

Corporate Citizenship

The Group places high emphasis on carrying out its corporate social responsibility. While the Group pursues the maximum benefits for its shareholders, it takes into consideration issues related to social responsibility, customer services, environment protection and staff welfare.

The Community and Charity

The Group is glad to fulfil its obligations and responsibilities as a corporate citizen and put into effect the corporate mission of "Serving the Community".

Volunteer Work

The Group regularly organises volunteers to visit the elderly and the poor, to show our concerns with love and care. The volunteer team brings joy and blessing to the elderly through our performance. Activities were conducted during the Chinese New Year, on International Women Day and Mid-autumn Festival to show the Group's concern to the disadvantaged groups in the community and environmental protection.

Charitable Donation

The Group is keen to participate in a wide range of community programmes and charitable activities. During the year, the Group organised a team of 300 people to join the "Walks for Millions" and "Treasure Hunt Corporate Challenge", both organised by The Community Chest. The Group also participated in the MTR Hong Kong Race Walking and the Corporate & Employee Contribution Programme. In China, donations were made to education institutions in Xian, Tianjian and Shenyang and to cities in Guangdong province to help those affected by the natural disasters. The China State Poverty Alleviation Fund and the China Overseas Photography Association organised charitable activities to raise money to help people in need, including orphans in Tibet. Staffs are called upon to make donation and to send our care and warm thus lightening the future of the orphans.

Caring Company

In recognition of its dedication to the community services and its good corporate citizenship, the Group's subsidiary China Overseas Property Services Ltd. was named again a "Caring Company" by the Hong Kong Council of Social Service for 2 years in a row.



The Group's staff actively participate in community and charitable activities. Shown in the picture is Mr Kong Qingping, (centre) Chairman of the Group leading the staff in the Walks for Millions.



Staff spending a fun day with the elderly on the "International Women Day" to show their concern to the community.

Environment Protection

In the course of developing a property project, the Group keeps adhering to the concept of energy and resources conservation, environmental protection and sustainable development while creating an appealing and lively environment in the design stage, the Group will make sure that all measures are taken to discharge its responsibility towards environmental protection and hence also its social responsibility.

Most of the property projects in Mainland China use energy, resources and water conservation facilities and green materials. The Group endeavours to apply various means and methods to conserve nature.

Energy and Water Conservation

In the Shenzhen "Mount Canyon" project, "Solar Hot Water System" was used to supply hot water. Tap water was saved when the river water was directed to the ponds of the estate. In the "One Honey Lake" project, "Swimming Pool Stable Temperature Skill" was applied saving a big amount of energy. Both the "One Honey Lake" project and "Greenery Heights" project have passed the energy conservation test. It was confirmed that because of measures taken more than 50% of the normal energy consumption was saved.

In the "International Community" project in Chengdu, through the use of various energy conservation techniques equipment and materials, the building main body is able to conserve energy. Also, water and energy conservation can be achieved.

Reduction in Water and Air Pollution

Through the use of Mechanical Ventilation System and Biological Sewage Treatment Technology, sound and water pollution were reduced substantially.

Green Materials

The Group promotes the use of green construction materials to prevent pollution, reduce construction waste and conserve natural resources. Composite flooring is used to reduce wood consumption. Coloured glasses are used to reduce sunlight going into the houses. Lower room temperature means lower consumption of electricity on air-conditioning.

The above are just some of the examples to demonstrate the Group's commitment to environment protection and to improve the living environment to its customers. Such measures, technology and materials will be widely used in all other projects, wherever possible.



School started for China Overseas Qinglong Primary School in Shaanxi Province, construction and operation cost of which were donated by the Group.



The offices being touched up with "green plants" in the Community Chest Green Day.

Environmental Protection Measures by Property Management

China Overseas Property Management conducts activities like waste classification and recycling scrap paper, aluminum pots, old batteries, moon-cake boxes, to instill a sense of environmental protection in daily life inside the estate. The Group also promote environmental culture in the office. Targets are set on annual consumption of vehicles, electricity, paper and pens. Staff is hence encouraged to have exemplary involvement in conservation and environmental protection activities.

Human Resources

The Group firmly believes that human resource is the most valuable asset in any organization. The existing human resources department has formulated a system whereby personal development, working atmosphere and motivation for staff are all taken care of. The Group pursues to build a "learning style" enterprise. The Group aims at creating a challenging yet harmonious working environment to its staff members. It promotes life-long learning and provides training, promotion and development opportunities to its staff. The Group believes that people is the key element in an organization and is willing to share the operation results of the corporate with our staff.

Employees

At the end of 2006, the Group had a total of 6,115 employees, among which the Group's headquarter accounted for 103, property business accounted for 1,363, property management accounted for 3,191 and infrastructure business accounted for 1,458. By geographical location, there were 5,180 employees in Mainland China and 935 employees in Hong Kong and Macau. There was not much change in the total number of staff comparing to the previous year. The management staff at middle to senior level were stable and the overall staff turnover rate maintained at about 3.8%, a level lower than the market average.

In December 2006, the Group underwent the annual salary revision. After taking into consideration the general market salary level and performance of individual employee, salary for the staff in Hong Kong on average was increased by 4%. The Group continues to adopt responsibility accounting as the performance assessment basis. Staff succeeding in meeting target and with good performance are rewarded accordingly. Personal performance and reward are closely related to company performance, thus effectively motivating the staff.



The forth large-scaled cultural performance night showcased the corporate spirit of China Overseas staff, which is to advance bravely and pursue heartily against odds.



Environmental concepts are incorporated in the spatial structure and construction design of buildings. An innovative sky garden shown above.

Encourage Life-long Learning and Strengthening Training

The Group encourages and supports its staff to pursue self-improvement and life-long learning. Backing on the internal training system as the platform, the Group conduct regular internal courses. The theme for this year was "Sharing and Communication" and over 600 courses were conducted this year. Further, some construction management staff was sent to Hong Kong for training, thus started the cross-territory staff training.

The Group has training centre in both Hong Kong and Shenzhen which provide good learning environment to its staff. The Group pushed ahead with the "E-learning" scheme which offers a wide range of online courses.

Enhancing Management Skill

In 2006, the "China Overseas Institute of Management" through cooperation with reputable international investment bank, business and commerce college and management consultancy company, conducted courses on "merger and acquisition as a tool to growth", "enhancing corporate organizing capability", and "enhancing corporate governance" to senior management staff of the Group. The Institute also conducted a one-year training course to middle management with outstanding performance.

Key management staffs are offered opportunities to make overseas tour visits, to enrol in EMBA and offer courses. These activities enable them to communicate with leading entrepreneurs, renowned scholars and government officials, exposing them to the latest management philosophy and policy trend and broadening their vision.



Properties developed by the Group are environmentally friendly, providing well-planned landscaped garden and preserving the original plantations.



The Group's "Sons of the Sea" scheme, a large-scale nationwide recruitment program in China, provides the Group with talented staff for its long-term development.

Offering Good Career Prospects

Through organising comprehensive trainings and cross-regional exchanges, the Group devoted to nurturing its staff into the core members in their respective fields, thereby offering them good opportunities and prospects for career advancement.

The Group has in place a long-established talent recruitment scheme. Since 2001, the Company has been conducting large-scale campus recruitment exercises in top tertiary institutions in Mainland China every year, which has developed into a professional recruitment framework under our brand. Through the smooth running of the "Sons of the Sea" activities including "Sons of the Sea: Internship Scheme", "Sons of the Sea: Recruitment Scheme", "Sons of the Sea: Exposure Scheme" and "Sons of the Sea: Sail Scheme", the Group recruits appropriate talents from famous universities in Mainland China and overseas and built up the brand image as a prominent employer among the tertiary institutions. 150 talents due to graduate in 2007 have been recruited. The Company intends to extend the "Sons of the Sea" activities from the mainland to tertiary institutions in Hong Kong and Singapore in 3 years' time.

Caring for Staff

The Group together with the Hong Kong Polytechnics University conducted a survey on 100% of the Hong Kong staff to find out the comments of its staff on working terms and environment, adequacy of training and motivation. The results of survey were made known to all staff. This exercise was warmly welcome by the staff and is useful to the Group in setting its human resources policies and procedures. The Group organised different types of off-work staff activities, which enhanced the cohesion of the Company and created a lively atmosphere. These activities included sports games and cultural activities helped to boost team spirit, promoted inter-departmental exchanges among departments and strengthened mutual understanding and cooperation among the staff.



The Group regularly organizes different types of off-work activities to promote a lively atmosphere and healthy lifestyle.



Team spirit is strong amongst the group staff, bringing out a cohesive culture of interaction and mutual help.