It also implements equal payment and equal work for male and female, and has developed a performance review system to evaluate employees’ performance with universal standards, so as to ensure employees will not be treated unfairly due to their gender. In 2021, female employees accounted for about 25.3% of the Group’s total employees.

To build a gender-diverse team, the Group encourages its business units to set specific targets for employee male-to-female ratio. Regarding its property development and operation business, the Company aims to maintain an employee male-to-female ratio at not higher than 2.8:1 from 2019 to 2023, while gradually improving the new employee male-to-female ratio. In 2021, its employee male-to-female ratio was 2.36:1 and its new employee male-to-female ratio was 2.23:1, reflecting a gradual progress towards the targets. During the Year, the Group also calculated the male-to-female salary ratio in four levels of salary of executive officers, salary of managers, remuneration (salary and bonus) of managers, and salary of nonmanagerial employees, which 8.6% of the senior management were female.

Building a Happy Life for Employees Leading a Safe and Inclusive Team



Safeguarding Labour Relations and Labour Rights

The Group established the COHL Headquarter Trade Union in 2019, and 83 of its subsidiaries have set up trade unions, covering all of its operating cities with a 100% employee membership rate. It also formulated the Measures for the Management of Reception and Expense of Funds of the Company to manage the operation of trade unions.

Referring to the Group’s property development and operation business, the Company completed regular inspection in 2021, and held 5 cadre training courses with a total 552 attendances in the theoretical study and business training, strengthening trader union workers’ understanding of labour rights and standards, as well as their ability to implement trade union rules. Trade unions at all levels organized a total of 121 employee communication activities to collect employees’ viewpoints extensively. The Group also has a voting mechanism to help implement employees’ suggestions, such as regularly organizing various social activities in accordance with the opinions of members.

In view of the large number of subcontractors involved in the construction industry, the Group is dedicated to protecting the rights and interests of relevant workers. Labour officers are stationed at construction sites to handle labour relations matters, including receiving workers’ complaints, maintaining workers’ attendance records in the registration system, proactively following up on subcontractors’ wages, and managing and monitoring subcontractors’ labour rights. Furthermore, the Group posted statements at conspicuous spots of the construction sites listing the complaint channels, in order to ensure workers are aware of their rights and accesses to assistance.

Board diversity

The Group recognizes that the board diversity is conducive to enhancing effectiveness. A diverse group of board members with different gender, age, educational backgrounds, professional experience, knowledge, culture and tenure, etc., can eliminate the tendency of “group thinking”, which provides a more objective and balanced perspective to assist the Group’s implementation of business and sustainability strategies. The Group has also noticed that in recent years, stakeholders’ expectation on corporate governance and governance body have increased, while the Hong Kong Exchanges and Clearing Limited (HKEX) made amendments to the Code of Corporate Governance during the Year.

Considering the Group’s construction and infrastructure investment business, the Company started the selection of female independent non-executive directors in late 2021 in response to the above-mentioned new trends and regulatory requirements, which Ms. Wong Wai Ching was appointed as an independent non-executive director on March 25, 2022. The Company also plans to progressively introduce new independent directors in the coming two to three years with reference to the top corporate standards in the international market and Hong Kong, to further promote its board diversity and governance.



Olympic Winter Games Beijing 2022 - National Ski Jumping Centre



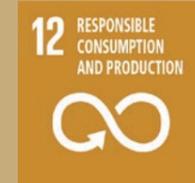
Building a

Happy Life for Customers

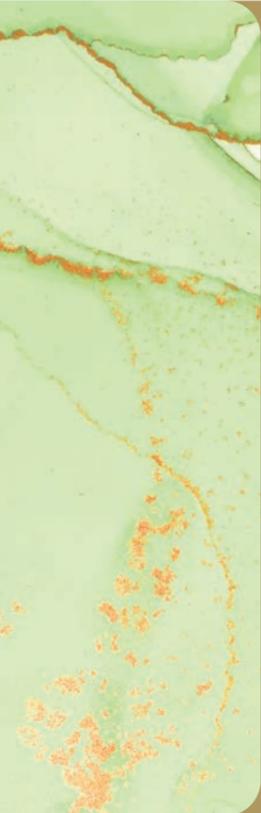
Leading **Quality and**

Efficient Operation

Recognizing the corporate mission of “We Manage Happiness”, the Group is devoted to the core values of “customer-oriented, quality assurance and value creation”. It maintains a green and sustainable supply chain, and provides customers with products and services that exceed their expectations.



Building a Happy Life for Customers Leading Quality and Efficient Operation



- Adhering to the people-oriented concept, shared COHL's view on green and healthy products and explored new market opportunities for healthy living
- Improved community infrastructure and supporting services and examined the value of urban communities
- Actively participated in the preparation of national and industrial standards in strives to promote the synergistic development and growth of the industry
- Further regulated work for science and technology awards to advocate the scientific and technological innovation initiative of employees
- Established the Institute of Construction Technology to promote various scientific research and development and technology promotion and application
- Compiled various integrity materials and held a number of activities for the "Leading the Tide of Integrity, Building a Clean COHL"
- Carried out a special planning for network and information security to improve the information security management system



SDG 9 Industry, Innovation and Infrastructure

With its in-depth experience, the Group proactively participated in the preparation of technological standards related to sustainable building, and develop high-quality, reliable, sustainable and disaster-resilient infrastructure to support economic development and improve human well-being. The Group has strengthened its scientific research and enhanced its technological capabilities, so as to facilitate the development of disaster-resilient and sustainable infrastructure which is affordable and equally accessible for everyone.

Building a Happy Life for Customers Leading Quality and Efficient Operation

In 2021, the Group has established the "Technology Award Standard Management Measures of COHL" to further regulates the scientific and technological reward work. Through recognizing and rewarding units and employees with considerable achievements and outstanding contributions in scientific and technological innovation events, it encouraged employees' scientific and technological innovation, and enhanced independent innovation ability of its companies. The policy stipulates various management principles, covering the division of responsibilities, the scope of awards, the recipients of awards, the methods and standards of awards, the approval and distribution of awards, as well as supervision and inspection. The awards are classified into five categories:

- 1 Scientific and technological achievements that have won national, provincial or prefecture-level Science & Technology Awards (referring to Scientific and Technological Progress Award or Technological Invention Award)
- 2 Projects that have won national or provincial
- 3 Scientific and technological achievements that have been approved as national, industrial or regional technical standards.
- 4 Scientific and technological achievements that have obtained international or national invention patents.
- 5 Scientific and technological innovation demonstration projects that have been included in the national, provincial or prefecture-level scientific and technological innovation demonstration project plans and have passes the acceptance inspection.

In the case of the State Technological Invention Award, the major responsible unit winning the top three places would be rewarded with HKD 8 million, 5 million and 3 million respectively as a recognition. °

Building a Happy Life for Customers Leading Quality and Efficient Operation



Compiling Green Building Standards

The Group actively participated in the development of national and industrial standards in strive of promoting the joint development and advancement with the industry. Taking the example of its property development and operation business, the Company was invited to participate in the preparation of Zero Carbon Building Technology Standards, Smart Urban Building and Residential Community Part 2: Smart Community Assessment, and Smart Building 5G Design Norms in 2021. Meanwhile, the Smart Architectural Design Standard (T/ASC 19-2021), Healthy Building Assessment Standard (T/ASC 02-2021) and Commercial Complex Green Design BIM Application Standard (T/CCIAT 0038-2021), which it had all participated in the preparation process, have been officially published in 2021.

For sustainable building design training, the Company carried out 5 training sessions, including SASAC Special Lecture and Training on Energy Conservation and Low Carbon, Roadmap and Measures on Achieving Carbon Peak and Carbon Neutrality for the Building Field, Training on China Overseas Green and Healthy Residential Property Standards, accounting for over 2,000 training attendances.

Promoting Green and Healthy Residence

The Group upholds the people-oriented concept, its property development and operation business has developed the Product Standards for Green and Healthy Residential Products, aiming to establish positive emotional connections between people and space in the product through scenario classification. The product standards include 7 dimensions of “Home, Travel, Social Interaction, Fitness, Health Care, Service and Emergency” across 24 sectors with 120 metrics. It covers all-dimensional information of project implementation, ensuring the feasibility of green and healthy residential products, and has delivered green and healthy products in three aspects of standard system, scenario module and individual technology. In May 2021, the 17th International Green Building and Building Energy Conservation and New Technology and Products Expo was held in Chengdu. The Group took the initiative to undertake and successfully hosted the COLI Forum for Future Green and Healthy Residences to share its view on green and healthy products.

Additionally, the Group established a strategic partnership with China Academy of Building Research and various scientific and technological units, and has jointly explored new market opportunities in healthy residences. It conducted R&D on healthy buildings and healthy products, in order to establish a mutually beneficial business model and advocate healthy residence together. Setting user experience as the core, the Group developed a six-in-one product system featuring “Safety, Convenience, Health, Comfort, Joy and Care”. With the development of the COLI Smart Residence Platform and the COLI Smart Home Cross-scenario Solution, it has thoroughly realized residence intellectualization for users.

Building a Happy Life for Customers Leading Quality and Efficient Operation



Developing Construction Technology

The Group's construction and infrastructure investment business has founded the Institute of Construction Technology, and has established seven research centres for the development of independent R&D and innovation platform, promoting technological research and extensive application in various aspects:

Seven research centres

Assembly Prefabricated Construction Research Centre: It has a professional team of design, manufacturing, construction, and materials across the whole industry chain. With its research directions surrounding the MiC system of concrete and steel structure, prefabricated construction, new building materials, etc, it focuses on key technologies in the whole process of prefabricated construction.

Building Information Model Research Centre: It studies the whole-process integrated application of BIM Technology and expands the BIM+ application scenarios continuously, in devotion to technical training, standard development, and building component libraries. By developing plug-ins, using computer software, and combining AR and scanning technologies, it integrates building materials, installation progress, cost management and other information into the practical application of BIM technology.

Intelligent Construction Research Centre: Integrating 5G, VR, AI, IoT, robotics, block chain and other technologies, it independently develops the C-Smart intelligent site series of products and built a digital construction integrated management platform with independent intellectual property right, aiming at real-time and comprehensive project management.

Medical Construction Research Centre: With a professional team of medical planning, design, construction, operation and maintenance, it is devoted to the construction technological R&D of modern hospitals that meet international standards and the modular hospital. It supports the medical construction projects and accumulates medical building technologies.

Hotel Construction Research Centre: Dedicated to the research on key technologies for the construction of large modern hotels with international standards, it reviews the previous hotel projects to enhance project management and coordination capabilities. It also innovates key construction technologies in promotion of its hotel construction quality, so as to improve its market competitiveness.

Infrastructure Engineering Technology Research Centre: It has a total of 4 sub centres for road and bridge engineering technology, infrastructure investment model innovation, safety technology and new green construction technology. It conducts research on the control of subgrade settlement and deformation, tunnel engineering in complex geological environment, undersea immersed tunnel engineering, highway construction and maintenance, and large-scale environmental protection facilities construction, and other core construction technologies.

Intelligent Curtain Wall Research Centre: It carries out R&D on complex curtain wall standardized design, intelligent production, and efficient installation of complete sets of technology. By combining market demand and emerging materials, it upgrades existing products and applies new technologies to enhance the technological level of curtain walls production and construction.

Building a Happy Life for Customers Leading Quality and Efficient Operation



Promoting Modular Integrated Construction (MiC)

The Group has vigorously promoted and developed prefabricated construction technology in recent years, among which the MiC is a technology known as prefabricated construction 4.0. It enables the construction of structural, decoration, plumbing, electrical, fixture, piping and sanitary facilities of building modules to be completed in the production plant modules for quick assembly on the construction sites. Regarding the Group's construction and infrastructure investment business, its technology has been able to relocate 90% of the processes in the traditional construction to intelligent factories. MiC has the following features and advantages:



Industrialisation

Traditional manual on-site construction process is transferred to a factory, where standardised designs and automated machinery are used for mass production. It integrates structure, decoration and equipment, and prefabricates HVAC, electrical, fire protection, and other equipment, so as to simultaneously improve the productivity, accuracy and quality.



Greening

Moving the production process to the factory greatly reduces dust and noise generated on construction sites. Modular design and factory environment facilitate efficient use of building materials to reduce wastage and encourage reuse, while aluminium or plastic templates can be reused multiple times. With that, construction waste can be reduced to one-fourth of the traditional method, while it is easier to recycle wastewater in the factory than on site.



COHL has vigorously promoted and developed MIC technology

Building a Happy Life for Customers Leading Quality and Efficient Operation



Economical

For construction duration can be shortened by 80% compared to traditional construction, management costs and financial interest expenses can be lessened, thereby generating more profits with an earlier operation and accelerating payment collection, and reducing uncontrollable risks at the same time. The total project manpower can be reduced by 20%, while scaling down material wastage and construction waste as well as saving raw material costs. The design or specifications of the module can be applied to other projects, and temporary building can also be disassembled and reassembled for secondary use to realize recycling.



Informationisation

BIM and Intelligent Site System C-Smart are used to manage construction projects. The BIM system creates the digital twin of the building, which can be used to navigate to equipment and systems, view information and documents in real time, and foster the construction process and operation and maintenance through incorporating IoT technology. The Intelligent Site System combines Augmented Reality (AR), Virtual Reality (VR) and other technologies to provide comprehensive, full-cycle monitoring to ensure production and on-site construction command.



COHL uses BIM and Intelligent site system C-smart to manage construction projects



Building a Happy Life for Customers Leading Quality and Efficient Operation



SDG 11 Sustainable Cities and Communities

Urban planning and construction play a key role in regional economic development and the betterment of people's lives. Leveraging its business advantages and coordinating corporate resources, COHL actively communicates and cooperates with local governments to participate in regional planning and construction, thereby directly and indirectly stimulating regional economic development and creating a better life.

Shouldering the responsibilities of serving major national strategies, regional development strategies and industrial policy planning, the Group coordinated the direction of capital layout, put forward the strategic re-organization of capital, professional integration and forward-looking layout. It also instructed its business units to focus on the national strategic development areas, including the Guangdong-Hong Kong-Macao Greater Bay Area, the Yangtze River Delta and the Beijing-Tianjin-Hebei Region, seizing the opportunities of national key regional planning and key projects through enhanced resources coordination with local governments, financial platform companies and large enterprises.

Safeguarding the health of community customers

With an ever-changing society, community needs have enhanced due to the pursuit of quality of life. The Group strives to innovate its residential business to cater to the present and future needs for residential and ancillary community facilities. In 2021, its property development and operation business devoted considerable effort to provide a green and health living environment for residents, reinforcing the mosquito prevention measures at all residential projects to protect the health of its customers. The design mainly focuses on three dimensions of physical, chemical and biological control. Through approaches such as relocating the garbage collection points, improving the ground drainage system, increasing the mosquito killing frequency and planting more mosquito repellent plants, it has resolved the problem of mosquito breeding in the community.

While observing national standards, the Group also progressively benchmarked its architectural design against international standards, in order to offer a more comprehensive protection to customer health. Concerning the OFFICEZIP project at Beijing China Overseas Fortune Centre, it is the world's first non-traditional office project to obtain platinum certification of WELL, in which the WELL Healthy Building Standard is an internationally recognized authoritative building evaluation system with the focus on human health and well-being. The OFFICEZIP project proposed an optimized solution to 10 key topics of office workers, including air, water, nutrition and health, fitness and sunlight, and passes the review process with a high score of 98/100. The project not only tackled health-related issues with technical methods, but also promoted healthy living and working style to residents by regularly organizing various health-themed sharing and fitness check-in activities during the operation process, effectively increasing residents' attention to healthy lifestyle.

Building a Happy Life for Customers Leading Quality and Efficient Operation



Improving Community Auxiliaries

The Group continued to pool resources for project development and construction for improving community infrastructure and ancillary services, prompting the commitment to joint participation and development of humanity and economy. The project development team collected suggestions from residents and building users in seek for close cooperation with the property management team in residential or commercial projects, so as to efficiently improve the community and the operation of property projects. Furthermore, the Group's property development and operation business utilized its independently developed information management system "City Map", which covers Hong Kong, Macau and over 80 cities in the Mainland China. The "City Map" is constructed based on four data types of current and planned urban resources, macroeconomics, homebuyer data and land data, enabling the Group to tap the value of urban communities more effectively. The the Company imported the digital analysis of "City Map" to each plot in the decision-making process of land investment, and exported the plot's investment reference value according to the relevant variables and parameters for decision-making.

In the context of the rapidly accelerating aging trend across China, property development and operation business of the Group has built and operated the "China Overseas Jinnian" senior health care brand, offering multi-channel, multi-form of high-quality service for the elderly care market. In terms of senior living community auxiliaries, it has also provided corresponding community services and support. The Group's senior service apartments in Jinan and Qingdao were rated as "Five-star Senior Care Facilities", which became benchmark and model of senior care institutions in Shandong Province. Among them, the China Overseas Jinnian Project in Qingdao has successfully passed the ISO9001 quality system certification, which reflects that its operation and service management level are highly recognized by professional organizations. While the China Overseas Jinnian Project in Tianjin was rated as "National Four-star Senior Care Facility", the China Overseas Jinnian Project in Wuxi became a designated institution for both medical insurance and long-term care and was awarded as "Wuxi city-level elderly friendly organization".

Building a Happy Life for Customers Leading Quality and Efficient Operation



Constructing and operating Livelihood Projects

Guided by the national development strategy, Macau is integrating to the joint development of the Guangdong-Hong Kong-Macau Greater Bay Area. The Group's construction and infrastructure investment business has undertaken the first pilot project of the "Macau Engineering Model" across the country. It implemented the Macau Building Engineering Management Model, which directly drove professionals from the construction industry in Hong Kong and Macau to work in Hengqin.

The Macau New Neighbourhood project in Hengqin is the first "Macau Community" built by the Macau SAR Government in the Mainland China. It is a crucial initiative of the Central Government to support Macau's participation in the construction of the Guangdong-Hong Kong-Macau Greater Bay Area and its integration into the overall national development. With a total gross floor area of approximately 620,000 square meters, the project integrates functions such as residence, education, medical care, community services and elderly care, which is the first in China to have Macau SAR Government entrusting a public organization to lead the construction and operation of the project. In September 2021, Han Zheng, member of the Standing Committee of the Political Bureau of the CPC Central Committee and Vice-Premier of the State Council, visited the project site and highly praised the project. At present, the project is progressing smoothly and is expected to be completed in April 2023.

In addition, the Group undertook the construction of a complex tower for internal medicine of Shekou Hospital. It is located in the center of Shekou, Nanshan District, with a total gross floor area of 92,100 square meters and approximately 450 new beds. Given an increasing demand for quality medical resources in the Shekou Free Trade Zone, there is an urgent need to expand medical resources to meet public demand. For the project being the Group's first government project in the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone, in addition to the application of BIM and smart site, the Group also tried to adopt apply digital yuan to pay wages so as to promote the technology of the construction industry.

The project demonstrated the Group's ability to integrate resources of the Greater Bay Area as a state-owned central enterprise headquartered in Hong Kong. Its construction and infrastructure investment business implemented internal management and control, and executed its strategic policy of "transfer of Hong Kong standards to Mainland"; It cooperated with local government departments and regulatory bodies to integrate resources nearby, and actively participated in the development and construction of Shenzhen-Hong Kong cooperation in Qianhai.

Shekou Hospital has
a total gross floor area of

92,100 square meters

approximately

450 new beds



Shaping Smart Service Experience

In recent years, the Group has proactively integrated technology and online services into its business development. The UN+ and Xinghai Wulian under the Group research and develop technology products, providing quality and innovative services to customers and creating smart service experience.

UN+: Focusing on community asset operation, customer asset operation and lifestyle service operation, it is a professional and multi-functional online and offline service platform, forming the "U+" internet ecosystem to enhance the Group's property management services and value-added service experience.

Xinghai Wulian: With the service concept of "1+2+N+X", it provides customers with comprehensive smart community solutions for various sectors including commercial office buildings, residential areas, urban complexes, hotels and industrial parks, covering the planning, design, implementation, delivery, maintenance and operation processes.

In 2021, in view of its expertise in product technology and comprehensive ability to construct a smart venue ecosystem with its eco-partners, Xinghai Wulian became the provider for the "Three Venues and One Village" smart project in the Zhangjiakou competition zone of the 2022 Beijing Winter Olympics. A set of public security systems is designed through IoT, big data, artificial intelligence and other technologies, with functions covering video surveillance, security inspection system and alarm system, etc. In addition, the Group expanded a number of smart science parks during the Year, including Silicon Valley Town Smart Science Park in Wuhan, CFMOTO Manufacturing Park in Hangzhou, Shenzhen Metro Real Estate Building in Futian, Shenzhen, Yancheng Science and Technology Innovation Zero-Carbon Smart Park in Jiangsu. These projects refer to the construction of information security protection measures from the terminal, network, application and other levels, and have network security operation management mechanism in place, to secure user information security in an all-round and multi-dimensional manner.

Building a Happy Life for Customers Leading Quality and Efficient Operation



SDG 12 Responsible Consumption and Production

Sustaining good corporate governance and incorporating business ethics into the entire value chain is the key to building a good brand reputation and ensuring the stable development of business. For that, the Group adheres to integrity, upholds the spirit of contract and business compliance, pursues profit-making in an open and upright manner, and provides high-quality services to customers.

The Group does not tolerate any form of corruption and advocates the ideological culture of “don’t dare to, are unable to and have no desire to commit acts of corruption”. It has formulated a series of policies to regulate related work processes, demanding each unit to properly implement relevant requirements. In terms of supply chain management, the Group provides suppliers with operational integrity guidelines, requesting them to comply with the anti-corruption requirements. All suppliers are required to sign the Integrity Agreement and commit to avoid any corrupt or bribery practices. They are also subject to annual performance review, including integrity review. In 2021, the Group has continuously compiled various integrity materials, among which the Integrity and Law Compliance Reader for Professional Managers illustrates different cases of violations and corresponding handling guidelines, so as to provide employees with guidance on potential corruption risks associated with their daily duties. To implement the “Leading Culture” publicity campaign, the Group carried out a number of activities entitled “Leading the Tide of Integrity, Building a Clean COHL” during the Year in promotion of the Group’s culture of operational integrity. The activities include:

Building a Happy Life for Customers Leading Quality and Efficient Operation



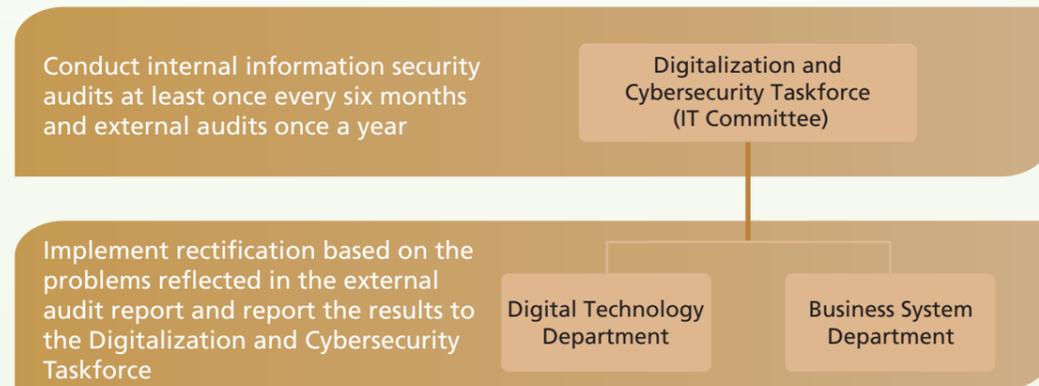
<p>Warning education</p>	<p>Conducting normalized warning education at different levels, fields and phases, and build a warning education case library, to gradually realize “on-demand” warning education for the same level and same category. Considering the education method, the Group proactively innovated the warning education methods for key positions and key functions. Utilizing information technology, it adopted means of learning and training and examination check-in to enhance education and achieve fully coverage of warning education.</p>
<p>Learning and contests</p>	<p>Regularly organizing employee training to educate relevant laws and regulations of the industry, corporate internal compliance system, etc. The Group established an overseas compliance supervision organization and deployed compliance management supervision personnel. Meanwhile, it has periodically held integrity knowledge competitions, as well as calligraphy, painting, poster and micro-video works contests, and innovatively launched the “I Advocate Integrity for COHL” micro-video contest, so as to promote the culture of integrity.</p>
<p>Learning-related training for families</p>	<p>In addition to requiring employees to abide by the enterprise’s Letter of Undertaking of Integrity, the Group also conducted integrity awareness promotion campaigns for employees’ families in order to advocate “imparting integrity into the family”. The Group held diverse various anti-corruption education events activities in its operating communities, such as “Haibao’s Speech on Integrity” and “Promoting Integrity in Communities”, and organized the “Integrity Family Letters” contest to create a clean and upright working environment.</p>
<p>Government-enterprise construction</p>	<p>The Group regularly conducts “Co-Construction of Integrity” activities with local discipline inspection commissions, supervisory commissions, courts, subdistrict offices and other authorities, maintaining close interaction and good communication with local government units.</p>

Building a Happy Life for Customers Leading Quality and Efficient Operation



On the other hand, as the application of information technology in business operation thrives, online meetings have become part of the regular work during the pandemic. In view of the risk of inappropriate information leakage, the Group has established the information security management structure to ensure a clear division of labour among different departments.

Information Security Management Structure



The Group has formulated policy documents with reference to the Cybersecurity Law of the People’s Republic of China, including the Cyber and Information Security Management Measures of COHL and Customer Information Security Management Guideline of COHL, which standardizes the collection, use and storage of information. The Group also regularly reviews, tests and updates information system infrastructure and security measures, protecting the privacy of customers, business partners and employees more comprehensively. Specific information security work includes:



Building a Happy Life for Customers Leading Quality and Efficient Operation



Governance planning

The Group is highly concerned about the work of network and information security, raising the importance of cybersecurity as of production safety and requiring all units to implement related work. In 2021, the Group set out the “14th Five-Year Plan” information plan, and carried out a special network and information security plan with an external professional security team to designate organizational structure, blueprint design, security protection and implementation approach of different businesses in detail. It also reinforced the requirements for the specific posts of information security management, and formulated guidelines for the use of passwords, networks, systems and data.



Coordination mechanism

The Group coordinated with its listed companies and set up a unified command centre, conducting information asset investigation with various units regularly, and completing tasks such as reduction of cyber exposure, inspection and rectification of security risks, critical target defence, etc. With its continuous improvement in overall technical protection capability and security management level, the Group has consolidated its integrated capability for monitoring and discovery, reporting and early warning, as well as emergency response to security incidents. It has safeguarded the security of its network and information systems, and laid foundation for its steady and secure operation.



System audit

Since 2012, the Group has passed the independent third-party ISO 27001 information security management system certification audit every year, and carried out information auditing work for its subsidiaries on an annual basis. Its businesses have all passed the ISO 27001 information security management system certification audit, its major business systems have also obtained the national cybersecurity level protection certification.



Security awareness

The Group has held the annual Cyber Security Week campaign since 2017. In 2021, the Group conducted four information security trainings, continually raising the overall cybersecurity awareness and reinforcing the prevention of phishing emails and applications.



System update

The Group continuously conducted security risk investigation and correction for various business systems. In 2021, it conducted a thorough upgrade on the server anti-virus system and spam protection system, remarkably improving the terminal security protection capability and hence reducing the risk of virus infection.



Confidentiality requirements

The Group requires all suppliers who may have access to data to sign the information security confidentiality agreement, strengthening supply chain information security management.

Building a Happy Life for Customers Leading Quality and Efficient Operation



Joining the Anti-fraud Alliance

For honesty and integrity being the cornerstones of its corporate code of conduct, the Group opposes any forms of corruption. The Group's property development and operation business participated in the "Selection of the Most Influential Teams in Anti-fraud" organized by the Enterprise Institute for Internal Controls and the Enterprise Anti-fraud Alliance during the Year, and was selected as one of the top 10 "Most Influential Corporate Teams in Anti-fraud". At the same time, the Group joined the "Private Sharing Meeting of Clean and Innovation Famous Enterprises" held by Enterprise Anti-fraud Alliance, and added 4 people to the blacklist of the Enterprise Anti-fraud Alliance.

To sustain the highest standards of transparency, integrity and accountability internally, the Group provides anti-corruption whistle-blowing channels such as monitoring and reporting hotline, reporting mailbox, reporting address and the 400-service hotline, etc. In 2021, the Group offers various guidelines and trainings for employees and suppliers of its property services business:



Employee

- Internal promotion column
- Compiled alarming books with typical cases
- Organized visits to anti-corruption and integrity education bases
- Anti-corruption training

98.9%

of employees have received anti-corruption training



Supplier

- Provided guidelines for operational integrity
- Signed the Integrity Agreement with suppliers
- Conduct integrity review in the annual performance appraisal

100%

of suppliers signed the Integrity Agreement

5,031

suppliers have received anti-corruption training

Building a Happy Life for Customers Leading Quality and Efficient Operation



Compliance Management

In 2021, the Group issued the Administrative Measures for Intellectual Property Rights of China Overseas Land & Investment Ltd. For its property development and operation business, which stipulates the regulations on the application, use and management of patents, trademarks and copyrights of the Company, advancing its internal control system for intellectual property rights. Meanwhile, in accordance with classified and hierarchical management requirements in the Administrative Measures for Intellectual Property Rights of China Overseas Land & Investment Ltd., the Group specified the process for patent management approval, trademark management approval and copyright management approval, covering the entire life cycle of intellectual property rights management of project initiation, approval, transfer and revocation.

Moreover, the Group initiated a "World Intellectual Property Day" themed publicity campaign on 26 April. As the Data Security Law and the Personal Information Protection Law were promulgated and implemented, it held a training with the theme of "Compliance Practices in Digital Economy from the Perspective of the Real Estate Industry" to raise the compliance awareness on intellectual property rights and data.

Safeguarding Customer Information

The use of information technology in business operation continues to grow. While remote working and meeting have become the common practice during the pandemic, the risk of information leakage has increased accordingly. In the case of its construction and infrastructure investment business, the Group has developed an information security management system in accordance with ISO 27001, which stipulates a prudent approach to the collection, processing, storage and use of information. It has also tested and updated information system infrastructure and security measures continually. These actions support the development and application of the Group's innovative technologies, and securing the privacy of customers, business partners and employees. In addition, the Group tested the security of its information system through cyberattack simulation, and provided appropriate training and support to employees and responded to national cybersecurity education campaign, so as to enhance their information security awareness to cope with the challenges posed by changing working mode.

For its property services business, the Group's policies such as the Customer Profile Management and the Property Control Procedures for Customer and External Parties, clearly outline the working procedures for protecting customers' personal information, including management of customer information, visitor registration information, recording and storage of surveillance videos, etc. In 2021, in response to potential cybersecurity risks, the Group further formulated the COPL Cyber Security Incident Contingency Plan as a supplement to the COPL Management Handbook.



Building a
Green and Happy Life
Leading an **Environmental-friendly**
and **Low-Carbon Space**

Through the development of green real estate and buildings, the adoption of energy-saving and emission reduction technologies, and the implementation of green office, the Group strives to lead the trend of green building development.



Building a Green and Happy Life Leading an Environmental-friendly and Low-Carbon Space



- Carried out the formulation of climate change policies, and developed management guidelines in four directions of mitigation, adaptation, resilience and disclosure
- Undertook climate scenario analysis and established a governance framework and assessment mechanism for climate-related risks
- Published a climate strategy blueprint in alignment with the Paris Agreement, and adapted products and services to address climate change
- Developed company-level environmental assessment standards to comprehensively evaluate the impact of topography and climate change on building functions
- Promoted the development of green supply chain with a plan to achieve no less than 60% of green construction materials and green products procurement by 2023



SDG 13 Climate Action

Climate change driven by economic and population growth is causing extensive impacts on both human and natural systems around the world. Carbon emissions must be reduced in multiple dimensions, and urgent action must be taken to combat climate change and its impacts, including strengthening resilience and adaptability to climate-related disasters and natural disasters. Facing the challenges of climate change, business units of the Group have all carried out the formulation of climate change policies and developed specific management guidelines in the following four dimensions:

<p>Alleviation</p> <p>Implementing various measures to reduce greenhouse gas emissions from daily operation and contribute to the mitigation of climate change.</p>	<p>Adjustment</p> <p>Identifying and responding to climate change-related risks and opportunities in a timely manner, and formulating emergency management plans.</p>
<p>Resistance</p> <p>Regularly evaluating property projects and maintaining close communication with suppliers to ensure that properties and their supply chain are capable of withstanding extreme weather events caused by climate change.</p>	<p>Disclosure</p> <p>Continuously disclosing climate change management information and improving transparency.</p>



Climate Change Management

Refer to the example of the Group's property development and operation business, the Company has completed the 2020-2023 Enhancement Plan on Climate Change Management. It has also established a governance framework and assessment mechanism for climate-related risks and preliminarily identified various climate-related risks. Since 2020, the Group has disclosed its working plans and performance in four areas of "Governance Structure", "Strategy", "Risk Management" and "Indicators and Targets" every year with reference to the TCFD Recommendations. In 2021, the Group conducted climate scenario analysis and planned to carry out a more detailed climate risk assessment in 2022 to formulate appropriate action plans.

In terms of risk management, the Operation Management Department led relevant departments to identify different climate change risks in accordance with the Risk Management Measures of COLI (Provisional) during the Year and revised the risk pool. Various departments then conducted more detailed and rigorous risk assessment based on business control, disclosure compliance and market rating, so as to ensure the effectiveness of risk management measures.

Climate Strategy Blueprint

During the Year, the laws and compliance requirements of government and regulatory bodies around the world continued to escalate, while investors and other stakeholders were increasingly concerned about corporate sustainability strategies and performance. The Group promoted the formulation of sustainable development roadmap during the Year, including released a climate strategy blueprint in line with the Paris Agreement and adapted its products and services to address climate change.

The construction and infrastructure investment business of the Group officially became a TCFD supporter in December 2021, which is the first organization in China's construction industry. The Group is exploring climate change risk factors in accordance with the framework of TCFD Recommendations, focusing on four areas of governance, strategy, risk management, metrics and targets, and organically integrating with the Group's investment decision-making and risk management system to improve climate risk management capability and information disclosure level. During the Year, the Group has kick-started the climate scenario analysis, evaluating the physical and transition risks of the projects in Hong Kong. These assessments and analyses reveal the impact of climate change on the Group's operations and financial performance, facilitating the development of forward-looking deployments and enhancing the Group's climate adaptability in the long run, so as to drive the Group towards the goals in its sustainability roadmap.

Building a Green and Happy Life Leading an Environmental-friendly and Low-Carbon Space



SDG 15 Life on Land

Biodiversity has long provided people's needs for survival, such as food, medicine, building materials, clothing, chemical raw materials and different substances in daily life. Offered by various organisms in nature, human beings enjoy the diverse values and fruits brought by biodiversity. Through the adoption of advanced design and innovative technologies, the Group makes careful consideration on the impact of its development projects on existing ecosystems to safeguard biodiversity.

Project Environmental Assessment

The Group strictly abides by the Environmental Impact Assessment Law of the People's Republic of China; Using its property development and operation business as an example, all projects have passed professional environmental assessments, which the assessment covers monitoring of groundwater and soil, raw materials used, possible wastes, design of environmental facilities, geological terrain and soil risks of the project.

As local governments gradually lifted the requirements for environmental impact assessment, the property development and operation business of the Group has formulated its own environmental impact assessment standards at the company level. During the Year, all projects have met the requirements, comprehensively assessed physical variables such as terrain and climate change, as well as their impact on the building's functions. All projects investigated the risks of the land lots at the stage of initiating project feasibility study, including risks of land acquisition, geology, topography and soil, demolition and removal, land lot and surroundings, development environment (cultural conservation, environmental pollution, feng shui and public order), etc.

Building a Green and Happy Life Leading an Environmental-friendly and Low-Carbon Space



Standards for Green Building Materials

Since 2020, the Group has proposed to use no less than 8% of reusable and recyclable building materials for new residential projects to upgrade the overall quality and performance of the projects, and lessen the consumption of natural resources and minimize the ecological impacts at the same time. For example, in the JA comprehensive reconstruction project in Laogucheng Village, Shijingshan District, the Group used 4,847.5 tonnes of recyclable materials including steel, glass curtain walls, gypsum products, aluminium alloy profiles and wood, accounting for 10.03% of the total weight of all building materials.

With reference to the Green Building Evaluation Standard of China, the Group formulated the Green Building Technical Manual, which stipulates the compulsory requirement for green building star rating for every project. For new and large-scale urban renewal projects, the Group is committed to prioritizing the use of sustainable wood with third-party certification, and actively encouraging suppliers to adopt sustainable materials during project construction. In 2021, the Group has completed sorting out the green procurement categories and established standards according to the national policies. At present, 74 suppliers have met the green standard, representing 46% of the total. The Group also purchased RMB 2.1 billion of materials that fulfil the green standard, accounting for approximately 20% of the total. Looking ahead, the Group aims to achieve no less than 60% of green construction materials and green product procurement by 2023.

the Group used
4,847.5
tonnes of recyclable materials

10.03%
of the total weight of all
building materials



Ecological Conservation of the Yellow River

China State Construction International Investments (China) Limited (CSCIICL) Henan invested in the construction of the Yellow River Basin Intangible Cultural Heritage Protection Exhibition Centre in Luoyang City. The project is located at the southeast side of the intersection of the Ancient City Expressway and Longmen Avenue in Luoyang City. It is designed and built with the core aim of passing on the intangible cultural heritage of the Yellow River Basin. As a model of intangible cultural heritage protection in the Yellow River Basin, the project is under the spotlight of attention from leaders at all levels. It is expected to be completed and opened in 2022, seizing the opportunities of the ecological protection of the Yellow River Basin in Luoyang and the national high-quality development strategy. It will inherit and promote the Yellow River culture, in alignment with the world-class Yellow River cultural tourism plan of "three cities, three hundred miles, three thousand years" launched by Henan Province. The project enables the exploration of the contemporary value of the Yellow River culture, continuing the historical lineage, strengthening cultural confidence, so as to inject a new culture for the realization of the great rejuvenation of Chinese nation.



Building a

Happy Life for Communities

Leading a Harmonious and Prosperous Society

Through engagement in people's livelihood construction, strengthening community connections, and active engagement in poverty alleviation and charitable donations, the Group is committed to shouldering its corporate social responsibilities and building a harmonious and prosperous community life.



Building a Happy Life for Communities Leading a Harmonious and Prosperous Society

- Carried out the “Sea of Hope” programme, endorsing the “sustainable, replicable and circular” support and aid model
- Implemented the “Double Hundred Youth Development Programme”, supporting local economy and job market
- Aided the construction of “Hope Hut”, brightening up the dreams of poor children with practical actions
- Donated to build COHL Hope Schools, providing educational opportunities for students in development areas of Mainland China
- Carried out the “Spring Bud Action”, introducing artificial intelligence (AI) courses and live-streaming training for teachers



SDG 1 No Poverty

The Group actively responds to the national call, devoting effort to poverty alleviation through aspects of industry, consumption and employment. It provided economic assistance and employment opportunities to local people, striving to promote the economic and social development of the poverty-stricken regions. In 2021, COHL accomplished RMB 23.55 million of poverty alleviation through consumption with a total investment of RMB 8.22 million, and was awarded with honorable titles such as “Advanced Group for Assistance in Battle of Poverty Alleviation in Gansu Province” and “CSCEC Outstanding Contribution Prize in Poverty Alleviation”, etc.

Building a Happy Life for Communities Leading a Harmonious and Prosperous Society



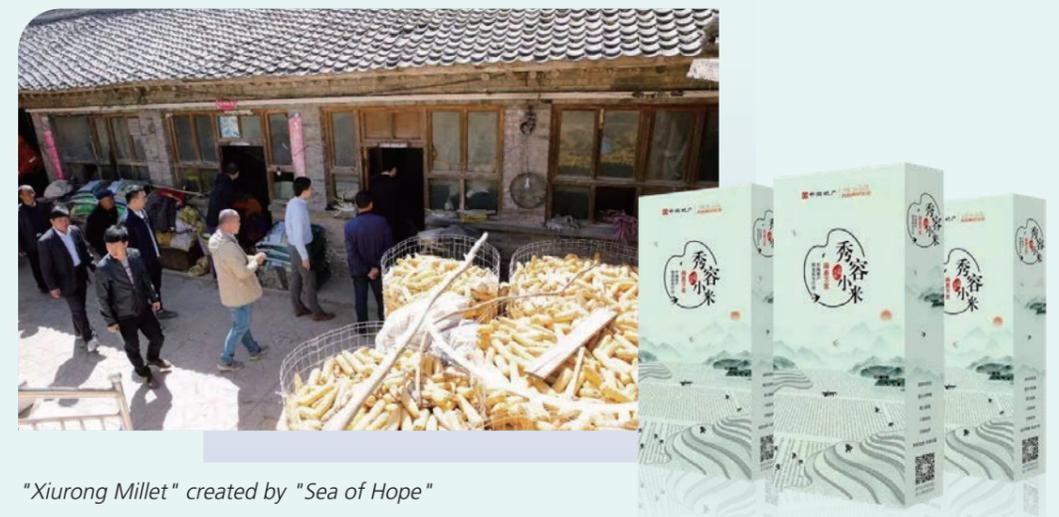
Poverty Alleviation Through Industrial Development

The Group endeavours to organize different activities and give back to the community. Since the launch of “Sea of Hope” in 2018, the Group has carried out supporting activities in poverty-stricken regions including Lan County of Shanxi, Wuxi County of Chongqing and Kang County of Gansu. It aided the creation of original brands for local quality agricultural products, such as “Xiurong Millet”, “Wuxishan Walnut”, “Longkang Old-Tree Walnut”, etc., and helped expand the national sales through its business network, allowing local communities to attain sustainable benefits.

In 2021, the Group focused on building the plateau quinoa brand “Vale of Clouds” for Zhuoni County, Gansu Province, with an investment of over RMB 5.07 million, it successfully drove the sale of 250,000 boxes of agricultural products. The Company also purchased the first batch of the product as presents for customers in marketing and customer service activities such as “Walking into COLI’s Communities”, Knock-Knock Visits and Customer Service Day. In addition, the Group continued to provide assistance to boost the sale of agricultural products including “Longkang Old-Tree Walnut Kernel” from Kang County and “Kangle Mushroom” from Kangle County in Gansu Province, ensuring the long-term operation of their marketing model.

COHL hopes the “Sea of Hope” initiative not only creates brands for characteristic agricultural products, but also develops a “sustainable, replicable and circular” support and aid model. Over the past four years, the initiative has benefited nearly 1,000 poor households in local areas, and encouraged the locals to learn from its successful business experience, fostering the establishment of a more solid and longer-term foundation for poverty alleviation. The Group held more than 70 activities of “Sea of Hope, Rural Revitalisation” across the country in 2021. Its employees have participated in every activity, helping to reach nearly 10 million customers and homeowners, and generated a cumulative community consumption of over RMB 10 million sales. During the Year, the Group was also awarded the “CSCEC Outstanding Contribution Award for Poverty Alleviation”.

In 2021, COHL actively utilized the Sea of Hope e-commerce poverty alleviation platform to bolster the development potential of agricultural products, and developed 8 new farmer-helping products. It further strengthened the sales promotion of agricultural products through various means such as live-streaming and business cooperation with China Post’s “Fresh Product Delivery”.



“Xiurong Millet” created by “Sea of Hope”

Building a Happy Life for Communities Leading a Harmonious and Prosperous Society



Recruitment of Local Talents

The Group conducted extensive recruitment through diverse channels, such as job websites, media, job fairs, headhunting companies and campus recruitment. When developing business in new regions, in addition to deploying management personnel, the Group also pays attention to recruiting local talents. It provided employment and development opportunities for local people, promoting local economic development and fostering common growth of local communities and the Group's business.

Referring to its construction and infrastructure investment business, the Company expanded its recruitment and implemented the "Double Hundred Youth Development Programme" in Hong Kong to support the recovery of Hong Kong's economy and job market from the pandemic. The Company will offer at least 100 jobs in the Greater Bay Area for graduates of Hong Kong tertiary institutions and 100 internship vacancies in the Greater Bay Area for Hong Kong students each year, as well as visits and exchanges. By providing broad opportunities in the field of construction engineering, young people will be able to learn advanced technologies, and even directly participate in project design and construction. This provided a base for the Group to carry out systematic talent training and development. Moreover, the Company is also committed to prompting economic development and securing local employment in Macau. It has established long-term cooperation with about one-third of Macau's local construction enterprises, and sub-contracted the vast majority of the projects to local small and medium-sized construction enterprises, offering jobs for a quarter of Macau's local construction workers.

Caring for Disadvantaged Children

Through local visits, the Group serves children in need. Taking its construction and infrastructure investment business as an example, on the basis of the original housing, the Company designed independent study and living spaces, and equipped with necessary furniture and other basic supplies, so as to improve children's living environment. In 2021, the Company has participated in the construction of 50 "Hope Hut" to brighten the dreams of poor children with pragmatic actions. It also paired children with volunteers to provide long-term companionship and counselling, and contributed to services in living and learning for the healthy growth of children.

The Group also co-organized a social welfare activity with the "TREATS", with the theme of "Home Companionship with Pandemic Prevention Kits – Action of Sending Happiness". In compliance with the requirements of pandemic prevention and control, employees of the Group visited the dormitory of special children and distributed epidemic prevention materials to them, expressing the Group's greetings and concerns to the health of disadvantaged children with practical actions.

Furthermore, the Group leveraged its advantages in property management, encouraging stakeholders to build an inclusive community together. During summer vacation, the Group's property services business held a public welfare activity for young homeowners, leading them to visit Hope Schools, elderly homes, children's homes, etc. It helped promote the traditional virtue of respecting the elderly and loving the children, sending care to the disadvantaged.



Building a Happy Life for Communities Leading a Harmonious and Prosperous Society

SDG 4 Quality Education

The Group believes in the idea of "poverty alleviation should start by enhancing the skills of the impoverished population", and quality education is the foundation for improving people's lives and achieving sustainable development. For that, the Group has been contributing to universal education through donations for the construction of schools and continuous provision of education support.

Donation to the Building of Hope Schools

Starting from 2005, the Group has been devoted to community education and has donated to build COHL Hope Schools, caring for teachers and students in poverty-stricken areas, so as to nurture the next generation with better quality for the society. Since the development of the plan, the Group has donated for the construction of 15 COHL Hope Schools, providing educational opportunities for students in developing regions of education in Mainland China.

In recent years, the Group has continued to focus on the three counties in Gansu Province, which the donation to build the China Overseas Wenjiahe Hope Primary School is one of the key tasks. In 2021, on behalf of COHL and its subsidiaries, the China Overseas Charity Fund donated over RMB 3.5 million to build the 15th Hope Primary School of COLI, namely the China Overseas Wenjiahe Hope Primary School. The primary school has a GFA of approximately of 2,174 m², which nearly 5 times larger than the area of the original school building. Also, it is equipped with various teaching facilities, including a library, a science and technology innovation centre, a natural science classroom, a music, art and sports classroom, a computer room, and a teacher's room. By building a benchmark primary school in Kangle County, the Group offers a high-quality place of education for hundreds of school-age children in the surrounding areas, enhancing quality of local education. In March 2022, the foundation laying ceremony of the China Overseas Wenjiahe Hope Primary School was held in Wenjiahe Village, Jinggu Town, Kangle County. Due to geographical restrictions and the pandemic, the ceremony adopted the "online commencement" method. Deng Xiaohua, the Deputy Head of Kangle County, Dong Yucheng, the Deputy Director of the Education Bureau, and representatives of teachers and students from the Wenjiahe Hope Primary School had attended the event to witness birth of the 15th Hope Primary School.

In addition to establishing a well-functioned learning environment for Wenjiahe Village in Kangle County, the Group adheres to "cultural confidence" and promoted "regionalism" as the planning and designing direction, combining traditional culture with the style of local residential building in Kangle County. The Group invited Academician Peng Yigang of the Chinese Academy of Sciences to give advice on the integration of traditional culture and regional characteristics, and entrusted the Gansu Institute of Architectural Design and Research for the design. With a unique regional style, the Wenjiahe Hope Primary School was awarded the Silver Muse Design Award in the United States. Meanwhile, the project implemented the design concept of "vegetation preservation", and retained the original vegetation covering nearly one-third of the site area.

Building a Happy Life for Communities Leading a Harmonious and Prosperous Society



Initiatives for Education Support and Aid

As an independently operated education business of the Group, since 2019, COHL Education has been using its practical experience, resources and capacity developed in the advanced education areas of the Greater Bay Area to conduct in-depth research on the actual situation of targeted poverty alleviation regions in Gansu, formulating and implementing specific initiatives for education support. At present, COHL Education runs 11 educational projects, with nearly 1,000 of academic staffs and more than 10,000 students.

COHL Education continued to carry out the “Spring Bud Action” in Zhuoni County, Kangle County and Kang County of Gansu Province, and further promoted the education work. Over the past three years, the “Spring Bud Action” has delivered more than 150 lectures and courses to the three counties, connecting both online and offline education scenarios to realize “education that breaks through the barrier of space”. The plan has helped a total of 11,500 teachers and students, including 109 teachers receiving special trainings in the Greater Bay Area.



Introduction of AI courses

COHL Education built an “AI science and technology classroom” in Wenjiahe Hope Primary School in Kangle County, Changba Town Central Primary School in Kang County, and Liulin No. 2 Primary School in Zhuoni County, respectively; invested nearly RMB 500,000. Each classroom can accommodate 40 students, and AI courses covering the six grades of primary school have been introduced. Meanwhile, professional trainers had carried out teaching training for school teachers, establishing long-term communication channels to ensure the efficient implementation of the courses. The project has promoted the integration of future AI education and curriculum system of rural schools, and become an important



Live-streaming teacher training

Affected by the sudden outbreak of pandemic, COHL Education adopted the form of live broadcast to conduct an online expert lecture under the initiative of “Offering Education to Gansu” for the Education Bureau officials and teachers in Gannan Prefecture, Kangle County and Kangxian County of Gansu Province. COHL Education invited four experienced education experts as lecturers to share professional knowledge, such as the new era of teacher development, education management, strategies in response to the new National College Entrance Examination, construction of a professional learning teacher team. The 7-hours one training lecture had accumulated 9,600 views, creating a precedent for online education support measures.

Building a Happy Life for Communities Leading a Harmonious and Prosperous Society



Future Education Experimental Class

In 2020, the Group has co-established the “Future Education Experimental Class” with the three counties in Gansu, providing 120 first-grade students with 6 years of science courses. In 2021, COHL Education and Shenzhen ME College set up “Future Education Experimental Classes” at Xinzhi Street Primary School in Kangle County, Tibetan Primary School in Zhuoni County and Chengguan No. 1 Primary School in Kang County respectively, to systematically introduce advanced future international science education from first-tier cities to the three counties.



About This Report

The Group understands the importance of sustainable development and is committed to implementing the concept of sustainability in its daily operations. The Group has been communicating with stakeholders from diverse background, and publishes the Sustainability Report every year to disclose its progress and related performance. The 2021 Sustainability Report outlines the management approaches, policies and measures of the Group in the three aspects of economy, environment and society, as well as its devotion and achievements in the UN SDGs.

Unless otherwise specified, this Report covers the reporting period from 1 January 2021 to 31 December 2021 (the “Year”), consistent with the financial year of the Group. The reporting scope covers the Group’s operation regarding three business areas in Mainland China, Hong Kong and Macau, and the environmental and social data are indicated according to the Group’s office operations and the three business areas. The above businesses are held by five Hong Kong-listed companies under the Group. Stakeholders can also refer to their annual sustainability reports for an in-depth understanding of the economic, environmental and social performance of each business.

Property development and operation business

China Overseas Land & Investment Ltd.	www.coli.com.hk
China Overseas Grand Oceans Group Ltd.	www.cogogl.com.hk

Construction and infrastructure investment business

China State Construction International Holdings Limited	www.csci.com.hk
China State Construction Development Holdings Limited	www.cscd.com.hk

Property services business

China Overseas Property Holdings Limited	www.copl.com.hk
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Key Performance Indicators

Environmental Key Performance Indicators⁴

Aspect	Group		Property development and operation business ⁵		Construction and infrastructure investment business ⁶		Property services business	
	Quantity	Unit	Quantity	Unit	Quantity	Unit	Quantity	Unit
Air Emissions⁷								
Nitrogen oxides (<i>NOx</i>)	6.39	kg	240	kg	2,509.90	tonne	31,473	kg
Sulphur oxides (<i>SOx</i>)	0.07	kg	19	kg	309.40	tonne	755	kg
Respiratory suspended particles (<i>RSP</i>)	0.37	kg	10	kg	147.40	tonne	485	kg
Greenhouse Gas (GHG) Emissions								
Scope 1	13	tonne of CO ₂ -e	35,356	tonne of CO ₂ -e	851,532	tonne of CO ₂ -e	33,034	tonne of CO ₂ -e
Scope 2	149	tonne of CO ₂ -e	395,344	tonne of CO ₂ -e	103,110	tonne of CO ₂ -e	536,397	tonne of CO ₂ -e
GHG emissions in total (Scope 1 and 2)	/	tonne of CO₂-e	430,700	tonne of CO₂-e	954,642	tonne of CO₂-e	569,431	tonne of CO₂-e
Scope 3	27	tonne of CO ₂ -e	5,658	tonne of CO ₂ -e	45,465	tonne of CO ₂ -e	426	tonne of CO ₂ -e
GHG emissions in total (Scope 1, 2 & 3)	189	tonne of CO₂-e	436,358	tonne of CO₂-e	978,127	tonne of CO₂-e	569,857	tonne of CO₂-e
Energy Consumption								
Petrol	44	MWh	8,464	MWh	22,897	MWh	2,293	MWh
Diesel	3	MWh	1,519	MWh	331,745	MWh	1,275	MWh
Biodiesel	/	MWh	95	MWh	/	MWh	/	MWh
Natural gas	/	MWh	159,557	MWh	6,045	MWh	134,599	MWh
Liquefied petroleum gas	/	MWh	153	MWh	1,530	MWh	1,580	MWh
Liquefied natural gas	/	MWh	/	MWh	81	MWh	1,068	MWh
Pipeline gas	/	MWh	/	MWh	1,694	MWh	/	MWh
Acetylene	/	MWh	/	MWh	758	MWh	/	MWh
Methanol	/	MWh	/	MWh	354	MWh	/	MWh
Lignite	/	MWh	/	MWh	2,099,178	MWh	/	MWh
Purchased electricity	210	MWh	466,245	MWh	186,425	MWh	884,538	MWh
Purchased heat (including hot water and steam)	/	MWh	278,239	MWh	3,981	MWh	/	MWh
Sold electricity	/	MWh	/	MWh	89,489	MWh	/	MWh
Sold steam	/	MWh	/	MWh	1,665,266	MWh	/	MWh
Renewable energy	/	MWh	/	MWh	3,810	MWh	3,720	MWh
Total energy consumption	257	MWh	914,271	MWh	899,932	MWh	1,029,073	MWh

⁴ For detailed key performance indicators and statistical methods of the Group’s subsidiaries, please refer to the subsidiary’s 2021 ESG report.

⁵ Unless otherwise specified, the data covers China Overseas Land & Investment Ltd. (Stock code: 00688.HK) and China Overseas Grand Oceans Group Ltd. (Stock code: 00081.HK).

⁶ The data covers the operations of China State Construction International Holdings Limited (Stock code: 03311.HK), a subsidiary of the Group, in Mainland China, Hong Kong and Macau, includes performance data for China State Construction Development Holdings Limited.

⁷ The emission data of the property development and operation business only includes China Overseas Grand Oceans Group Ltd. (Stock code: 00081.HK).

Key Performance Indicators

Social Key Performance Indicators

Aspect	Group		Property development and operation business ⁸		Construction and infrastructure investment business ⁹		Property services business	
	Number	Distribution (%)	Number	Distribution (%)	Number	Distribution (%)	Number	Distribution (%)
Workforce								
Total number of employees	83	/	9,197	/	14,241	/	52,220	/
By gender								
Male	62	74.70%	6,117	66.51%	11,523	80.91%	35,574	68.12%
Female	21	25.30%	3,080	33.49%	2,718	19.09%	16,646	31.88%
By location								
Hong Kong	74	89.16%			5,749	40.37%	5,479	10.49%
Macau	0	0.00%	146	1.59%	1,165	8.18%	379	0.73%
Overseas	0	0.00%			266	1.87%	/	/
Mainland China	9	10.84%	9,051	98.41%	7,061	49.58%	46,362	88.78%
By age								
30 years old or below	13	15.66%	2,664	28.97%	4,151	29.15%	14,581	27.92%
31-40 years old	29	34.94%	6,327 ¹⁰	68.79%	4,765	33.46%	27,641	52.93%
41-50 years old	28	33.73%			2,990	21.00%		
51 years old or above	13	15.66%	206	2.24%	2,335	16.40%	9,998	19.15%
By grade								
Senior management	5	6.02%	83	0.90%	35	0.25%	27	0.05%
Middle management	14	16.87%	368	4.00%	233	1.64%	207	0.40%
Executive	51	61.45%	8,746 ¹¹	95.10%	2,180	15.31%	1,897	3.63%
General staff	13	15.66%			11,793	82.81%	50,089	95.92%
By contract type								
Permanent	83	100.00%	/	/	/	/	12,713	24.35%
Contract	0	0.00%	/	/	/	/	39,507	75.65%
By employment type								
Full-time	/	/	9,197	100.00%	/	/	51,680	98.97%
Part-time	/	/	0	0.00%	/	/	540	1.03%

⁸ Unless otherwise specified, the data covers China Overseas Land & Investment Ltd. (Stock code: 00688.HK) and China Overseas Grand Oceans Group Ltd. (Stock code: 00081.HK).

⁹ The data covers the operations of China State Construction International Holdings Limited (Stock code: 03311.HK), a subsidiary of the Group, in Mainland China, Hong Kong and Macau, includes performance data for China State Construction Development Holdings Limited.

Key Performance Indicators

Aspect	Group		Property development and operation business ⁸		Construction and infrastructure investment business ⁹		Property services business	
	Number	Distribution (%)	Number	Distribution (%)	Number	Distribution (%)	Number	Distribution (%)
New Employment								
Total number of new employees	12	14.46%	1,799	19.56%	3,344	28.00%	21,337	40.90%
By gender (rate according to the relevant category)								
Male	9	14.52%	1,145	18.72%	2,751	28.00%	13,116	36.90%
Female	3	14.29%	654	21.23%	593	30.00%	8,221	49.40%
By location (rate according to the relevant category)								
Hong Kong	12	16.22%					4,593	83.80%
Macau	0	0.00%	28	19.18%	No statistics by location	No statistics by location	123	32.50%
Overseas	0	0.00%					/	/
Mainland China	0	0.00%	1,771	19.57%			16,621	35.90%
By age (rate according to the relevant category)								
30 years old or below	4	30.77%	803	30.14%	1,730	45.00%	8,188	56.20%
31-40 years old	4	13.79%	986 ¹⁰	15.58%	1,027	25.00%	8,977	32.50%
41-50 years old	1	3.57%			391	18.00%		
51 years old or above	3	23.08%	10	4.85%	196	12.00%	4,172	41.70%

¹⁰ Data for employees aged 30 from China Overseas Land & Investment Ltd. (Stock code: 00688.HK) and China Overseas Grand Oceans Group Ltd. (Stock code: 00081.HK) are included in the category of "31-40 years old".

¹¹ Including entry-level employees and general employees of China Overseas Land & Investment Ltd. (Stock code: 00688.HK) and general staff of China Overseas Grand Oceans Group Ltd. (Stock code: 00081.HK).

Key Performance Indicators

Aspect	Group		Property development and operation business ⁸		Construction and infrastructure investment business ⁹		Property services business	
	Number	Distribution (%)	Number	Distribution (%)	Number	Distribution (%)	Number	Distribution (%)
Employee Turnover								
Total number of turnovers	13	15.66%	1,827	19.87%	2,412	20.00%	14,515	27.80%
By gender (rate according to the relevant category)								
Male	7	11.29%	1,204	19.68%	1,974	20.00%	9,165	25.80%
Female	6	28.57%	623	20.23%	438	22.00%	5,350	32.10%
By location (rate according to the relevant category)								
Hong Kong	12	16.22%			1,276		4,002	73.00%
Macau	0	0.00%	17	11.64%	52	No statistics by location	230	60.70%
Overseas	0	0.00%			39		/	/
Mainland China	1	11.11%	1,810	20.00%	1,045		10,283	22.20%
By age (rate according to the relevant category)								
30 years old or below	1	7.69%	675	25.34%	1,011	26.00%	5,436	37.30%
31-40 years old	7	24.14%			816	20.00%	5,673	20.50%
41-50 years old	3	10.71%	1,115 ¹⁰	17.62%	355	16.00%		
51 years old or above	2	15.38%	37	17.96%	230	14.00%	3,406	34.10%
Average Training Hours (unit: hour)								
Total average training hours	25.70	/	88.54	/	19.60	/	42.40	/
By gender								
Male	26.10	/	88.91	/	19.80	/	40.00	/
Female	25.30	/	87.98	/	18.40	/	47.00	/
By grade								
Senior management	31.00	/	94.00	/	35.70	/	20.70	/
Middle management	27.00	/	106.00	/	20.40	/	45.00	/
Executive	26.10	/			19.60	/	35.60	/
General staff	22.00	/	174.15 ¹¹	/	19.50	/	42.50	/

Key Performance Indicators

Aspect	Group		Property development and operation business ⁸		Construction and infrastructure investment business ⁹		Property services business	
	Number	Distribution (%)	Number	Distribution (%)	Number	Distribution (%)	Number	Distribution (%)
Employee Trained								
Total number of employees trained	83	100.00%	8,383	91.15%	/ ¹²	89.00%	49,211	94.20%
By gender								
Male	62	100.00%	5,716	93.44%	/ ¹²	88.00%	31,428	88.30%
Female	21	100.00%	2,667	86.59%	/ ¹²	95.00%	17,783	100.00%
By grade								
Senior management	5	100.00%	83	100.00%	/ ¹²	85.00%	27	100.00%
Middle management	14	100.00%	368	100.00%	/ ¹²	90.00%	207	100.00%
Executive	51	100.00%			/ ¹²	85.00%	1,817	95.80%
General staff	13	100.00%	7,932 ¹¹	90.69%	/ ¹²	90.00%	47,160	94.20%
Work-related Injuries								
By gender								
Male	0	/	0	/	17	0.11 ¹³	133	0.39 ¹³
Female	0	/	0	/				
Work-related fatalities	0	/	0	/	1	0.007	2	0.004 ¹⁴
Lost days due to work-related injury	0	/	0	/	5,592	/ ¹²	7,085	15.7 ¹⁵

¹² China State Construction International Holdings Limited (Stock code: 03311.HK) did not disclose related information. Please refer to its 2021 Sustainability Report.

¹³ Work-related injury rate = (Number of injuries/Original number of total working hours) × 200,000 hours worked.

¹⁴ Work related fatality rate = (Number of work-related fatality/Original number of total working hours) × 200,000.

¹⁵ Lost day rate = (Total number of lost days/Original number of total working hours) × 200,000.