



AGILE GROUP HOLDINGS LIMITED

雅居樂集團控股有限公司

(Incorporated in the Cayman Islands with limited liability) Stock Code: 3383

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021



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ABOUT THIS REPORT

Reporting Profile

Agile Group Holdings Limited (“Agile” or the “Company”) is pleased to present its sixth Environmental, Social and Governance (“ESG”) Report (the “Report”). This Report discloses in detail the philosophy, management, actions and effectiveness of the Company and its subsidiaries (“the Group”) in relation to ESG in response to the concerns and expectations of stakeholders regarding the Group’s sustainable development management.

Reporting Scope

The reporting period for this Report is from 1 January 2021 to 31 December 2021 (“Reporting Period” or “Year”). In order to enhance the comparability and completeness of the Report, it reproduced what have been reported in the past, where appropriate. This Report covers the operations of the Group.

Basis of Preparation and Data Source

This Report has complied with all the provisions of the Environmental, Social and Governance Reporting Guidance (the “ESG Guidance”) as set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) issued by The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”). The sources of data used in the Report include publicly available information, relevant internal statistical statements of the Group, third party questionnaires, administrative documents and reports, etc.

Reporting Principles

This Report discloses the Group’s ESG management performance in accordance with the “Materiality Principle”, the “Quantitative Principle”, the “Balance Principle” and the “Consistency Principle” as referred to in the ESG Guidance.

Reporting Principles	Definition	The Group’s Response
Materiality	The topics covered in the Report should reflect the Group’s material impact on the economy, environment and society, or the areas that influence stakeholders’ assessment and decision.	The Group will report when the board of directors of the Company (the “Board”) determines that ESG-related matters will have a material impact on investors and other stakeholders.
Quantitative	The Report should disclose key performance indicators in a measurable manner.	The Group insists that key performance indicators related to historical data must be measurable and the criteria and methods of calculation are described in the notes.
Balance	The Report should reflect unbiased the overall sustainability performance of the Group.	The Group has explained in detail the sustainability issues that have significant impact on the Group’s business, including the results achieved and the challenges faced by Group.
Consistency	The Group should ensure that consistent disclosure principles are used for reporting.	The Group will ensure that the scope of disclosure and reporting methods in the Report are generally consistent from year to year. Where there is a change in the statistical approach and assumptions, the Group will explain the reasons in the Report.

Access to the Report and Contact Information

You may visit the Company's official website (<https://www.agile.com.cn/>), the website of the Hong Kong Stock Exchange (www.hkexnews.hk) or the website of Singapore Exchange Securities Trading Limited (www.sgx.com) to view or download the English and Chinese versions of this Report. In the event of any discrepancy between the Chinese version and the English version, the Chinese version shall prevail.

Your comments and suggestions will help the Group to develop a sustainable development strategy for the future. If you have any questions or suggestions, please e-mail the Group at ir@agile.com.cn.

MESSAGE FROM THE CHAIRMAN

Dear all stakeholders,

Agile is pleased to present its 2021 ESG Report for the purpose of addressing concerns from our stakeholders regarding the Group's sustainability management performance.

2021 was a remarkable year for the Group. During the Year, we signed up the United Nations Global Compact and continued to implement its sustainable development strategy. In addition, we successfully issued our first sustainability bond, which was awarded a "Ba3" senior unsecured rating by Moody's and a "BBB-" international long-term issuer rating by Lianhe Ratings Global, a key step in sustainable finance. During the Reporting Period, we also formulated the Agile Property Green Development Plan, which sets out new objectives for green buildings, WELL buildings, sponge cities and prefabricated buildings, etc., taking into full consideration the environmental impact of project construction.

Products come first, harmony living between people and nature. We value the quality of our products and are concerned about the impact of our business development on the natural ecology. In the design and construction of our projects, we explore green building opportunities in the development of projects in various regions according to local conditions. With reference to the Assessment Standard for Green Building (GB/T 50378-2019), the Group has 125 projects that have met the Green Building Star Design Standard and 70 projects that have been awarded the Green Building Certification Mark. The Group has also obtained WELL Gold/ Platinum Precertification for 3 projects and applied the sponge city design concept for 82 projects.

People-oriented, permanent protection of employee value. We attach great importance to the health and safety of our employees and have firmly established the safety concept of "life first". We continue to enhance our safety management capabilities and standards through whole-process and multi-faceted control measures such as education and training, safety management, review and evaluation. At the same time, the Group implements the concept of "empathy" in dealing with people, respects human rights and advocates for the human rights principles and standards of international initiatives, including the principles of the United Nations Global Compact, the Universal Declaration of Human Rights and the United Nations Sustainable Development Goals, understands the needs and expectations of every employee, pays attention to the rights and welfare of employees, focuses on employee communication and care, and creates a fair, diverse and inclusive working environment. The results of the annual employee satisfaction survey maintain above the industry average.

The world is for everyone, and a better society will be created with joint hands. We are committed to maintaining a sound business environment, strictly abiding by ethical business standards, continuously improving ESG management and promoting synergistic development of economic, environmental and social benefits. During the Reporting Period, the Board continued to strengthen its supervision of ESG matters, placed emphasis on ESG risk identification and management, and set and reviewed ESG objectives. The Sustainable Development Steering Group under the Risk Management Committee continued to provide effective guidance and control on ESG management to facilitate the achievement of ESG objectives. We have adopted a noble code of business conduct to guide all employees and operate our business based on the principles of legal compliance, transparency and integrity, so as to create a fair and competitive business environment and maintain a clean and honest corporate image.

We have always adhered to the brand philosophy of "lifestyle of a lifetime" and the principle of "empathy" in dealing with people, always focused on people's pursuit of a beautiful life, and implemented the concept of sustainable development in various business sectors such as property development, property management, environmental protection and commercial to help achieve the global goal of "carbon peaking and carbon neutrality". In the future, we will pay more attention to product quality, improve ESG management, promote business diversification, continue to bring sustainable development value to employees, customers and investors, and work together to build a better social vision.

Chairman and President
CHEN Zhuo Lin

Hong Kong, 25 May 2022

ABOUT THE GROUP

Business Overview

Established in 1992, the Group is an integrated conglomerate adopting the operating model of “focusing on property development, supported by a synergy of diversified businesses”. The Group has always been committed to becoming a leading provider of quality living services by focusing on people’s pursuit of a beautiful life under the brand philosophy of “lifestyle of a lifetime”. After 29 years of development, the Group has formed a synergistic development pattern of several business segments, namely, property development, property management, environmental protection and commercial, etc.

- The property group of the Group (“Property Group”) has an estimated landbank of 47.37 million sq.m. of gross floor area (“GFA”) in 84 cities, with 40 new projects launched. During the Reporting Period, the Group achieved satisfactory pre-sale results in several regions in China and a total of 247 projects on sale.
- A-Living Smart City Services Co., Ltd.[^] (雅生活智慧城市服務股份有限公司) (“A-Living”) playing a key role in the property segment under the Group’s diversified development strategy, provides the Group with a full range of quality property management services. During the Reporting Period, A-Living landed an important industrial layout in urban services and completed the acquisition of the equity interest in Minrui Property Services (Shanghai) Limited (民瑞物業服務(上海)有限公司), one of the largest independent third-party property management companies in Shanghai, while strengthening its scale advantage in high-end residential, commercial office and other market segments. As at 31 December 2021, A-Living had 488.9 million sq.m. of GFA under management and 663.1 million sq.m. of contracted GFA.
- Following the development strategy of “1 Core, 4 Drivers and N Wings”, the environmental protection group of Group (“Environmental Protection Group”) focused on hazardous waste treatment while engaging in selective projects of energy and power generation, ecological industrial parks, environmental protection water treatment and ecological restoration. During the Reporting Period, the Group had 37 projects in total. Among them, 29 are hazardous waste treatment projects, 2 are domestic waste-to-energy projects, 2 are integrated industrial park projects and 4 are water treatment projects.
- The commercial business provides the properties in the portfolio with professional operating and management services, creating projects with Agile characteristics.

As at 31 December 2021, the Group’s total assets exceeded RMB316.6 billion, with operations in over 200 cities at home and abroad and 98,466 employees.

Business Segments: Property Group, A-Living, Environmental Protection Group, Commercial, etc.



Property Group **A-Living** **Environmental Protection Group** **Commercial**






Year of Establishment
1992

Business Coverage
Domestic: 200+ cities
Overseas: Malaysia, Cambodia, USA

[^] for identification purpose only

Performance Highlights of the Year

ESG Performance Highlights

<p>Green Building Certification Marks</p>  <p>70</p>	<p>Projects Applying the Sponge City Design Concept</p>  <p>82</p>	<p>MSCI ESG Ratings</p>  <p>B</p>
<p>WELL Gold/Platinum Precertifications</p>  <p>3</p>	<p>Satisfaction Rate for Sales Services</p>  <p>97%</p>	<p>Issuance of US\$314 million Sustainability bond</p> 

Index Inclusion

Listed in Hong Kong	Cross-market
Hang Seng Composite Index	Hang Seng Stock Connect China 500 Index
Hang Seng Composite Industry Index — Property & Construction	Hang Seng Stock Connect Greater Bay Area Composite Index
Hang Seng Composite MidCap Index	Hang Seng Stock Connect Greater Bay Area Guangzhou-Foshan-Zhaoqing Index
Hang Seng Composite LargeCap & MidCap Index	Hang Seng Stock Connect Greater Bay Area High Dividend Yield Index
Hang Seng SCHK ex-AH Companies Index	
Hang Seng Stock Connect Hong Kong Greater Bay Area Index	
Hang Seng Stock Connect Hong Kong Composite Index	
Hang Seng Stock Connect High Dividend Yield Index	
Hang Seng China High Dividend Yield Index	
Hang Seng High Dividend Yield Index	

Awards Received during the Year

During the Year, the Group was granted a number of industry awards for its outstanding performance in product responsibility, employment management, technological innovation and environmental protection, such as 2021 China Real Estate Productivity Brand (TOP 6), 2021 Greater China Employer of Excellence, Kerry China Top 30 Real Estate Enterprises Digital Power 2020–2021, Green Innovation 2021 and 2021 ESG Award.



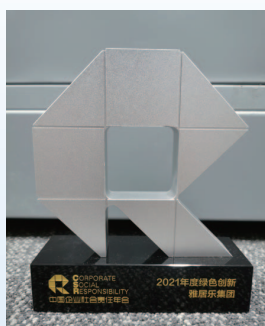
2021 China Valuable Real Estate Award – Valuable Real Estate Corporate Citizen of the Year
National Business Daily



Environmental Social Governance Award 2021
Capital Magazine



Golden Bridge Award – Top Real Estate Enterprise in Investment Value
Thinking Finance, Investor China



Green Innovation 2021
Southern Weekly



2021 Sustainability Demonstration Enterprise Award
China Business Journal and China Business Future



Corporate Green Governance Award – Corporate Mission
Green Council



Top 50 Environmental Enterprises in China
China Environment Chamber of Commerce

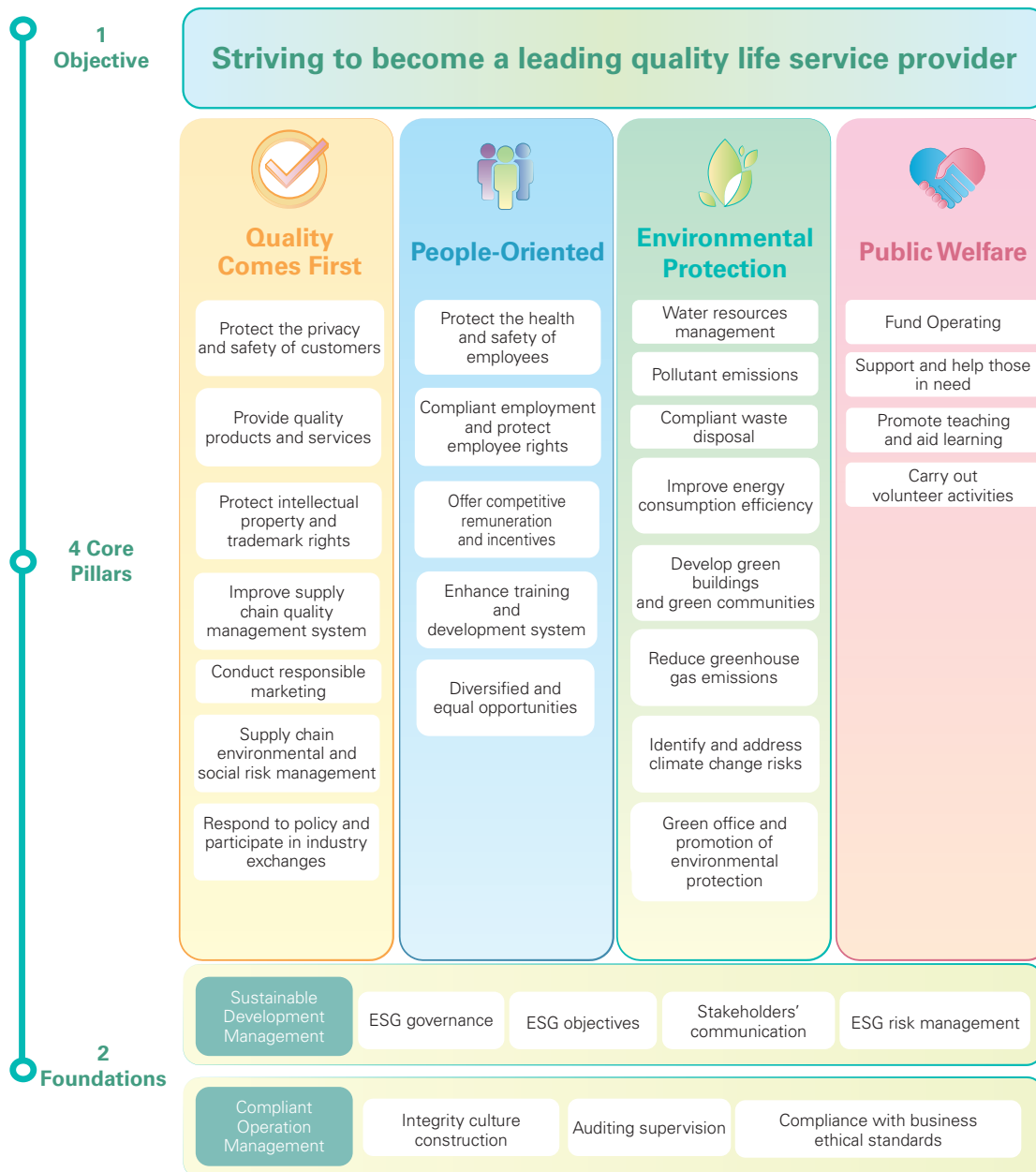
SUSTAINABLE DEVELOPMENT STRATEGY

Board Statement

The Board has overall responsibility for the Group’s environmental, social and governance strategy and reporting. The Board is responsible for evaluating and identifying the significant ESG issues of the Group, reviewing the objectives and future plan of the Group’s sustainable development, as well as assessing, ranking and managing significant ESG issues, to ensure that the ESG concepts are integrated into the Group’s business operations. It will also continuously monitor the progress of implementation of ESG objectives and regularly review the effectiveness of risk management and internal control systems, including ESG risks.

Sustainable Development Objectives

During the Reporting Period, the Group has elevated sustainable development to the strategic level. In order to realise the objective of “striving to become a leading quality life service provider”, it took “Quality Comes First”, “People-Oriented”, “Environmental Protection” and “Public Welfare” as the core pillars, and “Sustainable Development Management” and “Compliant Operation Management” as the foundations. In the future, the Group will take this sustainable development objective as one of the important bases for its daily business decisions and will continue to strengthen its own management throughout its business value chain, so as to continuously contribute to the healthy and sustainable development of the Group.



Summary of ESG Actions for the Year

During the Year, in order to achieve the Group's sustainable development objectives, the Group has carried out various sustainable development work, focusing on the following aspects:



Quality Comes First

In line with the brand philosophy of "lifestyle of a lifetime", the Group always cares about customers' aspirations for a better life, attaches importance to product quality management, and promotes the development of smart technology to lead the technological life.



People-oriented

The Group provides equal and fair employment opportunities for its employees; establishes a talent training system and continuously optimises its talent management mechanism; and sets up an internal system for occupational health to fully protect the occupational health of its employees.



Environmental Protection

The Group attaches importance to sustainable development with harmonious in economy, environment and social benefits, and continues to practise the green development concept of energy conservation and emission reduction, advocating low-carbon living, improving the living environment and creating a green future together.



Public Welfare

In line with the "empathy" philosophy, the Group has been involved in disaster relief and poverty alleviation, education and rural revitalization, and has leveraged its strengths to contribute to urban development and fulfil its social responsibilities.



Sustainable Development Management

With sustainability as a consideration for business expansion, the Group integrates environmental and social responsibility into its business operations and strives to shape a sustainable future for real estate and make the world a better place.



Compliant Operation Management

The Group has always adhered to a zero-tolerance attitude towards corruption, fostered a working atmosphere of integrity and honesty, and promoted integrity to suppliers to ensure legal compliance in the cooperation process.

SUSTAINABLE DEVELOPMENT CONCEPT AND MANAGEMENT STRUCTURE



SUSTAINABLE DEVELOPMENT CONCEPT AND MANAGEMENT STRUCTURE

Sustainable Development Concept

Upholding the philosophy of “lifestyle of a lifetime”, the Group is always concerned about people’s pursuit of a beautiful life and strives to create and realise value together with its stakeholders, including employees, customers, investors and partners, and continues to explore development and operation models that are in harmony with the environment and promote synergistic development of economic, environmental and social benefits.

Sustainable Governance Management Structure

The Group attaches great importance to the management of corporate sustainability and actively follows domestic and international initiatives and standards on ESG. The Group has established an ESG governance structure with the Board as the core of leadership to ensure that the Group has adequate and effective management capability on ESG issues. Under the leadership of the Board, the Risk Management Committee is responsible for the overall management of the Group’s sustainable development work, and a Sustainable Development Steering Group is set up to follow up on the implementation of the Group’s sustainable development work. During the Reporting Period, the Group held one Board meeting and two Risk Management Committee meetings, which focused on reporting and discussing ESG-related issues and ESG risk management, as well as the progress of ESG reporting of the Reporting Period.

The Board

- Develop the Group’s ESG vision, strategy and management guidelines;
- Identify and analyse ESG-related risks;
- Set ESG objectives, regularly review and check the reasonableness of the objectives and continuously monitor the achievement of the objectives;
- Approve disclosures in ESG reports.

Risk Management Committee

- Regularly identify, analyse and review management process through the Enterprise Risk Management (ERM) system, and identify and manage core ESG risks in ERM and integrate sustainable development issues;
- Monitor the implementation of various sustainable development measures;
- Report regularly to the Board on significant matters relating to sustainable development.

Sustainable Development Steering Group

- Daily liaison, preparation of Risk Management Committee meetings and implementation of relevant resolutions of the Risk Management Committee;
- Draft ESG-related policies and objectives, implement ESG-related plans, carry out specific ESG tasks and report regularly to the Risk Management Committee on the progress of work;
- Coordinate the communication and disclosure of information to ESG stakeholders;
- Hold ESG-specific meetings.

SUSTAINABLE DEVELOPMENT CONCEPT AND MANAGEMENT STRUCTURE (CONTINUED)



Sustainable Governance Management Structure

Stakeholders' Communication

Stakeholders' expectations and needs are helpful for Agile to identify potential risks and opportunities, guiding the direction for sustainable business growth and helping the Group to grow healthily. As such, the Group places great importance on stakeholders' communication and has developed a multi-level and highly flexible communication channel to listen and respond to stakeholders' opinions. With this Report, Agile would also like to demonstrate to stakeholders the Group's commitment and achievements in the area of sustainable development in the past year. The Group's current stakeholders' communication channels are as follows.

Stakeholders	Major Communication Channels	Major Requests	Response Measures
Government and regulators	<ul style="list-style-type: none"> Partnership projects Working committee Tax information reporting 	<ul style="list-style-type: none"> Compliance with the law Pay taxes according to the law Support local development 	<ul style="list-style-type: none"> Operate in compliance with the law Pay taxes on time and in full Actively implement relevant policies
Investors and shareholders	<ul style="list-style-type: none"> Annual general meeting Official website of the Group Investor contact number 	<ul style="list-style-type: none"> Financial performance Operational transparency Risk management and control Investor rights 	<ul style="list-style-type: none"> Improve profitability Sustain growth and guarantee returns Hold shareholders' meetings and disclose reports Regular disclosure of operational information Attend investor meetings

SUSTAINABLE DEVELOPMENT CONCEPT AND MANAGEMENT STRUCTURE (CONTINUED)

Stakeholders	Major Communication Channels	Major Requests	Response Measures
Customers	<ul style="list-style-type: none"> • Customer satisfaction questionnaire • Customer interviews • Customer communication hotline • Community activities 	<ul style="list-style-type: none"> • Service attributes • Service quality • Information privacy and safety • Protection of customer rights 	<ul style="list-style-type: none"> • Full range of personalised services • Customer privacy protection • Compliant marketing • Enhance customer communication mechanism
Employees	<ul style="list-style-type: none"> • Questionnaire and interviews • Employee representatives meeting • Employee engagement survey • Opinions feedback platform • Employee training 	<ul style="list-style-type: none"> • Defend legal rights • Career development prospects • Compensation and benefits • Healthy and safe environment • Fair promotion 	<ul style="list-style-type: none"> • Improve the remuneration system and benefit mechanism • Provide employee trainings and conduct employee activities • Enhance career promotion mechanism • Reinforce safety management to ensure health and safety • Establish a multi-channel communication platform
Suppliers and partners	<ul style="list-style-type: none"> • Supplier assessments on a regular basis • Supplier conferences • Supplier recruitment visits • Supplier skills exchange/training sessions 	<ul style="list-style-type: none"> • Collaboration with integrity • Business ethics and reputation • Win-win cooperation 	<ul style="list-style-type: none"> • Improve supplier management mechanisms, including managing environmental and social risks • Promote green supply chain development • Establish a communication platform for suppliers
Industrial associations	<ul style="list-style-type: none"> • Industry seminars and exchanges • Partnership projects • Forums and partnerships • Seminars 	<ul style="list-style-type: none"> • Promote industry development • Set industry benchmarks 	<ul style="list-style-type: none"> • Make suggestions for industry regulations • Promote sustainable development of the industry • Promote fair competition in the industry
Community	<ul style="list-style-type: none"> • Community activities • Working committee • Public information disclosure 	<ul style="list-style-type: none"> • Protect community environment • Promote community development • Social welfare activities 	<ul style="list-style-type: none"> • Practise green operations • Promote community culture • Provide local employment opportunities • Contribute to urban renewal with a focus on cultural conservation

Materiality Assessment

In order to assess stakeholders' concerns and expectations on environmental and social related issues, Agile engaged a professional independent third-party consultant to conduct this year's materiality assessment to collect, organise and analyse stakeholders' feedback, with the following steps:

Step One: Identify Issues

Agile identifies issues by:

- Conducting internal interviews
- Referring to the requirements of the Hong Kong Stock Exchange reporting guidance
- Focusing on major concerns according to ESG rating indices such as MSCI-ESG, DJSI, GRESB, etc.
- Referring to peer sustainability concerns

Step Two: Stakeholder Survey

Agile invited over 7,000 stakeholders to participate in the survey, which covered:

- Internal: Directors, executives, employees
- External: Landlords/ potential customers, tenants, suppliers, investors, media, industry organisations/ associations/ institutions, government and regulators

Step Three: Issue Analysis

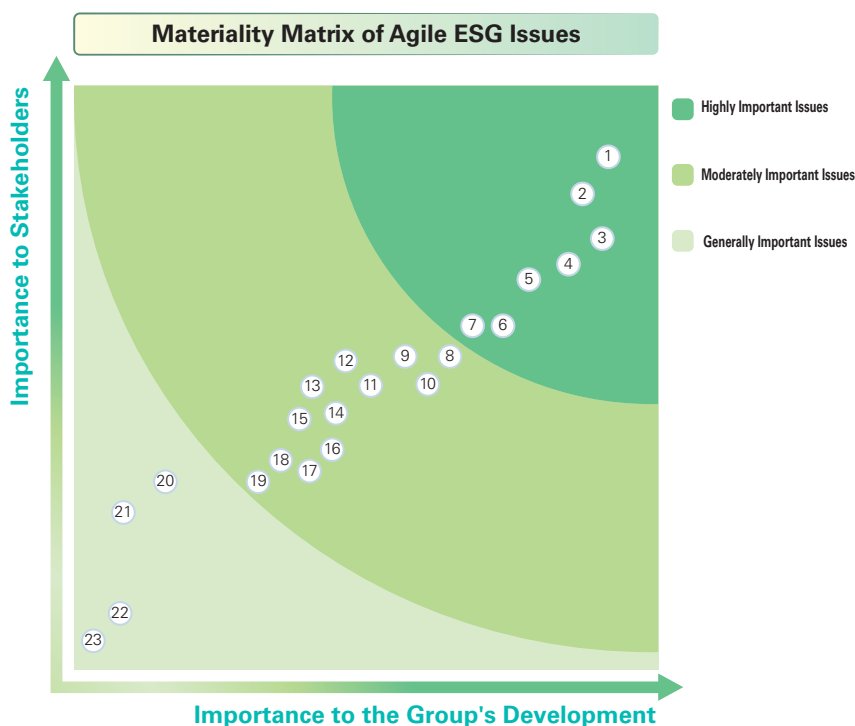
- Summary analysis of research results
- Ranking ESG issues according to their materiality

Step Four: Determine Materiality

- Determine overall materiality based on the total score given to each issue by internal and external stakeholders
- Map the ESG materiality matrix
- Disclose in this Report the issues of key concerns to stakeholders

Results of the Comprehensive Assessment of Material Issues for 2021

Materiality	Rank	ESG Issues
Highly Important Issues	1	Provide quality products and services
	2	Guarantee the health and safety of employees
	3	Compliance with business ethical standards
	4	Promotion of green office and environmental protection
	5	Integrity culture construction
	6	Protect customer privacy and information safety
	7	Compliant employment and protect the rights and interests of employees
Moderately Important Issues	8	Safeguard interests in intellectual property rights and trademarks
	9	Provide competitive salary and motivate mechanism
	10	Enhance training and development system
	11	Diversified and equal opportunities
	12	Develop green buildings and green communities
	13	Improvement of energy consumption efficiency
	14	Reduce greenhouse gas emissions
	15	Carry out responsible marketing
	16	Respond to policies and participate in industry exchanges
	17	Supply chain environmental and social risk management
	18	Enhance quality management system of supply chain
	19	Compliant disposal of waste
Generally Important Issues	20	Pollutant emissions
	21	Participate in charity and voluntary activities
	22	Water resource management
	23	Identify and respond to climate change risks



COMPLIANCE AND RISK MANAGEMENT



COMPLIANCE AND RISK MANAGEMENT



Important Issues Responded to in this Section

Integrity culture construction
Compliance with business ethical standards

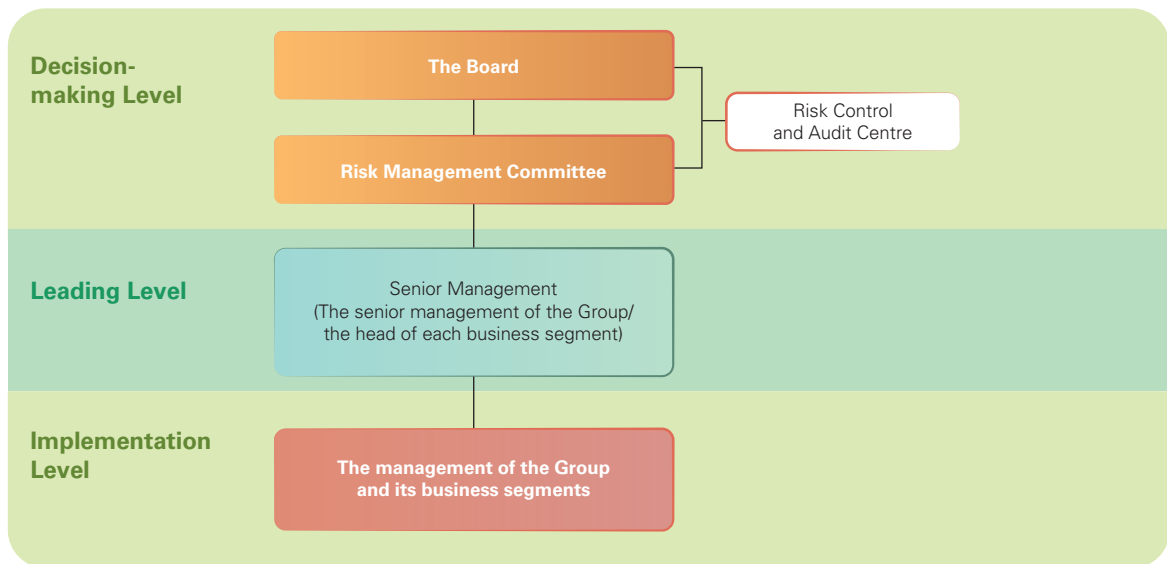
Internal Risk Control

Internal Control Mechanism

The Group is committed to protecting the interests of its shareholders and complies with its Memorandum and Articles of Association in accordance with the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. The Board and its Audit Committee, Nomination Committee, Remuneration Committee and Risk Management Committee oversee the implementation of corporate governance. The Group continues to improve its internal control mechanism, with the Audit Committee responsible for financial audit monitoring and the Risk Management Committee responsible for monitoring risks including those relating to ESG.

Risk Management Mechanism

The Group has established a comprehensive risk management framework, continuously improved the Risk Management System of Agile Group Holdings Limited and implemented a closed-loop risk management process that includes procedures for identification, response, monitoring, aggregation and reporting to continuously monitor and manage risks. The Board is responsible for overseeing the design, implementation and monitoring of risk management of the Group by the management. The Risk Management Committee under the Board is responsible for reviewing and formulating the risk management framework, reviewing and assessing the effectiveness of the Group's risk management framework, and monitoring the implementation of risk controls to ensure their effective implementation.



Risk Management Organizational Structure

COMPLIANCE AND RISK MANAGEMENT (CONTINUED)

At the same time, the Group continued to improve the three lines of defence in risk management, clarify the responsibilities and obligations at each level, to achieve regular management of risks and further enhance the Group's risk management level.



Departments on the first line of defence for risk management (frontline business departments)

Responsible for formulating relevant defence response plans for its business, implementing the Company's systems, codes, guidelines and other risk management measures in day-to-day operations, paying attention to and reporting on various risks during the course of operation, self-examining the standardisation and control defects of business execution, and implementing corrective measures to remedy defects and reduce risks



Departments on the second line of defence for risk management (operation/ legal affair/ finance, etc.)

Responsible for formulating risk management strategies from a professional perspective, guiding and supervising the implementation of risk management measures in frontline business departments, and conducting comprehensive evaluation of risk control effectiveness to continuously improve risk management



Departments on the third line of defence for risk management (the Risk Control and Audit Centre of the holding company)

Responsible for facilitating the building of Risk Management System of Agile Group Holdings Limited, and assisting each department to regularly assess core operational risks, set early warning indicators, continuously monitor the trend of changes in indicator data, and issue risk warnings

Implementing Audit Supervision

The Group's Audit Committee oversees the internal audit and monitoring, reviews and evaluates the effectiveness of the Group's internal control procedures, and improves the internal control procedures in a timely manner, taking into account the external auditor's assessment of internal controls and management recommendations. A dedicated department responsible for risk management and audit continuously monitors the compliance of the Group's procedures in each department and supervises the implementation of the Group's financial management and the effective use of funds to avoid embezzlement risks. The scope of the Group's audit monitoring has covered Agile and all its subsidiaries.

Remuneration Linked to Sustainable Development

The Group is committed to integrating sustainable development strategies into the Corporate Risk Management System of Agile Group Holdings Limited and has established an appraisal mechanism linking ESG performance to executive remuneration in the Risk Management System of Agile Group Holdings Limited, with appraisal indicators covering performance targets for health and safety and energy management.

- The Group regularly reviews the risk management performance of the relevant businesses, and grants performance bonuses related to risk management (including ESG risks).
- The annual risk management results are directly linked to the annual performance of each relevant business executive and are used as a deduction in the annual performance.

Integrity Culture Construction

As a member of the China Anti-corruption Enterprise Alliance, the Group has always maintained a zero-tolerance attitude towards corruption. The Group strictly complies with the relevant laws and regulations in the regions where it operates, including the Anti-Unfair Competition Law of the PRC, and the Company Law of the PRC, etc., and continuously develops and enhances Anti-corruption System and the Code of Business Conduct, to lower the risks of fraud and commercial bribery and to firmly prevent bribery, extortion, fraud and money laundering.

Promoting Whole-process Integrity Construction

In its day-to-day management, the Group manages employee integrity information at source, standardises anonymous reporting channels and handling procedures and adopts incentive and protection mechanisms for whistleblowers to promote the Group's integrity throughout the process.



Information Declaration and Early Warning Monitoring

- By the end of 2021, the Group organised a total of 18,000 employees in the headquarters and various industrial groups to complete an online declaration of integrity-related information, and used information technology to conduct early warning and monitoring of possible conflicts of interest.



Reporting Channel

- The Group has set up a unified integrity monitoring email address (lianzheng@agile.com.cn) and a hotline (020-88839935) to receive anonymous and real-name reports.



Reporting Handling Procedure

- Receive complaints and reports → Register, sort and classify → The Risk Control and Audit Centre conduct investigations on suspicion of integrity and discipline violations → For general integrity and disciplinary cases, send direct OA notification to disclose the investigation results. For major integrity and disciplinary cases that need to lodge a report with judicial authorities, the Chairman of the Board of the Group will approve the report before sending.



Incentive Mechanism for Whistleblowers

- If integrity and discipline violations reported and exposed by whistleblowers are proven to be true and result in the Group successfully recovering economic losses of less than RMB100,000, each case will be rewarded RMB2,000; if the Group successfully recovers economic losses of RMB100,000 or more due to whistleblowing, each case will be rewarded at 2% of the recovered loss.



Protection Mechanism for Whistleblowers

- Regardless of whether the problem reflected in the complaint report is verified or not, the personal information of the whistleblower is protected by the Group's Confidentiality System. Employees who leak information about the whistleblower, leak integrity investigation process and material, threaten or retaliate against the whistleblower, will be demoted and given a major demerit, or dismissed in serious cases, or, if suspect that a crime has been committed, will lodge a complaint with report to public security bureaus for investigation.

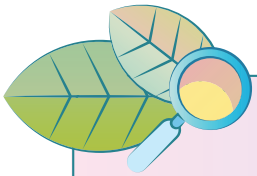
COMPLIANCE AND RISK MANAGEMENT (CONTINUED)

Integrity Culture Promotion

The Group attaches importance to the promotion of integrity culture to senior management, member enterprises and suppliers, etc.. Agile requires its directors and senior management to participate in the annual integrity oath-taking and sign the Anti-corruption Management Responsibility Certificate; promotes awareness of integrity culture to mergers and acquisition and partner enterprises and conducts integrity promotion activities for member enterprises to reinforce the integrity atmosphere; and conducts integrity culture promotion at supplier conferences by showing integrity promotional films and other forms to create a culture of integrity in the supply chain.

At the same time, the Group actively promotes compliance and integrity requirements to its suppliers through the formulation and implementation of internal management systems such as the Supplier Management System to prevent corruption, bribery, fraud and deception in its cooperation with suppliers. At the same time, the Group requires its suppliers to establish anti-corruption policies for their supply enterprises in parallel and to carry out relevant anti-corruption procedures and measures. At the stage of supplier qualification and contract signing, the Group consistently requires suppliers to sign an Anti-corruption Agreement (except for companies exempted from signing) and specifies various penalties to eliminate the possibility of any misconduct arising in the supply chain. In addition, the Group's Risk Control and Audit Centre is responsible for receiving and handling integrity reports from suppliers, proactively accepting their supervision and striving to create a positive and transparent supply chain environment.

100% of the suppliers have signed the Anti-corruption Agreement



Case: Oath-taking of Integrity and Signing of Anti-corruption Management Responsibility Certificate

At the Agile 2021 Annual Work Conference, Mr. Chen Zhuo Lin, Chairman and President of the Board, presented the Anti-corruption Management Responsibility Certificate to the heads of various business segments to clarify their responsibilities for integrity management. More than 400 executives from the management of the holding company, functional units and business segments took an oath of integrity to reinforce the awareness of integrity among executives and to establish a firm line of defence against corruption.

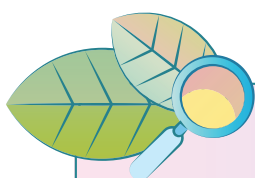


Senior Management Integrity Oath-taking

Anti-corruption Training

The Group actively organises anti-corruption training and requires all the employees of the Group to attend at least one integrity training session to promote the construction of integrity culture on a daily basis and to promote the spirit of integrity. In addition, Agile also provided anti-corruption training to directors through monthly integrity reports, quarterly work meetings and OA columns. During the Year, the anti-corruption training figures are as follows:

	Anti-corruption Training Provided for Directors and Employees			Training hours	Average training hours
	Total number of employees	Number of trained employees	Percentage of trained employees		
Directors	12	9	75%	18	1.5
Employees	39,325	39,000	99%	45,000	1.14



Case: Staff Integrity Training

In 2021, the Group carried out integrity trainings for directors and employees, including the promotion and implementation of the integrity system, special training, induction training for new employees, etc. More than 39,000 employees participated in the trainings, which has further improved employees' awareness of integrity, making them more vigilant against corruption.



Integrity System Seminar

QUALITY-BASED, TECHNOLOGY-ASSISTED



QUALITY-BASED, TECHNOLOGY-ASSISTED

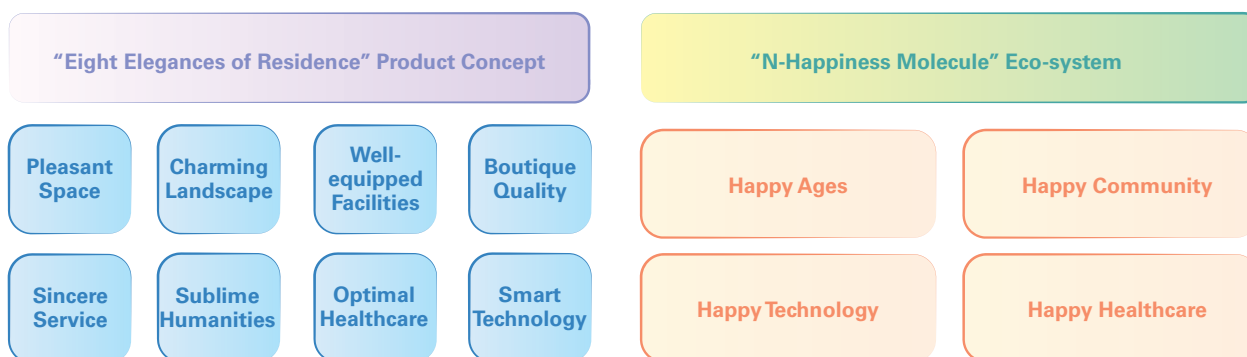


Important Issues Responded to in this Section

- Provide quality products and services
- Protect customer privacy and information safety
- Safeguard interests in intellectual property rights and trademarks
- Carry out responsible marketing
- Enhance quality management system of supply chain
- Supply chain environmental and social risk management
- Respond to policies and participate in industry exchanges

Strict Control of Product Quality

The Group adheres to the brand concept of “lifestyle of a lifetime” and always pays attention to customers’ aspiration for a beautiful life, attaches importance to product quality management, while sparing no effort in seeking innovation and breakthroughs. The Group adopts the “Eight Elegances of Residence” product concept and the “N-happiness molecule” eco-system are the principles upon which Agile creates and interprets unfettered lifestyle, strictly controls the quality of its projects to create a quality life for its customers. At the same time, the Group has upgraded and iterated the “5S+” lifestyle service system (Smile+, Serve+, Share+, Support+ and Satisfy+), which is applied to the full cycle of customers from apartment tours to moving in, in order to contribute to the development of urban construction with high quality and make urban life better.



Quality Management Regulations and Policies

Quality and safety are the lifeline of the Group, which strictly abides by the laws and regulations of the regions where it operates. For its business operations in Mainland China, the Group will also have to comply with, in particular, the Product Quality Law of the PRC, the Urban Real Estate Administration Law of the PRC, and formulates and implements the internal management system in accordance with technical specifications of the construction industry, such as Residential Construction Drawing Design Guide, Unified Promotion Practices for Construction of Agile Property Group, Unified Standard Atlas of Civilised Construction, and Manual for Prevention and Control of General Quality Problems, clearly regulated standards relating to construction quality. At the same time, the Group has established a full-cycle quality management system and its industrial companies have further worked out detailed operation guidelines to form a standardised quality management system in combination with the actual business operation.

In 2021, the Group vigorously developed smart construction sites, carried out IoT upgrade for Agile Cloud, and implemented tower crane safety monitoring and hook visualisation kits, intelligent unloading platform monitoring systems and online inspection systems at construction sites, to support the implementation of product quality management. During the Reporting Period, the Group’s projects won a total of 96 national, provincial and municipal product quality awards for excellent performance in the industry, with no product quality-related violations occurred.

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)

4 AIOT (Artificial Intelligence of Things) Intelligent Hardware

Face recognition real-name labour management

Face recognition attendance, face recognition, real-time access data of personnel with ID etc.

Artificial intelligence monitoring management

Parking violation capturing, Pan/Tilt/Zoom (PTZ) control, helmet identification, alarm for cross-border emergency response etc.

Environmental monitoring

Real-time data, over-value alarm, threshold setting, sprinkler linkage

Intelligent machinery management

Mechanical condition monitoring, cab monitoring, hook visualisation etc.

3 Digital Management Systems

Big data analysis warning system

Safety warning, violation analysis, utility analysis etc.

Labour big data management and blacklist system

Labour real name system, work type statistics, labour blacklist etc.

Timing patrol system

Special equipment, designated temporary electricity, fixed hazard source

Product Quality Awards Awarded to the Group in 2021 (Partial)



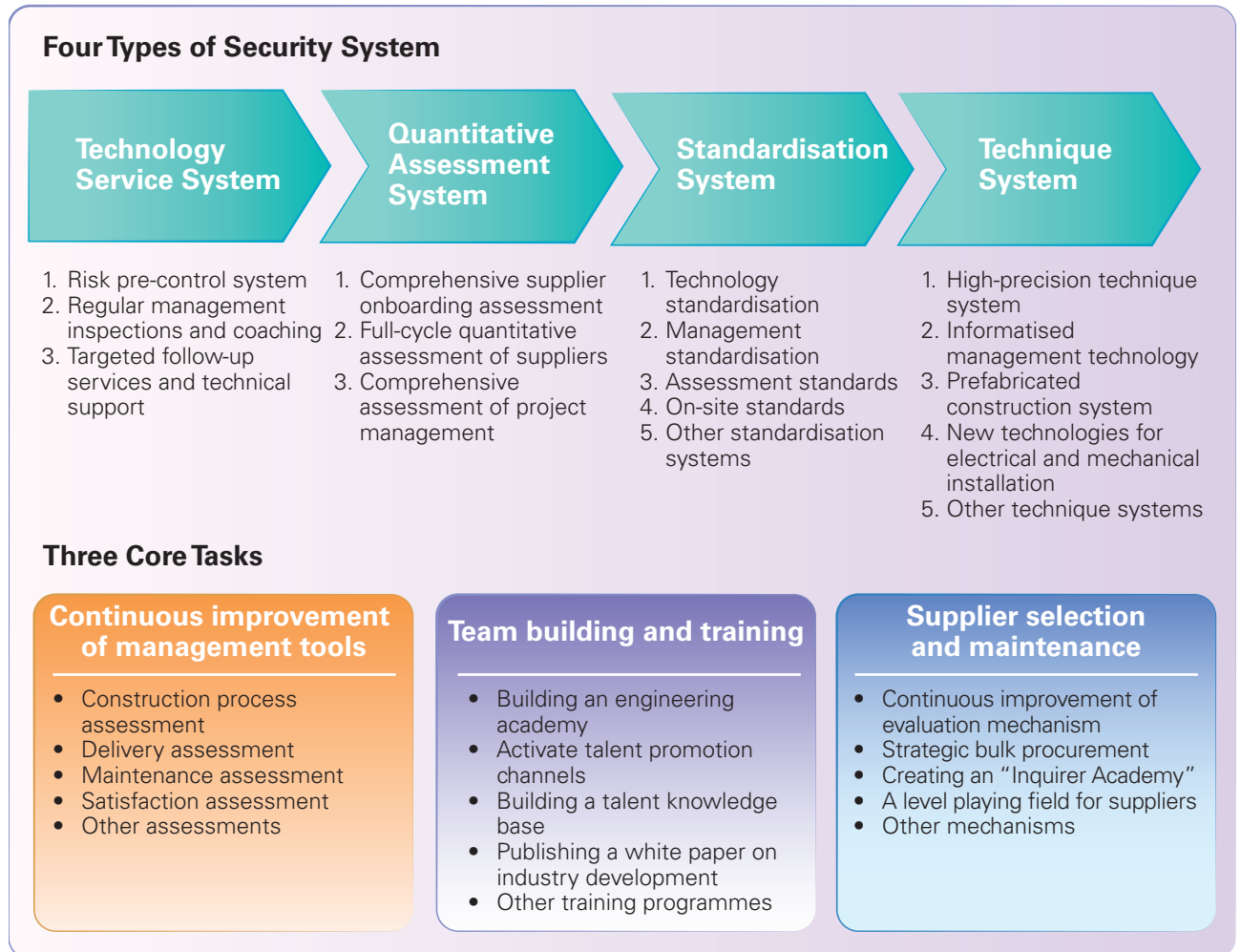
China's Outstanding Brand of Real Estate Products in 2021 (TOP 6)
China Real Estate TOP 100 Research Team



China's Top 100 Real Estate Enterprises in 2021 (TOP17)
China Real Estate TOP 100 Research Team

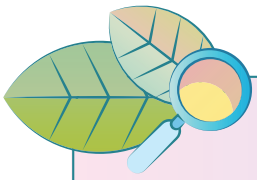
Construction of Full-cycle Quality Management System

The Group fully implements the “Quality House” management logic, builds and enhances the “four types of security systems” and “three core tasks”, carries out a full-cycle of quality management from stages of planning, support, pile foundation and earthwork, basement and main body, roughing-in, fine fitment and landscaping to completion and delivery, and uses the “six horizontal and six vertical” schedule management methods to precisely manage nodal pre-control, construction start time and completion time, so as to achieve the whole process of quality control and ensure safe and reliable product quality.



“Four Types of Security System + Three Core Tasks”

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)



Case: Operation "Skynet" for Pile Foundation

The Group has enhanced the quality control of its construction projects through the use of "Skynet" video, a pit safety monitoring technology. Agile requires at least four "high-speed dome cameras" with 360° rotation to be installed in each section of the project to ensure full coverage of the construction operation surfaces of piles, anchor cables and bolts, so as to effectively control the quality risks of piles and further improve the quality of pile foundation.

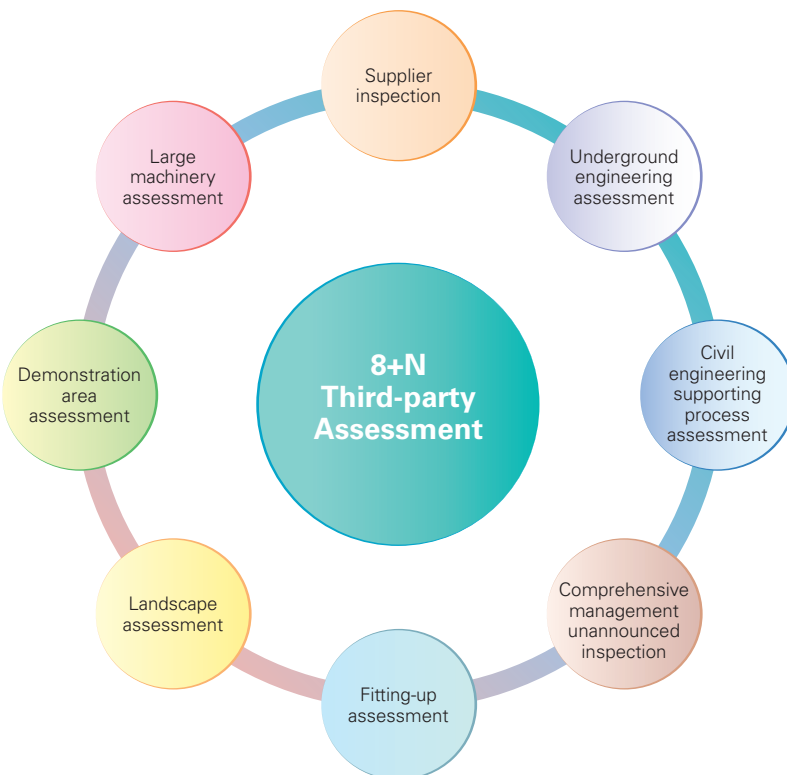
The "Skynet" video surveillance equipment can be adjusted in the mobile phone APP "Agile Cloud", so that the project manager can monitor the quality of the project remotely and in real time.



Monitoring from mobile phone APP "Agile Cloud"

Third-party Assessment

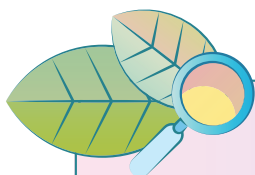
The Group conducts all-round, full-coverage and airtight unannounced inspections of projects through a highly professional third-party company in the industry, using the "8+N" assessment methodology, and publishes and analyses the assessment results, forming a briefing on the results to continuously summarise experience and share excellent project practices to ensure the quality of project product delivery.



Third-party Assessment Methods and Key Points

Industry Communication

During the Year, the Group conducted in-depth exchanges and established good cooperative relations with outstanding smart elderly care operation service companies in the industry, Tsinghua University, China Academy of Building Research, etc., to jointly promote product innovation and create a beautiful life for customers.

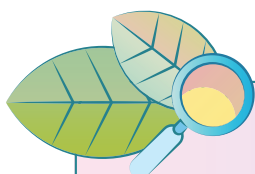


Case: Agile and C-Life Form Partnership to Create Healthy Life

In March 2021, Property Group visited C-Life Shenzhen and held an in-depth discussion and in April 2021, a formal partnership was established. This collaborative research aims to help residents to achieve the goal of healthy life by creating a comfortable indoor environment, which reflects the requirements of the Property Group for product health.



In-depth Exchange between Property Group & C-Life



Case: Exchange Experience with Anxin-Panasonic Consortium to Promote the Development of Health Care

The Property Group visited the Anxin-Panasonic Consortium's product showroom in Beijing in January 2021 and started cooperation on Hainan Clearwater Bay. Hainan Clearwater Bay, a recreational and healthy community built by Agile, is an all-dimensional blend of natural resources such as spring, sea, plants and sunshine, and a pioneering combination of smart home and Panasonic's advanced technology to create a quality life full of vitality and health, redefining the living experience of a coastal wild garden and allowing life to grow organically in nature.



In-depth Exchange with Anxin-Panasonic Consortium

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)

Green Healthy Buildings

The Group is committed to building sustainable planning/ construction/ operation standards with a focus on the creation of healthy human-centred residential buildings. During the Year, the Group formulated a medium to long-term plan for green development, actively embraced green building standards and WELL construction standards, explored “prefabricated buildings” and built “sponge cities”, strived to take responsibility for Environmental Protection in the development and operation process, and insisted on providing a green and healthy lifestyle for the public.

Medium to Long-term Plan for Green Development

2021	1) Typical Project Green Building 2 Star/WELL Certification
2022	1) 100% of Agile property development projects in 2022 will be designed according to Agile’s Green Building Standards/ Healthy Building Standards 2) Full application of new materials and technologies
2025	1) More than 30% of the green floor area is designed in accordance with Agile’s 2-star green building standard 2) Application of sponge city design concept and technology accounts for more than 80% 3) Use of prefabricated techniques accounts for more than 80%
2030	1) More than 80% of the green floor area will be designed in accordance with Agile’s 2-star green building standard 2) Application of sponge city design concept and technology accounts for more than 90% 3) Use of prefabricated techniques accounts for more than 90%

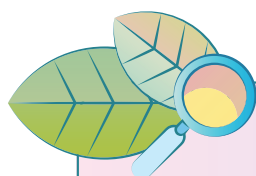
In addition, the Group strictly complies with the Land Management Law of the PRC, the Urban Real Estate Administration Law of the PRC, the Regulations of the PRC on Nature Reserves and other relevant laws and regulations, and undertakes never to encroach on green land, farmland, nature reserves etc., so as to minimise the adverse impact of its business operations on biodiversity and ecosystems.

Green Buildings

The Group actively pays attention to green building-related policies and technical specifications in the regions where it operates and prudently assesses green building opportunities in the development of projects in various regions. At the same time, the Group has always implemented the national standard “Assessment Standard for Green Building” (GB/T50378-2019) issued by the Ministry of Housing and Urban-Rural Development of the People’s Republic of China for project design and construction, formulated and implemented the Agile Property Green Development Plan, adhered to the design principles of “passive priority, active optimisation, design coordination and energy conservation”, and actively promoted the development of green buildings.

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)

As at 31 December 2021, the Group's achievements in green buildings are as follows:



Case: Agile Green Building Design Project – Agile City Center Villa Wuxi

With green and healthy as its focus, Agile City Center Villa Wuxi introduced green design and smart devices to enhance the health and well-being of its residents. Key initiatives include:

- Integrated design of civil and renovation utilisation for all households;
- High efficiency air-conditioning systems; some adopting multi-connected air-conditioning systems, with Integrated Part Load Value (IPLV) higher than current national standard by more than 16%
- A set of integrated solar water heater is installed on the roof, assisted by gas or electricity. The solar heat collection area of each household is 2 sq.m.. A total of 356 households have adopted the solar water heating system, accounting for 28.4% of the total households.
- Toilets, spouts and showers are all Class II water-saving appliances;
- An outdoor rainwater recycling system is set up, and the recycled rainwater is used for greening and watering.



Agile City Center Villa Wuxi

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)

WELL Buildings

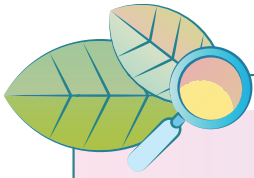
By reference to the dual authoritative standard system of WELL Construction Standard and Healthy Construction Evaluation Standard (T/ASC 02-2016), the Group has established internal standards for healthy living areas from two major aspects, namely indoor health and community health, and ten dimensions, including environment, vitality, air and water, to create healthy residential products and enhance people’s health and well-being. In addition to the application of indoor health equipment, the Group also introduced green and healthy design concepts to the master plan and layout design, including adopting ventilation and lighting indicators higher than the national standard to guide the project planning and layout design, so as to reduce the reliance on equipment in the later operation of the project, for example:

- Introducing a more advanced dynamic lighting concept, which is more practical than the national standard lighting coefficient requirements and more closely related to the actual use experience of residents, thereby reducing the time for the residents to turn on the lights;
- Considering the correlation between wind speed and thermal comfort, a fluid simulation of indoor wind speed in the summer/ transitional season with windows open is carried out, in anticipation that the indoor wind speed will be controlled between 0.3 m/s and 0.9 m/s for physical comfort by optimising the relationship between buildings, orientation, window opening size and window opening direction, so as to increase the upper limit of comfort temperature and reduce the dependence on air conditioning;
- Through the creation of a healthy community environment, residents are encouraged to go outside, be active and socialise, and achieve psychological and social wellbeing.

As of October 2021, 3 projects have obtained the WELL Gold/ Platinum Precertification.

Project Name	Certification/ Level Awarded
Hainan Clearwater Bay	WELL Gold Precertification
Agile Jinshang Yachen Chegndu	WELL Gold Precertification
Agile Jingshang Yachen Changzhou	WELL Platinum Precertification

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Case: Agile Healthy Residential Project – Hainan Clearwater Bay

The Group’s Hainan Clearwater Bay-Chun Xiao introduces the WELL construction health concept to create a low-density community of seven-storey garden houses in the hinterland of the bay area between the mountains and the sea, and is committed to organically combining the residential, living and spiritual and cultural needs of its owners. The project has the following features:

- Scientific Scenic Positioning: secure the best site selection for the activity area through scenic analysis;
- Natural and Wild Gardens: nearly 100 species of tropical plants create an original and stunning rainforest landscape and five-sense gardens;
- Vibrant Community: intelligent facilities and log equipment provide a healthier and more environmentally friendly activity area;
- Smart Healthy Space: F Four-star Plywood, smart physical testing facilities, barrier-free design and innovative living concepts to take care of residents.



Vibrant Community Diagram

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)

Sponge Cities

With extreme weather conditions and changes in precipitation brought by global climate change trends, maintaining and enhancing the resilience of the urban water cycle has become a common concern for all relevant industries. The Group has actively introduced the concept of sponge city design to enhance the resilience of the water cycle in the areas where the projects are located and to improve the livability of the neighbourhoods; it has also actively conducted research on sponge city technologies and applied some of the research results to the development process. Its design principles include:

Sponge City Design Principles



The principle of combining centralisation and decentralisation

Set up rain gardens based on the centralised green space system within the base, set up depressed green spaces and grass swales based on the scattered appendage green land, and build a rich base sponge rainwater system through the combination of concentration and decentralisation.



The principle of green before grey, above ground before underground

The organisation of rainwater runoff is prioritised through above-ground green infrastructure for infiltration, retention and purification. Rainwater that exceeds the standard or cannot be controlled through low impact development facilities is transferred through the pipe network to the terminal storage ponds.



Construction of two types of rainwater collection systems for roofs and pavements

Rainwater from roofs enters the surrounding concave facilities through disconnection devices, or is collected through pipes into the terminal storage ponds for dissipation; rainwater from roads and pavements is transferred through cross-slope control and grass swales, and preferentially enters the rain gardens or sunken green areas, with excess rainwater then discharged through the underground pipe network.



The principle of improving the resourceful use of rainwater

Make full use of the purification effect of the green facilities and the function of the supporting purification facilities of the transfer ponds to store the purified rainwater for reuse.

As at 31 December 2021, the achievements of the Group's sponge city construction are as follows:

Year 2020
the Sponge City Design Concept
was Introduced

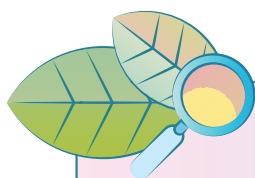
82
Projects Apply the Sponge City
Design Concept

55%
of the Project Design Area Includes
the Sponge City Design Concept

Prefabricated Buildings

Prefabricated buildings has the characteristics of environmental protection, safety and full dry operation, and rapid assembly, which not only effectively improves the quality and progress of projects, but also significantly reduces the secondary pollution caused by traditional construction. The Group has adopted the “three steps and one method” (three steps: control at the planning stage, control at the decoration design stage, control at the component design stage, and one method: application of Building Information Modelling technology) to control the integrated design of prefabricated buildings. At present, the Group has already applied a large number of prefabricated decorations to real estate projects, and will also extend the use to health care facilities such as hospitals and nursing homes in the future.

In 2021, the Group applied prefabricated construction technology in 37 projects, with the area of prefabricated buildings reaching 2.97 million sq.m..



Case: Shanghai Agile Sheshanwang

The Group has adopted the prefabricated construction techniques in Shanghai Agile Sheshanwang, with a prefabricated rate of 40%. While ensuring the quality of the project, it fully reflects the advantages and strengths of prefabricated buildings, key features of which include:

- Laminated floor: It has the dual advantages of prefabricated floors and cast-in-place floors: it not only has good overall rigidity and superior seismic performance, but also saves steel, wood and cement, and it’s convenient for construction with a shortened construction period;
- Prefabricated stair slab: It is more aesthetically pleasing than cast-in-place stairs, and can improve construction efficiency, reduce environmental pollution, ensure the strength of concrete, improve project quality, and effectively reduce hidden dangers such as substandard quality caused by uneven labour quality;
- Prefabricated exterior wall: no masonry or stucco on the exterior walls; the accuracy of openings is improved through prefabrication of door and window openings; common quality problems such as cracking and leakage of the secondary masonry walls are avoided; reduction of reinforcement tying and formwork in the cast-in-place section for the benefit of the environment.



Laminated Floors



Prefabricated Stair Slabs



Prefabricated Shear Walls

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)

Project Safety Management

The Group takes full responsibility for safety work, firmly establishes the safety concept of “life first”, continuously improves the Group’s safety capability and safety level, and builds a long-term mechanism for safety work. The Group’s Sustainable Development Steering Group is responsible for the formulation of health and safety management strategies and performance reviews, and regularly reviews the effectiveness of health and safety-related policies.

Construction of Safety Management System

The Group actively promotes the development of safety management system and complies with the relevant laws and regulations in the regions where it operates. For example, the operations in Mainland China comply with Production Safety Law of the PRC, Fire Protection Law of the PRC, Emergency Response Law of the PRC, etc. In addition, the Group has formulated internal management systems such as Safety and Quality Red Line Management and Red Light Early Warning Management of Engineering Quality and Safety Risks with reference to the requirements of the Occupational Health and Safety Management System (OHSAS) 18000/ ISO 45001 standards, and also formulated and strictly implemented control measures such as engineering technology, safety management, education and training, individual protection, emergency response, internal and external safety inspection and safety assessment through the identification and assessment of hazardous and harmful factors, so as to minimise the health and safety risks to employees, suppliers and partners.

At the same time, the Group has formulated a Health and Safety Management Policy with reference to the basic principles and initiatives of the United Nations Global Compact to clarify the Group’s overall management commitment, principles and methods for health and safety, and to incorporate health and safety management performance into the evaluation of the Group’s senior management remuneration to ensure that health and safety-related prevention, control and management measures are effectively implemented.

The Group adheres to the basic policy of “construction safety first” and has formed a three-tier Environmental Health and Safety (EHS) management structure, with “industrial group — regional — project company” as the main body, to supervise and guide the Group’s industrial companies and contractors to continuously improve project safety management, and strive to provide customers with comprehensive, safe and secure products and services.

A-Living

A-Living has established and implemented internal management systems such as Safety Management Regulations for Barrier-Free Facilities, Code of Practice for Operational Safety Management and Emergency Preparedness and Emergency Response Control Procedures to regulate safety monitoring, assessment and management, accountability and contingency planning, providing effective and comprehensive guidelines for the Group’s safety management. During the Reporting Period, A-Living also launched a new “5 Points Campaign”, such as upgrading the safety prevention facilities and equipment, introducing auto access gates and surveillance cameras for falling objects, and improving the community monitoring system to further enhance community safety.

A-City Technology

A-City Technology has formulated management systems such as the Engineering Bottom Line Management Approach, set up general engineering, technical quality, safety and civilised standards and codes of conduct and management bottom lines, and regularly conducts engineering training and strict approval of the content of safety management and protection in construction plans to strengthen the process management of engineering projects in each professional company and promote standardised quality and safety management. In addition, A-City Technology is actively promoting system certification for projects under construction. Several of its projects have obtained the Environmental Management System Certification ISO 45001, Occupational Health and Safety Management System Certification ISO 45001 and the Quality Management System Certification ISO 9001, and will continue to promote the systemization of safety management in its partner companies.

Environmental Protection Group

The Environmental Protection Group EHS Centre publishes and publicises the Group's EHS management system every year, and provides real-time updates to the Group's EHS regulations database, enabling the sharing of the Group's EHS resources. In addition, the Group's internal management systems, such as the EHS Responsibility System of Environmental Protection Group, Management System for Sudden Safety and Environmental Accidents and Safety Management Manual, were revised and newly established during the Year to further improve the regulation of safety management and to effectively implement safety management requirements by actively promoting management system certification. The Environmental Protection Group also carried out risk and hazardous factor identification, risk assessment and safety measures and recommendations through initiatives such as safety pre-evaluation reports to ensure project safety. During the Reporting Period, a number of projects in the Environmental Protection Group have obtained ISO 14001 Environmental Management System Certification, ISO 45001 Occupational Health and Safety Management System Certification and ISO 9001 Quality Management Certification.

Objectives and Assessment of Safety Management

The Group's Property Group, Environmental Protection Group, A-City Technology and A-Living all set safety management-related assessment indicators and refine safety management objectives to ensure that each business segment implements safety management responsibilities.

Property Group	No more than 2 serious accidents Eliminate fire, traffic, explosion, equipment and other major accidents
Environmental Protection Group	The incidence of serious injuries and above is 0 No more than 2 major accidents
A-City Technology	Score over 100 points (out of 120 points) in quality management No more than 2 serious accidents
A-Living	Score over 100 points (out of 120 points) in safety and quality management from a third-party evaluation

Safety Management Measures

The Group continuously strengthens project safety management, and strives to achieve a perfect combination of safety, quality, time and benefit by strengthening the safety management of construction sites and upgrading the safety management level by means of operation information.

Safety Management of Construction Sites

At construction sites, safety knowledge is disseminated to workers through safety morning briefings, construction enterprises are required to insure their workers and the Handbook of Safety and Civilisation Construction is added to the employment contracts to further strengthen workers' safety awareness; special safety inspections and comprehensive safety assessments are conducted during the course of projects. For positions involving occupational health hazards, the Group equips employees with the necessary safety equipment and personal protective equipment in accordance with the requirements of the Management System of Personal Protective Equipment to prevent work-related injuries and accidents; by establishing a sound emergency incident management system, standardising the process and standards of fire safety, and regularly conducting three-defence system (fire, security, technical defence facilities) inspections, fire drills, emergency casualty drills and other special safety trainings, it strives to improve staff awareness of prevention, emergency self-rescue capability and project safety management performance.

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)

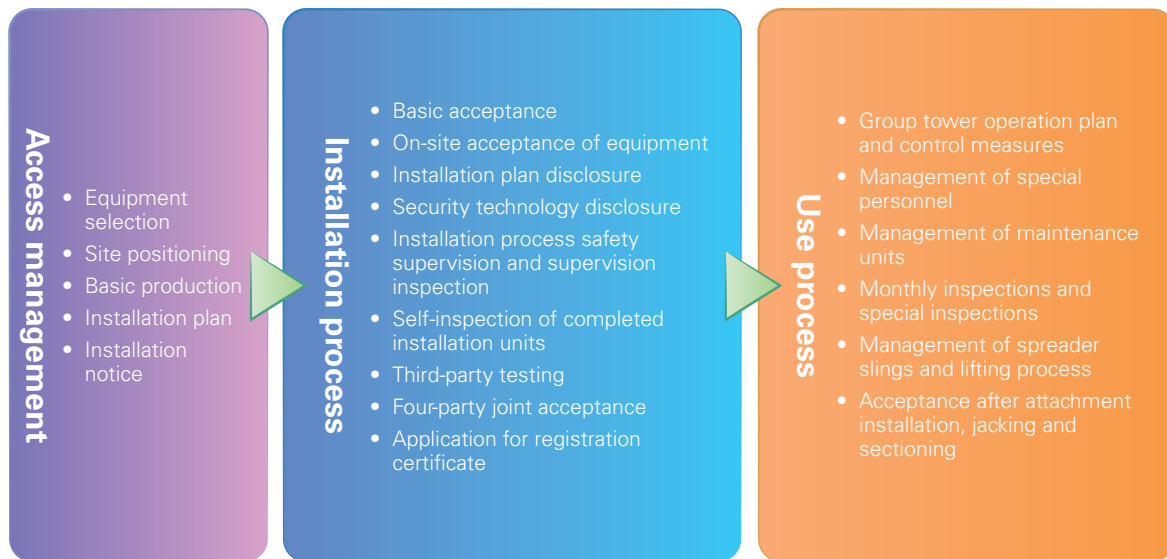


Safety Morning Briefing



Special Safety Inspection and Comprehensive Safety Assessment

At the same time, the Group improved its engineering control system through comprehensive control methods such as the Underground Engineering Safety Supervision Plan and the Full-cycle Supervision Plan, and carried out periodic and regular control over the safety of engineering projects; through the Control and Management of Major Risk Sources, the key points of control and management of major safety and quality risks and the key points of control and management of concealed projects are clarified, and the potential safety risks are classified and controlled. For example, to ensure the safe use of machinery and equipment, risk source management is refined for safety issues during the operation of equipment and the person responsible will be identified to reduce safety risks.



Risk Source Management for Safety Issues in Equipment Operation

Health and Safety Management of Contractors

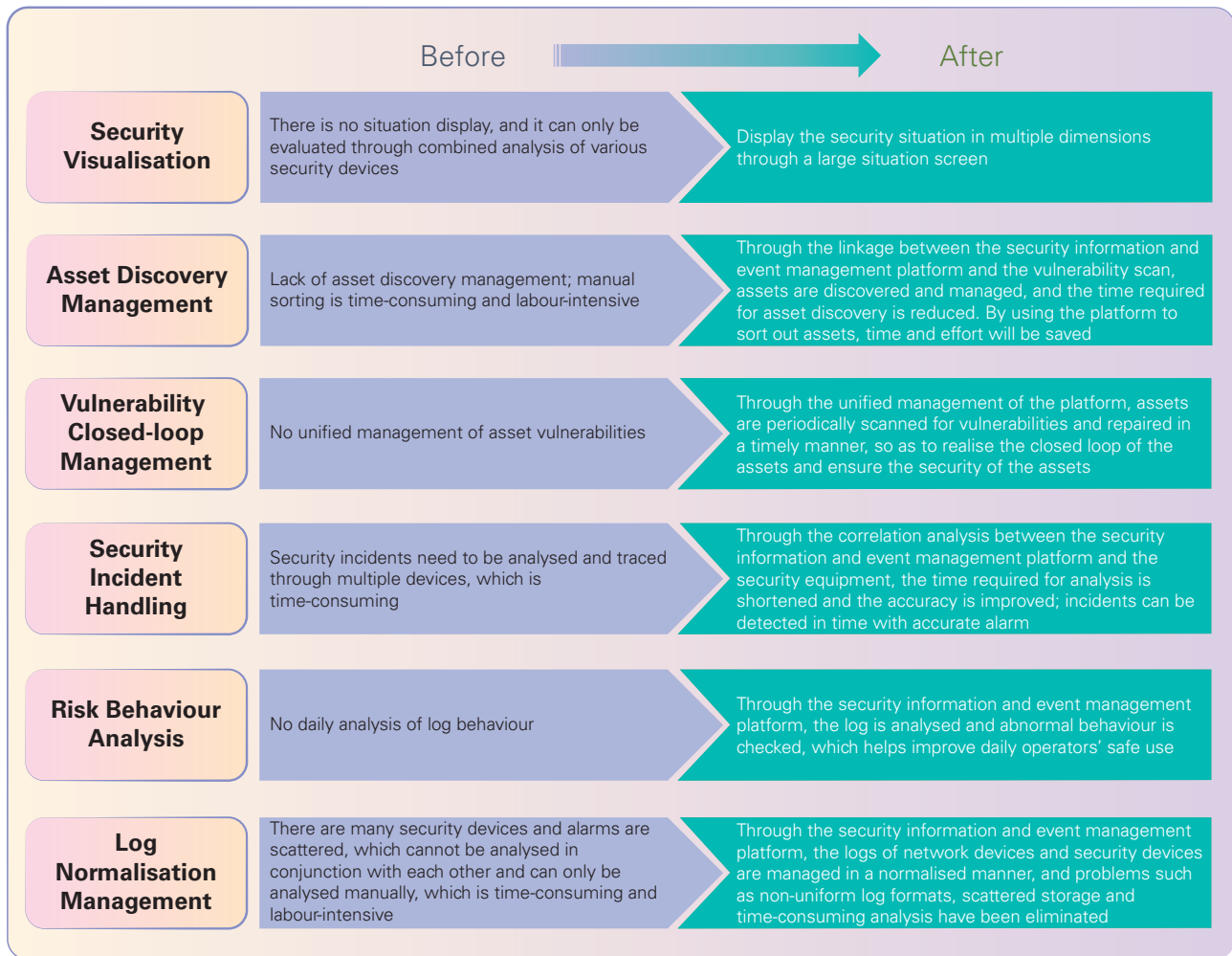
The Group actively promotes the health and safety management of contractors, and requires regional contractors and those of project companies under its Property Group and A-City Technology to sign a Construction Safety Evaluation Letter and a Project Quality Warranty Letter, where contractors' completion quality and payment targets are linked. At the same time, in the cooperation contract signed with the contractor, the specific requirements for the contractor in terms of occupational health and safety such as labour protection and living conditions are clearly stipulated, so as to effectively guarantee the construction safety and project quality of the project site. Specific measures mainly include:

- The project tender will include safe and civilised construction measures in the budget, earmarking funds for safety construction and employment real name system, etc., and require the contractor to make a separate entry in the financial accounts for inspection, not to be diverted for other purposes, so as to effectively protect the rights and interests of the contractor's employees;
- Inspect the project site for safety, civilised construction and occupational health issues, and if safety and occupational health hazards are found, immediate rectification will be urged to be completed and contractors will be required to eliminate the recurrence of similar problems;
- Factors affecting health and safety are included in the safety assessment of project sites, and contractors are urged to implement protective measures.

Information-based Means to Facilitate Security Management

The Group aggregates the security information of assets and equipment through a security protection middle-platform, collects and comprehensively analyses the log information of security equipment at all levels, simplifies overall operation and maintenance, and improves the efficiency of security risk monitoring and active prevention capability; by integrating a cloud threat intelligence system, an external risk identification and graded response mechanism is established to obtain potential security threat factors in a timely manner, improve the ability to analyse and determine threat events, automatically trigger security incident work orders, and improve the efficiency of vulnerability patching, monitoring capabilities, and the closed-loop accuracy and efficiency of security risks of local assets, and effectively ensure project security and stable operation.

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)



System Functions of the Security Protection Middle-platform

Technological Innovation Empowerment

Promoting Technological Innovation

The Group is committed to leading life with intelligent technology and creating a human living environment that integrates greenness, technology, space and humanity. Relying on advanced technologies such as the Internet and Internet of Things (IoT) applications, Agile has transformed its traditional facilities with intelligence and digitalisation, developed a new digital management platform to realise online operation of core data and businesses, strived to be the standard bearer of digital transformation in China's property industry, and empowered product quality with technology. These include: through the ABC platform of intelligent investment policy, responding to changes in the industry's land auction policy and business pain points, focusing on the three pre-investment decisions, and implementing five scenarios to create a digital investment 2.0 model for the industry, helping to make efficient and objective investment business decisions.

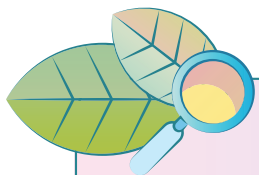
Five Scenarios in the Intelligent Investment Policy ABC Platform

City Big Database	Build 10 external big databases of cities, including macro, land, market, supporting facilities and customer groups
Land Research and Judgement and Evaluation	Support bidding, auction and listing plots and self-built plots, and comprehensively evaluate the land value according to the corresponding cities, sectors, markets, competing products, and supporting facilities
Online Investment Report	Land reports and investment committee reports are published online, reducing the workload of reporting
Integration of Investment Management Systems	Reshape the pre-investment process, connect investment-related systems, and support investment research and judgment and management
Positioning and Pricing Models	From "plot attribute determination" to "scientific project positioning", "traditional pricing" to "AI intelligent pricing model", support project positioning and pricing

Currently, part of the informatized construction of the Group is as follows:

Smart Construction Sites	Yazhu Cloud System, U9 Manufacturing Management System and MES Manufacturing Execution Management System help to manage construction sites and process manufacturing and realise digitalized engineering management
Smart Marketing	The online sales platform, E Legou, supports VR apartment touring to help realise a new marketing model, allowing customers to have a better experience when touring apartments and gain a more comprehensive understanding of the properties
Smart Community	The A-Steward Smart Space (雅管家智蓄空間) mini programme, community wisdom pass, face recognition reverse car search system, etc. promote community smart operation and services to enhance owner satisfaction
Smart Energy Consumption	Energy consumption monitoring platform, IT desktop assistant and other software help to collect data, monitor energy use efficiency and improve energy management efficiency

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)



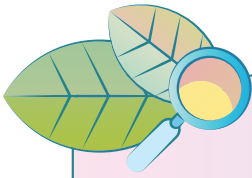
Case: A-City Technology Digitalized Management Helps the Development of Smart Construction Sites

During the Year, A-City Technology fully launched the full-cycle Project Management system (PM system) to achieve digital management of full-cycle business from revenue, target cost, subcontracting and material supply chain, and also connected with the financial system to achieve integrated business and financial management.

In terms of construction site management, A-City Technology has introduced a smart construction site system and a mobile APP Yazhu Cloud System to realise digital management of the entire construction process. During the Reporting Period, the building of the smart construction site system platform has been completed and the functions of video screen monitoring, project daily monitoring and quality and safety inspection have been put online to gradually promote the implementation of digital and intelligent management tools through the smart construction site system platform.



Smart Engineering Digital Platform Interface



Case: Launch of “E Legou” System and Realise Online Marketing Model

The Group continues to explore the online marketing model and through “E Legou”, the entire chain, from online placement, public domain traffic attraction, private domain fission and customer expansion to online panoramic apartment touring, online subscription, and after-sales service, is placed online, realising the integration of shop, sales and channel.

Customers can learn about the latest information on the project and check the property through “E Legou” and Yajubao, and can also take online VR apartment tours or take VR apartment tours through online sales consultants or videos. The “E Legou” platform enhances customers’ experience when touring apartments, provides customers with more comprehensive housing information, and improves the efficiency of the apartment touring.



“E Legou” VR Apartment Tours

Information Safety and Privacy Protection

The Group strictly complies with the Cybersecurity Law of the PRC, the Law of the PRC on the Protection of Personal Information and other laws and regulations relating to information security, and in other regions where it operates, it also complies with relevant local laws and regulations in accordance with the law. Agile has established internal management systems such as the Management System for Safety of Sensitive Privacy Data within Information System to clarify the workflow and responsibilities related to the protection of customer privacy. In addition, the Group’s third-generation Enterprise Resource Planning (ERP3) system has passed the national network security level 2 protection assessment and won a number of awards in the information field to protect information security.

Group’s Awards in the Information Sector in 2021 (Partial)



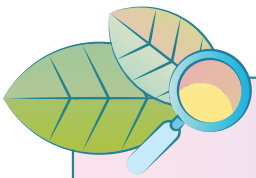
2020-2021 Digital Power of China’s Real Estate Enterprises TOP 30
CRIC



China Leading PropTech 50
KPMG China

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)

The Group exercises hierarchical control over internal data and strictly protects sensitive data, specifying specific requirements for internal data transmission, public network data transmission, data encryption and storage, and open data sharing; penalties are imposed for breaches of the Group’s regulations and legal liabilities are pursued according to the circumstances. The Group also conducts regular information security training and dissemination, and further enhances employees’ awareness of information security and privacy protection through measures such as publishing WeChat articles on information security and conducting annual information security examinations and data disaster recovery drills for all staff. At the same time, the Group conducts data governance exchanges with its peers to share its experience in information technology construction and data governance and to continuously improve its own information technology level.



Case: Improve Employees’ Information Security Level and Awareness through Information Security Training and Examinations

In 2021, the Group organised information security training for over 4,000 participants, to effectively raise their information security level and awareness.

In August of the same year, the Group organised the 2021 Information Security Awareness and Information Privacy Related Content Study and Examination of the Group, covering basic knowledge of information security, mobile smart terminal security protection and security awareness, in order to test and urge employees to continuously enhance their information security level and awareness.



Information Security Online Training and Learning Interface

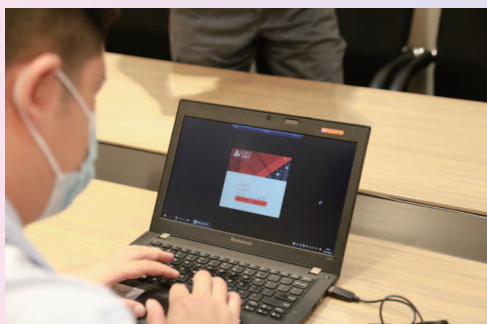


Information Security Online Examination Interface



Case: Data Disaster Recovery Drill

In September 2021, in order to test the results of the information system emergency response plan, the Group held an information security emergency drill at Agile Centre. The drill was divided into four stages: determination of drill target and form, plan preparation, drill implementation, and drill summary and evaluation. By locating and analysing system servers and terminals, disconnecting and isolating the network, confirming the scope of infection, arranging backup and recovery and other measures, the Group effectively curbed the spread of risks and resumed business operations at the fastest speed, and ultimately achieved the expected results, enhancing the Group’s ability to quickly recover its business systems and to respond to risks under extreme circumstance.



Data Disaster Recovery Drill

Intellectual Property Protection

The Group attaches importance to the protection of intellectual property and trademark rights and interests. Each operating entity shall comply with applicable local laws and regulations, including the requirements of the Trademark Law of the People’s Republic of China, the Copyright Law of the People’s Republic of China and the Patent Law of the People’s Republic of China for business operations in Mainland China, strengthen the management of intellectual property rights such as trademarks, copyrights and patents, and take legal measures to protect intellectual property rights, while fully respecting the intellectual property rights of its partners. During the Reporting Period, the Group acquired 10 new copyrighted softwares.

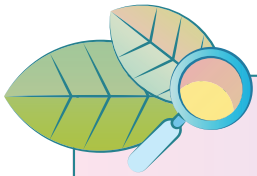
QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)

Customer Rights and Interests Protection

Responsible Marketing

The Group complied with the requirements of laws and regulations such as the Advertising Law of the PRC, the Measures for the Administration of the Sale of Commercial Properties and the requirements of various regional policies, and formulated and updated internal management codes such as the Measures for the Administration of Online Statements, the Measures for the Control of the Marketing System, the Sales Site Inspection System 2021 Edition and the Measures for the Operation and Management of the Public Announcement of Unfavourable Factors Inside and Outside the Red Line, and strictly controlled the calibre of information on output channels such as the portal and various media as well as the standardisation of project marketing site displays to ensure the accuracy and truthfulness of information and to prevent any false marketing or promises to customers.

The Group conducts training at least once a month for each project marketing site to unify sales terms and specifications, and arranges special personnel to conduct compliance inspections on the project marketing site at a later stage, and inspect and supervise the on-site marketing services. The Group has clearly established the production standards for external publicity content, and comprehensively reviewed the project’s external publicity data, brand promotion data, sales pitch, etc. At the same time, the Group regularly conducts responsible marketing supervision and inspection, makes transparent announcements in the project marketing site, and publicises information such as the Group’s tip-offs hotline. If any non-compliance incident is found, the group will immediately start the corresponding accountability mechanism to effectively safeguard and protect the customer’s right to be informed and to appeal.



Case: 5s+Reception Standards on Marketing Sites Themed-training

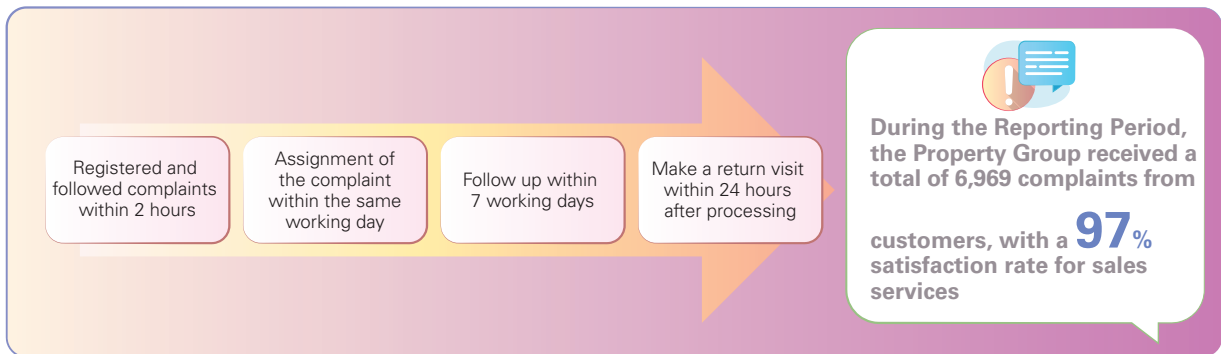
In February 2021, the Group organised a training on the theme of 5s+Reception Standards for the sales of the Agile Clearwater Bay project, which mainly focused on the Agile brand and project’s sales pitch, key points of the red line, and the reception specifications and standards on the marketing site. After the training, an online assessment was organised to boost the training’s effectiveness. At the same time, relevant training content will be incorporated into daily on-site inspections, cross-checks and assessments, which will effectively strengthen frontline marketers’ awareness of on-site sales norms, thereby enhancing customers’ experience and feelings and realising positive sales result.



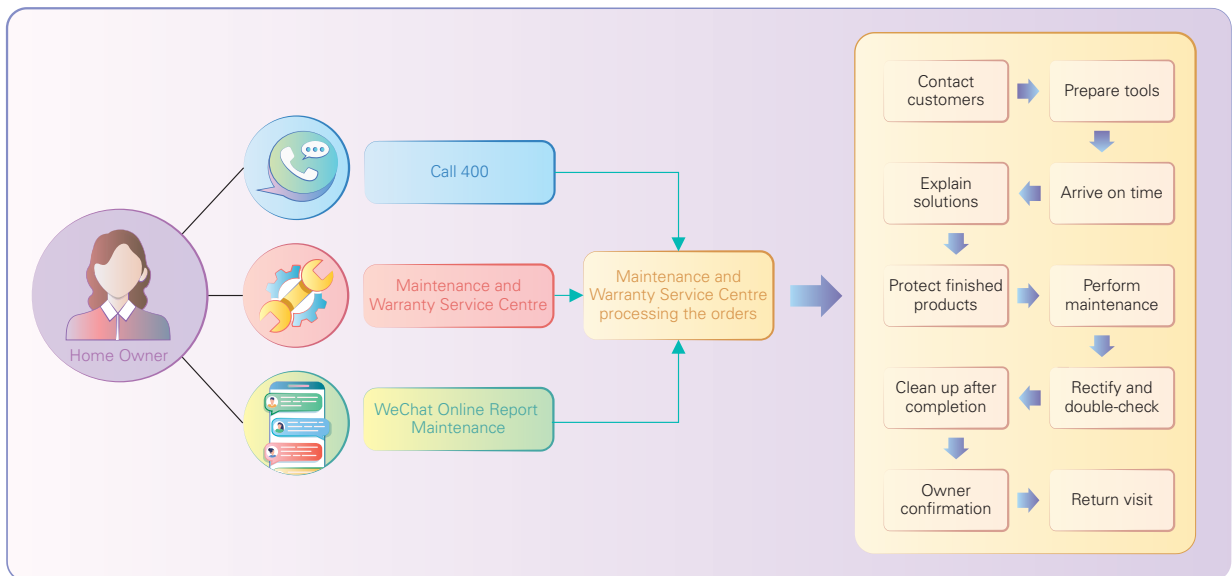
5s+Reception Standards on Marketing Sites Themed-training

Response to Customer Opinions

The Group actively listens to the feedback from customers in order to better understand their demands and continuously improve its service quality. The Group has formulated internal management systems such as Agile’s Standardised Actions for Handling Customer Complaints to standardise the customer complaint handling process and response measures, so as to enhance the efficiency of customer complaint handling and timely response to customer demands. During the Reporting Period, the Group upgraded its maintenance and warranty service standards, allowing customers to apply for maintenance and warranty services through the 400 Integrated Command Centre, by visiting the Maintenance and Warranty Service Centre or through WeChat Official Account, etc. Meanwhile, by specifying 10 standardised service process actions, the Group provided owners with a one-stop solution for all-round living life.



Customer Complaint Handling Process



Home Owners' Maintenance and Warranty Service Application Channels

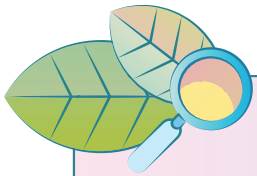
10 Standardised Service Procedures

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)

Customer Satisfaction Survey

To protect the rights and interests of customers and enhance customer satisfaction, the Group conducts satisfaction surveys, customer demand surveys and “Construction Site Open Day” to gain an in-depth understanding of customer concerns and the current state of satisfaction level, and takes it as an opportunity to respond quickly to customer needs and improve product and service quality.

Based on the results of the satisfaction survey, the Group formed a research and analysis report and conducted industry comparisons and historical data comparisons to identify key directions for product and service improvement. During the Year, the Group’s overall satisfaction rate for the Property Group was 86% (8% higher than the industry average); the Group’s satisfaction rate for the sales services of the Property Group was 97%; the overall satisfaction rate for A-Living was 91.7%; the satisfaction rate for the hazardous waste project of the Environmental Protection Group was 98%; and the overall satisfaction rate for A-City Technology was 93.72%.



Case: “Construction Site Open Day” Activity Allows Home Owners to Physically Experience the Living Environment of the Project

In June 2021, the Group’s Lanyue Yazhu Project held its first “Construction Site Open Day” activity, with over 300 customers visiting the site. The event mainly included: introducing the interior decoration materials, the brand, and project highlights to home owners; providing detailed answers to the doubts and questions raised by homeowners; and actively communicating and coordinating with homeowners in respect of their demands. This activity allows homeowners to physically experience the living environment of the project and has earned praise.



“Construction Site Open Day” Activity

Supply Chain Management

Supply Chain Regulations and Policies

The Group works closely with its suppliers and is committed to building a sustainable supply chain to achieve mutual benefits. Agile strictly complies with the internal management system such as the Manual on Procurement Management Operation, the Bidding Management System of the Centralised Purchasing Centre and the Supplier Management System of the Centralised Purchasing Centre, which clearly stipulate the processes of supplier management and procurement work. The Group has established a mature online supplier resource base and realised organic synergy among the Group’s recruitment and procurement platform, supply chain centre system and e-commerce centre to effectively enhance the efficiency of supplier management.

Number of Suppliers by Region

Region	Number
Mainland China	37,606
Hong Kong, Macau, Taiwan and Overseas	422

Total Number of Suppliers
38,028

Full Lifecycle Management of Suppliers

The Group implements full lifecycle management of suppliers through the Supply Chain Middle Platform system. All suppliers of the Group are required to register through the Supply Chain Middle Platform system and will not be allowed to enter the supplier resource pool until they are verified. After information registration, preliminary review of materials, inspection and storage, evaluation and grading, a “supplier profile” will be generated, so that the Group’s industrial companies can have a comprehensive understanding of supplier information, bidding status, contract status, evaluation status, business risks and other information through the system, which not only improves the efficiency of supplier information management, but also enables effective sharing of supplier information.

Supplier Evaluation

The Group conducts regular evaluations of its suppliers to continuously improve the quality of their services. The Group classifies its suppliers into five levels, namely A+ (excellent), A (outstanding), B (good), C (qualified) and D (unqualified), based on the supplier evaluation. Suppliers with an annual evaluation result of A+ (excellent) level are eligible for direct entrustment for new bidding projects within the target cost or benchmark price; A-level (excellent) suppliers are allowed to increase their supply area or expand the scope of cooperation appropriately under the same conditions; B-level (good) suppliers are allowed to renew their supply contracts directly without price increase; C-level (qualified) suppliers are regularly interviewed by business leaders to gradually improve and optimise the cooperation relationship; D-level (unqualified) suppliers will be required to stop cooperation and will not be qualified to renew supply contracts. When a supplier has problems with supply and quality, the Group will issue a yellow or red warning card, depending on the situation; suppliers with major quality/ safety accidents and other serious damage to the Group’s interests will be directly blacklisted and will never be engaged again.

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)

Supplier Chain Environmental and Social Risk Management

To promote a healthy and sustainable development of the supply chain, the Group integrates environmental and social risk factors into the supplier evaluation and cooperation process in order to achieve environmental and social risk management at all stages of the supply chain, including but not limited to the following measures:

- Require suppliers to provide certifications for ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System;
- For metal material processing suppliers, they are required to conduct regular occupational health checks for their employees and participate in the Training on Occupational Disease Prevention and Control for Employers organised by the local Health Commission;
- Advocate for suppliers to improve the efficiency of resource use through technical transformation and material reuse;
- Require suppliers to reduce the emission of dust, waste gas and waste water from construction sites to mitigate the adverse impact on the environment and climate.

The current status of the Group’s suppliers in the material and equipment category which have obtained third party system certification is as follows:



Proportion of Suppliers Certified by ISO 9001 Quality Management System

Proportion of Suppliers Certified by ISO 14001 Environmental Management System

Proportion of Suppliers Certified by ISO 45001 Occupational Health and Safety Management System

QUALITY-BASED, TECHNOLOGY-ASSISTED (CONTINUED)

At the same time, the Group actively carries out researches on new materials with suppliers, strives to promote green procurement and sustainable material procurement, actively disseminates Environmental Protection, and endeavours to improve the efficiency of energy use. During the Reporting Period, the following main results have been achieved:

- Mass use of exterior wall thermal insulation integrated panels in North China and East China;
- Use of Stone Plastic Composites (SPC) wall panels to replace stone in the Nanjing Qiya Project;
- Application of foamed ceramic wall panels in prefabricated buildings;
- Use of Polyurethane (PU) artificial stone as a renewable resource in the landscape area of the demonstration zone to replace stone materials, etc.

Supplier Communication

In order to strengthen the long-term strategic cooperation with suppliers, the Group actively carries out discussions with suppliers, including regular high-level mutual visits with suppliers, supplier training conferences, supplier satisfaction assessment, etc., and improves the supplier management measures within the Group according to the feedback and suggestions of suppliers, so as to achieve win-win cooperation.



SINCERE COLLABORATION, GROWTH TOGETHER



SINCERE COLLABORATION, GROWTH TOGETHER



Important Issues Responded to in this Section

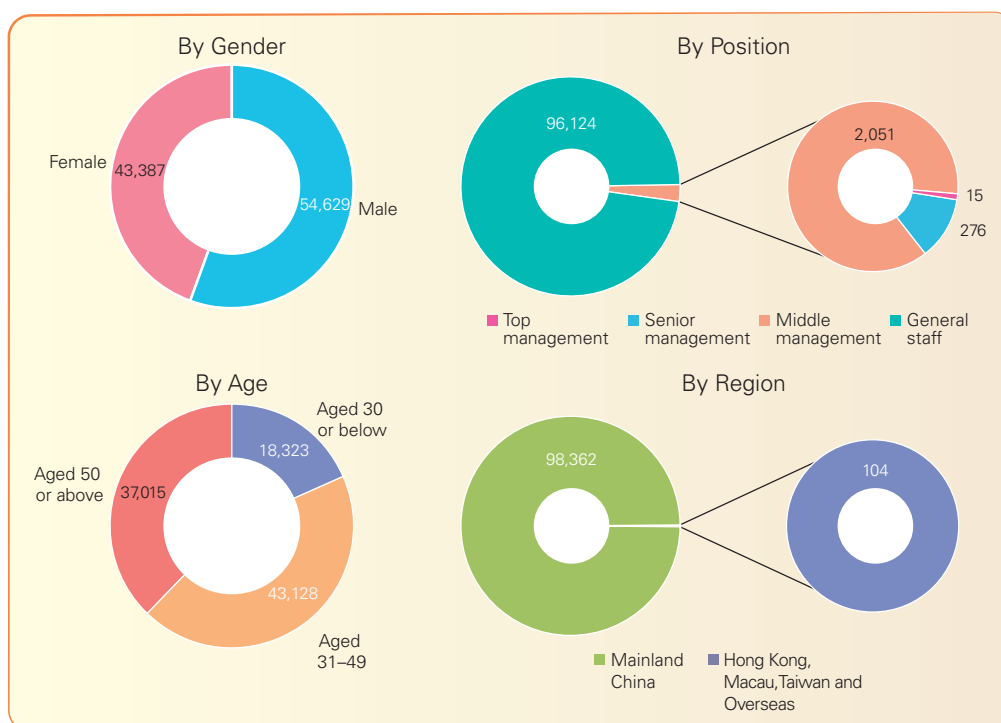
- Compliant employment and protect the rights and interests of employees
- Guarantee the health and safety of employees
- Enhance training and development system
- Diversified and equal opportunities
- Provide competitive salary and motivate mechanism

Compliant Employment and Employee Rights and Interests

Compliance Employment

The Group adheres to a people-oriented approach and builds a diversified development platform and an equal and inclusive working environment for its employees. The Group strictly complies with the relevant laws and regulations in the regions where it operates, such as the Labour Law of the PRC and the Labour Contract Law of the PRC in mainland China. The Group has continuously improved its employment management system and has formulated internal systems such as the Recruitment Management System, the Employee Manual and the Guidelines on Induction Training for New Employees to regulate the management of employment (including regular employees, labour dispatch, interns and retired staff) and to clarify the processes for the management of working hours, recruitment and dismissal of employees to safeguard the legitimate rights and interests of employees and the Group.

The Group prepares recruitment plans each year according to its business needs. Recruitment methods include campus recruitment, social recruitment and internal recommendation. The Group continues to bring in diversified and quality talents to inject new vitality into the rapid development of the Group. During the Reporting Period, the Group had a total of 98,466 employees, with a breakdown by position, age, gender and region as follows:



SINCERE COLLABORATION, GROWTH TOGETHER (CONTINUED)

Equal Employment and Diversification

The Group strictly complies with the Provisions on the Prohibition of Using Child Labour and the requirements of international labour standards, and strictly prohibits the use of child labour or forced labour by any business units or supply chain partners, and avoids the occurrence of child labour and forced labour of employees by conducting work certification and relevant background checks on employees to be recruited. In case of non-compliance, the relevant departments and units will be held responsible. During the Reporting Period, the Group did not have any cases of child labour and forced labour.

In addition, the Group is committed to creating an inclusive and conducive working environment for all employees, adhering to the principle of equal employment, implementing a diversified talent development strategy, comprehensively examining the competence level and qualifications of candidates in the recruitment process, not differentiating between candidates on the basis of their individual social status such as nationality, ethnicity, marital status, gender, age and religion, supporting equal employment for persons with disabilities and eliminating any form of discrimination.

Salary and Benefits and Promotion

The Group has a well-established remuneration incentive mechanism and is committed to providing reasonable and market-competitive remuneration packages to motivate its employees. In principle, the Group conducts salary reviews and adjustments once a year to provide employees with market-competitive salaries and motivate them to work. In addition to basic pay and bonuses, the Group offers a number of additional benefits such as paid leaves, travel allowances and annual medical check-ups.

The Group formulates and implements internal management systems such as the Human Resources Management Systems Compilation, which sets out the performance appraisal mechanism, adheres to the principles of transparency, fairness, meritocracy and orderliness in the promotion of employees, strives to create a broad development platform and opportunities for them to display their personal talents, and provides a talent guarantee to facilitate the Group's high-quality development.

Employer Awards

During the Reporting Period, the Group’s Property Group, Environmental Protection Group, and A-City Technology won a number of employer awards, including “2021 Guangdong Extraordinary Employer”, “Best Employer in Greater China 2021”, and “2021 Employer Branding Best Practices”, demonstrating that the Group’s employment management was highly recognised by the market.

Employer Awards

Property Group

- 2021 Guangdong Extraordinary Employer Award by Liepin
- Best Employer in Greater China 2021 Award by HRoot
- 2021 Employer Branding Best Practise Award by Employer Branding Institute

Environmental Protection Group

- Best Employer China Top 10 by Chenhr.com

A-City Technology

- Outstanding Corporate Culture Award by Xinyi Yaji
- 2021 Excellence in Human Resource Management Award by 51job.com

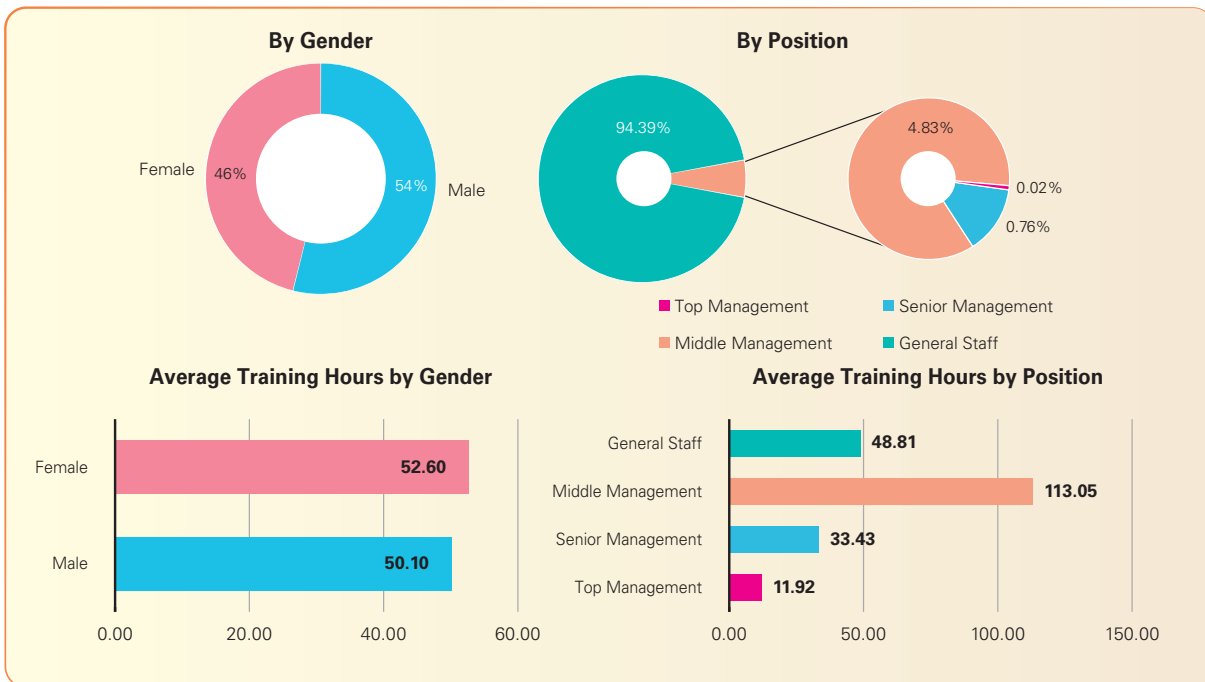
SINCERE COLLABORATION, GROWTH TOGETHER (CONTINUED)

Employee Growth and Development

Assisting Employee Development

The Group attaches great importance to talent cultivation and employee development, and actively introduces quality training resources to create sufficient career development opportunities for its employees. The Group has formulated and implemented internal management systems such as the Training Management Measures, Management Guidelines for Internal Trainers, Management Measures for Campus Recruitment and Training of Management Trainees and Management System for Cross-Industry Group Talent Training Rotation to continuously optimise the talent management mechanism, explore and stimulate employees' potential, enhance their professional skills and comprehensive quality, and realise the common development of the Group and its employees.

The trainings received by the Group's employees during the Reporting Period are shown in the following tables:



Emphasising Diversified Training

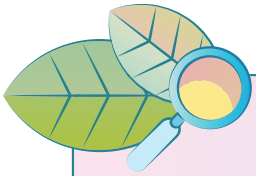
The Group regards employee training as the core of its corporate development, and always strives to provide a platform for employees' development and strive to provide multi-level and diversified learning and development opportunities for employees, so as to build a quality talent team for the Group's development. Currently, the Group has formed three major talent training modules, namely "Talent Echelon Construction", "Professional Training" and "Staff Quality Enhancement".

Three Modules for Talent Cultivation



The Group adheres to the training management principle of "classification at different levels, building on strengths and offsetting weaknesses", and sets up targeted training courses according to the responsibilities of different jobs and career development stages, including offline training programmes such as the "Refined Management-themed Empowerment", the "Light Chasing Programme" and the "Maichi Programme", and actively builds an online learning platform to meet the needs of employees to learn anytime and anywhere.

SINCERE COLLABORATION, GROWTH TOGETHER (CONTINUED)



Case: Refined Management-themed Empowerment

In order to enhance the management efficiency of enterprise operation and make further improvement in “innovation, income growth, cost reduction, and productivity”, the Group has carried out activities in phases for refined management-themed empowerment, and organised two offline themed sharing sessions and three online themed learning sessions for all employees successively, focusing on the concept of refined management and operation, during which time external courses and internal cases were combined for ease of learning. A total of 31,513 participants from the holding company and various business segments were involved, with a total of 38,303 training hours.



Refined Management-themed Empowerment — Training Site



Refined Management-themed Empowerment — Online Training

Case: Property Group Talent Training Project — the Light Chasing Programme

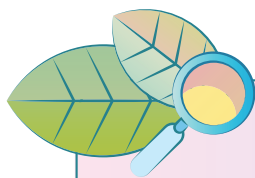
In order to broaden the innovative thinking of the Property Group executives and explore new directions, opportunities and possibilities for property development, the Property Group launched the “Light Chasing Programme”, a cross-industry learning programme for property executives. In July 2021, the Property Group organised a 1.5-day “Light Chasing” trip to Shanghai, visiting the headquarters of Xiaohongshu, the Shanghai branch of ByteDance, the TX Huaihai Centre and the Bilibili headquarters to understand the new generation, experience new consumption and think about new opportunities.



Group Photo of the Visit to Bilibili Headquarters



Group Photo of the Visit to ByteDance



Case: A-City Technology Talent Training Project – the Maichi Programme

In 2021, A-City Technology launched the “Maichi Programme”, a talent training project, which includes the training class of reserved talent to deputy general manager, general manager, director and manager. In which, 9 manager training classes were conducted.



Participants
216

The training class of reserved talent to deputy general manager, general manager and director were conducted either offline or online, and it consisted of 8 courses with a focus on leadership courses.

The training class of reserved talent to manager was conducted by online live streaming or using recorded material, and it consisted of 10 courses, with a focus on basic management knowledge, leadership knowledge and core workplace skills.

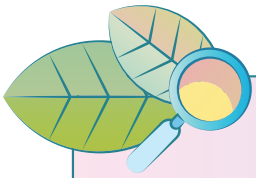


Maichi Programme Group Photo



Maichi Programme Training Site

SINCERE COLLABORATION, GROWTH TOGETHER (CONTINUED)



Case: Online General Competence Training – the “Lexue” Online Learning Platform



“Lexue” Online Learning Platform

In 2021, Lexue launched a total of 2,247 courses online through internal research and development and external cooperation, covering management, professional and general courses. With the operation of talent training programmes and special columns (Three-minute Leadership, 60 Seconds Trivia and Lexue Charging Station), a total of 14.74 million people attended the courses, accumulating a total of 262,500 hours of learning. In the future, Lexue will be applied in more talent training projects, becoming a greater help to Agile’s talent training.

School-enterprise Cooperation

The Group adheres to the concept of “win-win cooperation” and continues to work together with universities to promote talent incubation, and has established cooperation with universities, such as South China University of Technology, Yunnan University, Wuhan University, Hainan University and Chongqing University, to renovate training concepts in subject research, knowledge contest, career planning, etc., so as to realise the accurate delivery of talents and build a talent platform where a long-term win-win situation will be shared among universities, enterprises and students.

During the Reporting Period, the Property Group jointly established the “Future π Club” with South China University of Technology, Wuhan University and Chongqing University, held a career planning competition with Yunnan University and helped Hainan University organise a welcome party. Through the school-enterprise cooperation programme, we were able to communicate with students, deepen their trust in our employer brand and provide a stable and sustainable talent guarantee for our rapid development.



“Property Law Competition” Poster



The Property Group – “Future π Club” Early Summer Meetup

Health and Safety

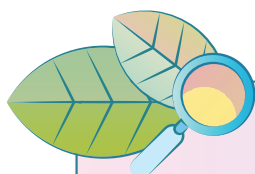
Occupational Health Protection

The Group attaches great importance to the occupational health and safety of its employees and strictly complies with the Occupational Disease Prevention and Control Law of the PRC, the Measures for the Categorised Administration of Occupational Disease Hazards in Construction Projects, the Measures for the Administration of Occupational Health Monitoring and the laws and regulations of the regions where it operates. With reference to the standard requirements of the Occupational Health and Safety Management System OHSAS 18000/ ISO 45001, the Group has formulated and implemented internal management systems such as the Occupational Health Management System, the Occupational Disease Hazard Warning Message System and the Occupational Health Medical Examination System to fully protect the occupational health of employees. Under the leadership of the Group’s Board of Directors, the senior management, including the Group’s president, is responsible for the Group’s employee health and safety strategy and performance, and is committed to ensuring safe working conditions and creating and fostering a positive and healthy safe work culture.

At the same time, the Group regularly engages a third party to conduct a comprehensive assessment of occupational health hazards in projects under construction and operation, and to inform employees of job-specific risks, so as to prevent, control and eliminate occupational hazards. During the Reporting Period, the Group’s labour protection gears were equipped at 100% and no cases of occupational diseases were contracted.

Focus on the Physical and Mental Health of Employees

The Group is paying active attention to the physical and mental health of its employees and has set up a mental health counselling hotline, which is responsible for the management of occupational health and mental health to help employees cope with psychological distress, alleviate negative emotions and maintain mental health. In addition, the Group offers staff mental health courses to stimulate discussion and interaction among participants through lectures and promote the orderly development of employee mental health.



Case: “Happy Home Healthcare” Activity

During the Year, the Group held the “Happy Home Healthcare” activity, to provide oral healthcare services, health consultation, Chinese medicine physiotherapy services for its employees, so that every employee can be fully engaged in life and work while having a healthy body and mind.



Health Consultation Site



“Happy Home Healthcare” Poster

SINCERE COLLABORATION, GROWTH TOGETHER (CONTINUED)

COVID-19 Prevention and Protection

During the Year, the Group issued systems such as the Notice on Strengthening Prevention of the Epidemic in Production and Operation Sites in 2021, Notice on Strengthening Personal Protection of Employees against the Epidemic, Notice on Conducting Health Reporting and Notice on Arrangements for Vaccination against COVID-19. Under the normalisation of COVID-19, the Group insisted on enhancing its ability to prevent and control COVID-19 through various actions such as daily registration of employees' health status, taking body temperature and actively conducting disinfection, while providing vaccinations for employees, arranged meals and formulated emergency plans for pandemic prevention and control, so as to fully protect employees' health and safety.

Employees' Prevention and Control Measures during the Pandemic

}

Vaccination: centralised vaccination arrangements

The Group organised employees to get vaccinated in an orderly manner.

Meal arrangement: Uniform provision of food

To avoid gathering for meals during the epidemic and increasing the risk of cross-infection, the Group arranged for caterers to prepare food uniformly.

Emergency Response Planning: establishment of an emergency response leadership team

In order to respond to possible future outbreaks in a timely manner, the Group has set up an emergency leadership team for epidemic prevention and control




Vaccination Site for Employees

Employee Communication and Care


The Group attaches importance to the opinions of its employees and fully protects their rights to information, participation, expression and supervision. During the Year, the Group conducted a total of 10 group interviews with core employees to understand their voices, ensuring efficient and direct communication of their opinions and suggestions, and effectively addressing their concerns.

At the same time, the Group established the Agile Mutual Aid Association in May 2008 to help the Group's employees with their urgent needs on an ongoing basis under the concept of "mutual help and relief". The scope of financial assistance covers major illness, surgery, disability, death, natural disasters and external calamities. During the Reporting Period, the Group had over 20,000 members and provided financial assistance to over 150,000 members and their relatives, with a cumulative total of over 4,000 cases and a cumulative amount of RMB25 million.




Total members

22,584




Members and relatives benefited

150,000+



Cumulative number of cases

4,300+



Cumulative amount of funding

RMB25 million+

SINCERE COLLABORATION, GROWTH TOGETHER (CONTINUED)

The Group extended its warmth and care to its employees through internal team building, travel, dinner parties and the distribution of holiday gifts. During the Reporting Period, the Group conducted nearly 30 events such as employee holidays, birthday parties, yoga activities, basketball games, hip-hop activities and health talks; Happy Home snack counter continued to provide afternoon tea to employees throughout the year, covering over 60,000 employees.



Yoga Activities



Basketball Games



Dragon Boat Festival Gift Box



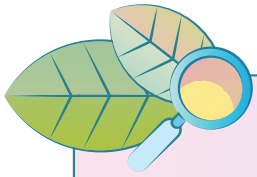
Hip-hop Activities



"Labour's Day Activity" Poster



"Birthday Celebration" Poster



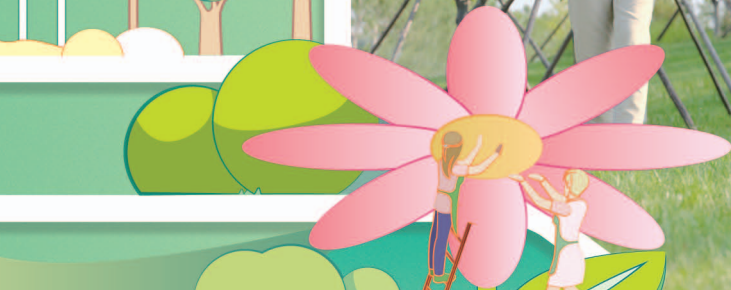
Case: "Happy Sports" Sets off a Fitness Trend



"Happy Sports" Poster

The Group has built an exercise platform for employees — the Happy Sports Mini Programme, which focuses on health and happiness, setting off a fitness trend for all employees. During the Reporting Period, the Group organised and carried out more than 120 cultural and sports association activities, all-staff walking competitions and music video competitions. Over 10,000 employees participated in the activities, and nearly 300 million steps were recorded, which actively encouraged employees to build a healthy body in their spare time.

PROTECT THE ENVIRONMENT FOR A GREEN FUTURE



PROTECT THE ENVIRONMENT FOR A GREEN FUTURE



Important Issues Responded to in this Section

Improvement of energy consumption efficiency
Promotion of green office and environmental protection
Water resource management
Compliant disposal of waste
Pollutant emissions
Reduce greenhouse gas emissions
Develop green buildings and green communities
Identify and respond to climate change risks

Green Development Concept

“Lucid waters and lush mountains are invaluable assets”. The Group integrates the concept of green development into every corner of its strategies and operations, attaches importance to sustainable development with harmonious economic, environmental and social benefits, and focuses on people’s pursuit of a beautiful life.

- Actively shouldering its responsibility for environmental protection in the development and operation process and insisting on providing a green and healthy lifestyle for the public;
- During the design and construction of property development projects, the Group gives due consideration to the environmental impact of the projects throughout their construction life cycle, including bio diversity conservation and green building opportunities;
- In the pre-construction stage of the projects, the Group controls pollution emissions at source through the application of prefabricated construction and other green construction processes;
- During project construction, the Group applies green construction processes to reduce environmental pollution and waste of resources during the construction process;
- In the course of project operation, the Group enhances the efficiency of resource and energy use through energy-saving renovation projects and internal publicity, and continuously practises the green development concept of energy conservation and emission reduction.

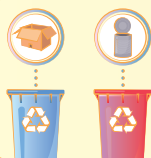
While the Group strives to reduce its own environmental impact, it also sees its customers as an important part of its green operations. The Group actively develops green leasing by including requirements such as encouraging the use of environmentally friendly materials in leasing contracts to guide tenants to use energy and operate in a greener manner.

PROTECT THE ENVIRONMENT FOR A GREEN FUTURE (CONTINUED)

The Group has improved its green lease management mechanism, with centralised project leases and community commercial leases clearly requiring that:



- Tenants shall comply with the requirements of relevant national and local environmental laws and regulations, implement the requirements in the Group's environmental protection management system documents, and reduce the generation of waste, waste oil, waste gas, waste water and noise;



- Strictly control the use of environmentally friendly materials by tenants in the decoration process require tenants to separate and dispose of decoration waste and regulate decoration practices;



- Encourage tenants to make extensive use of environmentally friendly packaging materials which can be recycled and are not harmful to the environment, and to clean contaminated work sites in a timely manner upon completion.

Energy and Resource Utilisation

The Group continues to promote green operations by conserving energy and optimising the allocation and utilisation of resources. The Group complies with the Law of the People's Republic of China on Energy Conservation, the Circular Economy Promotion Law of the PRC, the Water Resources Protection Law of the PRC and other relevant laws and regulations of the regions where it operates, establishes and implements internal management systems such as the Management Measures for Energy Conservation in Offices, the Management Measures for Energy Conservation and Consumption Reduction Work, and the Public Energy Consumption Management Regulations, actively pays attention to energy usage data and adjusts energy consumption control strategies in a timely manner. The following targets have been set:



Energy efficiency targets:

- Further enhance energy efficiency by taking energy-saving operations as the goal
- Implement and enforce medium and long-term plans for green development, including: promoting the full application of new materials and technologies from 2022 onwards; designing 100% of development projects in accordance with Agile's Green Building Standard/ Healthy Building Standard by 2022; adopting more than 80% of prefabricated processes by 2025, etc. to improve energy use efficiency.

To achieve the energy use efficiency targets, the Group actively monitors energy consumption by means of information technology, enhances employees' awareness of energy conservation, saves building materials and resources, and promotes energy conservation and environmental protection projects, so as to promote energy and resource efficiency and achieve energy conservation and environmental protection.

PROTECT THE ENVIRONMENT FOR A GREEN FUTURE (CONTINUED)

Information-based Means to Monitor Energy Consumption and Improve Energy Use Efficiency

Currently, the Group's Environmental Protection Group mainly monitors energy consumption through information systems such as centralised monitoring platform, safety management platform, laboratory management system and hazardous waste production management system to effectively monitor and reduce energy consumption.

System Name	Major Functions	Implementation Status	Achievements
Centralised Monitoring Platform	Integrating project company's central control screens, monitoring videos, digital emission data; sending real-time alarms of emission data exceeding the standard through WeCom	28 monitoring screens, 2,894 monitoring videos, and 570 emission indicators for each project have been integrated. 30,000 alarm alerts have been sent in 2021	Real-time environmental emission data monitoring and exceedance alerts helped control environmental emissions on site
Safety Management Platform	Integrating the monitoring platform data and exceedance records, monitoring equipment status and operating conditions, reporting the cause and tracking the closed loop for excessive data	Promote all projects of hazardous waste, and mark the data of waste gas and waste water exceeding standards: 3 types of Continuous Emissions Monitoring Systems (CEMS) status, 13 types of waste gas status, 5 types of waste water status	Statistics of excessive data, actual working conditions, monitoring equipment status registration, exceedance tracking, facilitate abnormal emission problem tracking, identify and solve problems
Laboratory Management System	Online commissioning, sampling, assignment and testing, integrating laboratory workstations, reporting and data transmission production system, realising all-round management of laboratory in terms of people, machines, materials, methods and environment	Transformation and upgrading of intelligent laboratories of 20 hazardous waste projects, with 40,000 online samples, 440,000 testing items, and 28,000 output reports	Reduce testing errors, optimise compatibility recommendations, effectively reduce energy consumption in production and disposal, and promote stable emissions
Hazardous Waste Production Management System	Full business process management of hazardous waste including market pre-acceptance, incoming inspection, warehouse inventory management, compatibility management, production disposal and secondary hazardous waste disposal	20 hazardous waste projects have realised information management of hazardous waste, with 12,800 pre-acceptance consignment orders, 200 disposal compatibility orders and 2,000 secondary hazardous waste	Strictly control the collection and transportation of hazardous waste from the market side, connect the market and laboratories to ensure the compliance of incoming hazardous waste, avoid the entry of abnormal hazardous waste at source, reduce the energy consumption of abnormal hazardous waste disposal and the risk of environmental emissions derived therefrom

PROTECT THE ENVIRONMENT FOR A GREEN FUTURE (CONTINUED)

Raise Awareness of Energy Conservation and Environmental Protection, Advocate Green Environmental Protection

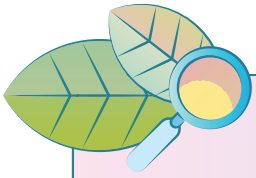
The resources used by the Group are mainly office paper and water. We insist on the philosophy that “reducing costs and increasing efficiency is everyone’s responsibility”, and constantly spread awareness of energy conservation and environmental protection to employees, in particular:

- Conduct water conservation and paperless office awareness campaigns to encourage employees to reduce printing;
- Use IT desktop assistant to remind employees to turn off computers and monitors, and switch off lights and air-conditioning in working areas after work;
- Reduce employee travel and advocate the use of new energy vehicles to jointly contribute to environmental protection.

Meanwhile, all business segments of the Group also actively promote energy conservation and environmental protection, in particular:

- A-Living uses various forms, such as community bulletin boards and posters, to publicise water-saving communities and cultivate good water-saving habits among residents;
- The real estate construction management projects of the Property Group adopt sponge technology to promote energy conservation and emission reduction;
- The commercial projects of the Property Group fulfil its commitment to protect nature, conserve resources and support communities, striving to be a leading force in the implementation of local environmental and social responsibility.

PROTECT THE ENVIRONMENT FOR A GREEN FUTURE (CONTINUED)



Case: Promoting “Cost Reduction and Efficiency Improvement”

The Group continues to enhance employees’ consciousness in cost, conservation and efficiency, and is making efforts to raise their awareness of energy conservation and environmental protection by providing the following information on “cost reduction and efficiency improvement”.

办公篇

小雅，我办公室的笔和鼠标不见了，我曹申请拿新的~

乐乐，我看见好像落在会议室了，公司财物曹爱护好的~节约资源，从小事做起！

例如：节约用水 办公室节约用电 办公室节约用纸

差旅篇

小雅，我明天去项目出差，顺便去周边几个市，据说好几个5A景区呢！

乐乐，你得精简差旅安排，减少非必要行程，严格按照出差管理制度执行。

高铁站内可直达，原则上不允许乘坐飞机 非必要不过夜 出差酒店及会议室等均不备茶歇、鲜花等礼品

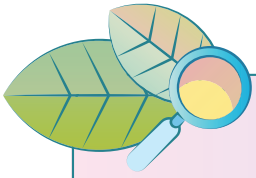
接待篇

小雅，明天我们团建去吃自助餐，听说用部门招待费，这下肯定能吃好玩好了~

乐乐，严禁使用招待费开展内部宴请和各种形式的娱乐活动！

不得接受工作相关人员机构馈赠的礼品 对外接待客户需厉行节约，杜绝奢靡 严禁个人向领导、同事馈赠礼品并用公益报销

控股公司人力行政中心宣



Case: Real Estate Construction Management Project – City College Project, Southwest University of Science and Technology

The Group adopts sponge technology for the Southwest University of Science and Technology City College Project, and uses permeable pavement, permeable concrete, sunken green space and other technical measures, with an overall annual total runoff control rate of 76.57% and a surface source pollution abatement control rate of 64.30%.

In the first phase of planning and layout: the Building Environment Simulation Analysis is adopted, and the dominant wind direction of the city is guided and utilised to create a good climate environment

In the medium-term implementation: emphasise air convection on the single building plane and use nature to adjust the temperature of building environment

In the later stages of construction design: new technologies such as new sound insulation coatings and new thermal insulation materials are selected to further strengthen the technical measures of energy conservation and emission reduction

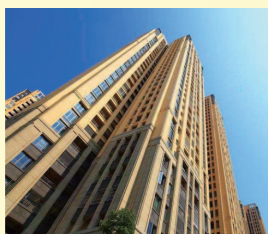
Save Energy Resources by Using Alternative Materials

The Group has formulated and implemented internal management systems such as the Technical Guidelines for Prefabricated Building Construction, Administrative Measures for the Use of Secondary Recycled Materials in Safe and Civilised Construction and Technical Guidelines for the Construction of Lightweight Slat Walls to reduce the use of construction materials and promote the efficiency of resource use through measures such as optimisation of construction techniques and replacement of traditional materials with new ones.



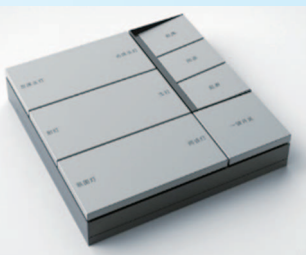
Wet paste of lightweight artificial stone panels on exterior walls in replacement of traditional dry hanging stone

- The mining of natural stone will cause great harm to the environment, but lightweight artificial stone panels have very similar quality, texture and colour change as natural stone. They are easy to install, safe, and low in overall cost, which is conducive to environmental protection.



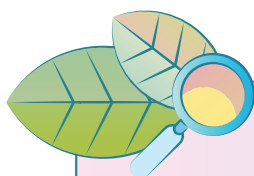
The reflective thermal insulation coating of the new material is better than the traditional thermal insulation process

- As a new type of energy-saving material, reflective thermal insulation coating can be widely used in exterior walls and roofs of buildings. It can effectively reflect, block and radiate the energy of sunlight, significantly reduce the indoor temperature of buildings, and reduce energy consumption of air conditioners and other refrigeration equipment under high temperature conditions, which not only improves the living environment but also saves a lot of energy.



Infinite kinetic energy switch and smart cloud grid

- The intelligent cloud power distribution box is used, which allows manual, automatic or remote APP control, in addition to all the functions of a traditional power distribution box. It can also provide intelligent functions such as energy management, electricity consumption data analysis and energy saving management. At the same time, the casing, wires and cassettes between the panel switch and the lamps are eliminated, which saves related materials and construction costs.



Case: Optimise Material Selection to Save Resources

The Group's project in Area G of Agile Garden Changning in Xi'an is a green construction demonstration project in Xi'an City, and resource conservation was achieved mainly by adopting the following measures:

- **Selection of materials:** green and environmentally friendly materials such as commercial concrete, highly refined blocks, grey sand bricks and environmentally friendly paints and coatings were used in the construction.
- **Material conservation:** the temporary construction facilities are made of demountable and recyclable materials, and the isolation guardrails are all made of tooled metal products with 100% turnover rate; scientific material transportation methods are adopted to reduce the transportation loss rate.
- **Resource regeneration and utilisation:** a residual material collection system is established, and the waste water pumped to the floor can be used as maintenance water.



Temporary Ladder Made from Reinforced Steel Remnants

PROTECT THE ENVIRONMENT FOR A GREEN FUTURE (CONTINUED)

Emissions and Water Management

The Group attaches importance to the control of pollutant emissions in the course of its operations. Each business segment complies with the relevant laws and regulations in the places where it operates and establishes an effective monitoring mechanism for pollutants and noise to ensure that they comply with local standards. While ensuring the compliance of pollutant emissions in the course of the Group's business operations, the Group has been deeply engaged in environmental protection business areas such as solid waste treatment and disposal and wastewater treatment, contributing to the environmentally sound treatment of pollutants and striving to create a good living ecology for the public. During the period under review, the Group was not penalised for its environmental emissions.

The Group has set waste reduction targets, emission targets and water efficiency targets, and by collecting and monitoring daily management data, it has assessed the achievement of these targets and adjusted management strategies as appropriate.



Waste reduction targets:

- Strive to show a year-on-year decreasing trend in office domestic waste intensity value (total annual office waste generation/ total annual revenue) from 2021 onwards.
- Implement the medium and long-term plans for green development, including the adoption of more than 80% of prefabricated techniques by 2025 and more than 90% by 2030, etc., in order to actively reduce waste generation and increase the waste recycling rate.



Emission targets:

- Progressively reduce the intensity of total greenhouse gas emissions and contribute to limiting global temperature rise to 1.5°C by the end of the century

Note: The Paris Agreement proposes that all parties shall jointly address climate change in the form of "independent contributions"; with the goal of holding global average temperature increases to within 2°C of pre-industrial levels by the end of the century, and striving to control temperature rise within 1.5°C. At the G20 Summit in Rome, G20 leaders reached an agreement on climate issue in their communique a commitment to limit global warming to 1.5°C.



Water efficiency targets:

- Strive to reduce the Group's water and electricity consumption intensity (water and electricity energy consumption/ revenue) by 10% by 2030
- Implement the medium and long-term plans for green development, including: full application of new materials and technologies by 2022; 100% of development projects are designed according to Agile's Green Building Standards/ Healthy Building standards by 2022; the adoption of more than 80% of prefabricated techniques by 2025, etc., in order to reduce water and electricity consumption.

Waste Management

The Group's operations involve construction waste from projects under construction, domestic waste from property management and office work, as well as waste generated from the operation of its Environmental Protection Group. The Group adheres to the principle of "reduction, recycling and harmlessness" as stipulated in the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste and complies with the Provisions on the Administration of Urban Construction Garbage, Measures for the Management of Municipal Domestic Waste and other relevant laws and regulations of the regions in which it operates in mainland China. Construction enterprises are required to collect all construction waste and domestic waste for centralised collection and disposal, while construction waste is regularly transported off-site for environmentally sound treatment. At the same time, the Group promotes the use of green materials on construction sites to reduce waste generation and create a green and civilised construction site.

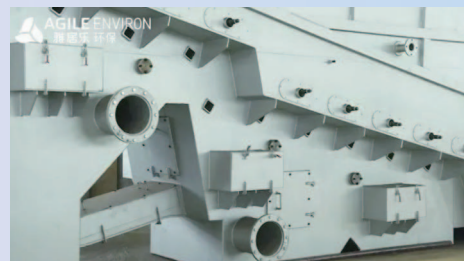
In addition, the Environmental Protection Group continued to deepen the management of hazardous and general solid waste in 2021, covering the entire process of hazardous waste generation, identification, storage, transfer, utilisation and disposal, and internally formulated the Hazardous Waste Transportation Management System (AER-R-HW-127), Guidelines for the Development of Hazardous Waste Project Systems and other systems, strictly controlled the hazardous waste generated during the Group's operation, and supported various hazardous waste projects through sophisticated equipment to ensure that general and hazardous waste can be properly handled and treated.

During the Reporting Period, the hazardous waste disposal projects of the Environmental Protection Group were located in 28 cities in 12 provinces, with the capacity to dispose of thousands of hazardous wastes, covering 45 categories in the National Hazardous Waste List, and has been the "Leading Enterprise in the Field of Hazardous Waste" for four consecutive years. In the future, the Environmental Protection Group will continue its development in the hazardous waste disposal field and contribute to a green society.



Case: Creating Stable and Efficient Incineration Lines to Promote Environmental Protection and Green Development

The Group's Environmental Protection Group has sophisticated first-class incineration equipment, systems, core processes, technologies and intellectual property rights, which have reached advanced domestic and international standards and have outstanding advantages of being more stable, more energy-efficient and more environmentally friendly than similar technologies at home and abroad. The total disposal scale of the incinerators in its Shanghai Canzhou Project exceeds 800,000 tonnes per annum, and its business covers industrial hazardous waste, medical waste treatment, sludge drying and incineration, and domestic waste-to-energy etc. Its grate equipment can effectively reduce the loss on ignition after hazardous waste incineration, improve the incineration efficiency of the system and promote environmental protection and green development.



Grate Equipment

PROTECT THE ENVIRONMENT FOR A GREEN FUTURE (CONTINUED)

Water Resource Management

The Group strictly complies with the Water Pollution Prevention and Control Law of the PRC and other relevant laws and regulations of the regions in which it operates, and strictly enforces the Integrated Sewage Discharge Standards to manage its sewage discharge. During the period under review, the Group did not have any problems in seeking suitable water sources.

To facilitate the achievement of water efficiency targets, the Group's day-to-day operations focus on water resource management through the following measures:

- Posting water saving signs and posters in office areas to raise employees' awareness of water saving;
- Setting up sewage collection channels for engineering projects, reducing sewage generation with water reuse technology, and discharging wastewater to municipal sewers after treating it and ensuring that it meets local sewage discharge standards;
- The Environmental Protection Group includes the physical treatment of waste liquids, comprehensive sewage treatment, electroplating sewage treatment and waste leachate treatment, etc. It refines and revises the water quality management system, process and working standards of the sewage plant according to the business characteristics, and provide systematic solutions for local residents' domestic water, municipal water, urban sewage and industrial wastewater treatment, etc.

PROTECT THE ENVIRONMENT FOR A GREEN FUTURE (CONTINUED)

Exhaust Gas Management

The Group strictly complies with the Law of the PRC on the Prevention and Control of Atmospheric Pollution, the Regulations on the Administration of Environmental Protection for Construction Projects and other relevant laws and regulations of the regions in which it operates, formulates and implements internal management systems such as the Comprehensive Emission Standards for Air Pollutants, effectively monitors pollutants and ensures that emissions meet the standards. In particular, in order to actively control dust pollution generated from construction projects, the Property Group set up car wash pools, dedusting sprays and PM2.5 monitoring instruments at the entrance of construction sites, and installed additional spraying devices to mitigate dust and haze at tower cranes, external scaffolds and construction fences, so that all monitoring indicators of dust at construction sites were maintained at excellent levels and the air quality around construction sites was effectively maintained. During the Reporting Period, the Group's exhaust gas emissions in the course of business operations were all up to standard.

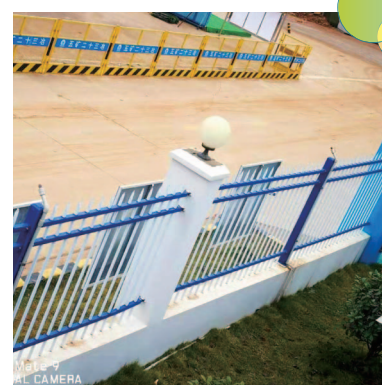
Dedusting Measures



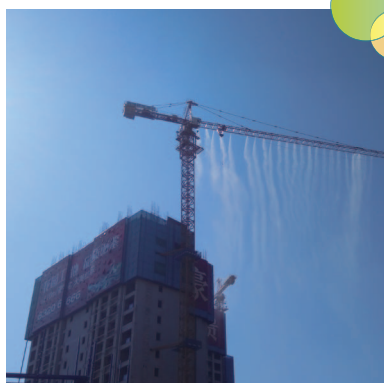
Roadside Dedusting Spray



Fence Dedusting Spray



Enclosure Dedusting Spray



Tower Crane Dedusting Spray



Scaffold Dedusting Spray



Fog Cannon Dedusting Spray

Meanwhile, during the Year, the Environmental Protection Group continued to reduce the level of pollutants by upgrading the temperature control system in the second combustion chamber of a number of incineration lines in order to adapt to the new hazardous waste incineration regulation, Pollution Control Standard for Hazardous Waste Incineration (GB 18484-2020), and by adding additional burners and supporting the addition of relevant thermocouples and equipment instrumentation.

PROTECT THE ENVIRONMENT FOR A GREEN FUTURE (CONTINUED)

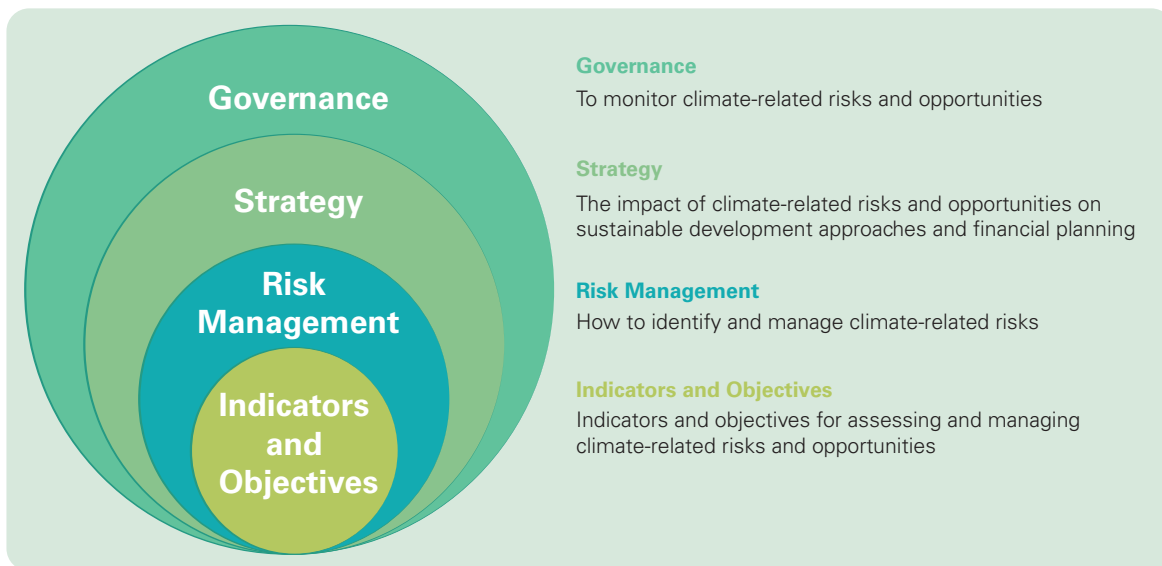
Noise Management

The Group strictly complies with the Law of the PRC on the Prevention and Control of Pollution from Environmental Noise and other relevant laws and regulations of the regions where it operates, actively submits environmental noise values and environmental noise pollution prevention and control measures to the local environmental protection administrative authorities, specifies noise reduction targets and requirements, sets up noise monitoring instruments and equipment and monitors them in real time to ensure that the noise generated during construction meets national and local standards.

At the same time, the Group actively communicates with the residents of the surrounding communities, makes public the feedback and complaint channels at the construction sites, identifies possible disturbing factors to the surrounding communities during construction in a timely manner, and protects the normal life of the surrounding residents through measures such as controlling the construction time period, forming enclosures and using low-noise equipment.

Response to Climate Change

With the environmental crisis and political and economic issues arising from climate change becoming increasingly prominent, climate change has become one of the most serious challenges facing all of humanity in the 21st century. The Group has made effective management and response to climate change risks one of its daily priorities. The Group takes into account the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) to promote climate-related financial disclosure and to clarify climate-related financial impacts and the Group's response measures. At the same time, the Group adopts a systematic and proactive approach to identifying, assessing and managing climate-related risks in its business operations and capitalising on the opportunities of a green, low-carbon economy.



Core Elements of TCFD Recommendations

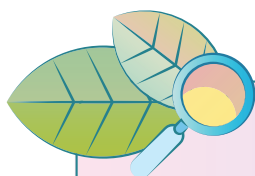
PROTECT THE ENVIRONMENT FOR A GREEN FUTURE (CONTINUED)

Governance: Monitor Climate-related Risks and Opportunities

The Group's Sustainable Development Steering Group incorporates physical and transformation risk factors related to climate change into the Enterprise Risk Management (ERM) Risk Assessment System, oversees the effective management of climate change risks in the Group's operations in order to mitigate the impact of climate change on business, adapts to changes in the climate environment, and strengthens the Group's resilience to climate change.

Strategy: The Impact of Climate-related Risks and Opportunities on Sustainable Development Approaches and Financial Planning

The Group strictly complies with national laws and regulations such as the Law of the PRC on Combating Climate Change. Each of its industrial companies formulates and implements internal management systems in accordance with its own business, such as the Meteorological Disaster Prevention Ordinance of A-Living, which specify safety emergency plans for meteorological disasters, and the Environmental Protection Group regularly organises safety emergency drills and training to strengthen the emergency management capabilities of its employees. At the same time, it actively applies the concept of sponge city design to enhance the project site's ability to accumulate, infiltrate and purify rainwater, and strengthen its environmental resilience to extreme weather such as droughts, high temperatures and heavy rainfall, in order to effectively respond to physical risks such as water shortages. In addition, to mitigate transformation risks such as supply chain supply and carbon emissions, the Group promotes green buildings through the introduction of new technologies to turn risks into opportunities for itself.



Case: Yaqing Water of the Environmental Protection Group Responds to Typhoon Kompasu

In October 2021, Hainan issued a level IV emergency response for flood and wind control. The Group's Environmental Protection Group, Yaqing Water Project, held a urge meeting in response to Typhoon Kompasu and actively carried out flood control work. By checking and reinforcing doors and windows, strengthening the patrol of water intake sources and pipelines, taking measures to protect equipment and materials against wind and rain, and observing the water inflow of sewage in real time, the Group did its best to ensure the safety of production and water supply, minimising the possible damage caused by the typhoon and rainstorm, and safeguarding the safety of people and property.



Boarding up doors and windows



Checking sewage pumps

PROTECT THE ENVIRONMENT FOR A GREEN FUTURE (CONTINUED)

Risk Management: How to Identify and Manage Climate-related Risks

With reference to TCFD's recommendations, the Group subdivides climate change risks into physical risks and transformation risks for climate change risk assessment, and incorporates them into the ERM assessment system to assess the potential impact of climate risks on business through interviews and questionnaires, together with the opinions of executives. At the same time, measures are actively taken to address the climate change-related risks identified, and the Sustainable Development Steering Group is responsible for following up and integrating climate risks into the ESG management process.

Indicators and Objectives: Indicators and Objectives for Assessing and Managing Climate-related Risks and Opportunities

For the first time, the Group reported climate-related financial disclosures with reference to TCFD recommendations in order to enhance the transparency of ESG reporting. Meanwhile during the Year, the Group formulated a medium and long-term plan for green development, energy use efficiency objectives, waste reduction objectives, emission objectives and water use efficiency objectives, and defined specific measures to achieve the plans and objectives. In addition, the Group continued to disclose Scope 1 and Scope 2 GHG emissions data, while focusing on the statistics and management of Scope 3 GHG emissions. The Group also promoted the use of public transport as a priority in the Travel Management System and continued to promote the use of teleconferencing systems to reduce indirect GHG emissions associated with travel.

Developing Sustainable Finance

During the Year, the Group took a key step in sustainable finance by developing the Sustainable Finance Framework and issuing its first sustainability bond in July 2021.

To ensure professionalism in the assessment and selection of eligible projects, the Group established the Sustainable Finance Working Group, which manages the Sustainable Finance Framework and is responsible for the green bonds issued thereunder. This group meets at least once a year and is responsible for approving green and social projects, checking the scope and type of projects and issuing regular reports.

In the future, the Group will continue its efforts to explore sustainable financial opportunities, provide financial support for environmentally and socially friendly projects, actively reduce its own carbon emissions and contribute to the sustainable development of society.

PUBLIC WELFARE AND CHARITY FOR THE COMMUNITY



PUBLIC WELFARE AND CHARITY FOR THE COMMUNITY



Important Issues Responded to in this Section

Participate in charity and voluntary activities

Practising Public Welfare and Charity

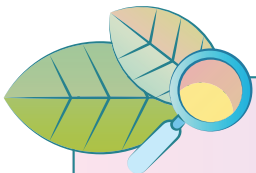
The Group has always adhered to the “empathy” philosophy of public welfare, actively engaged in public welfare and fulfilled its social responsibility. During the Year, the Group donated a total of over RMB70 million to disaster relief, rural revitalisation, poverty alleviation and education support, contributing to society.



Annual donation
RMB71.37 million



Regions benefited
Tengchong, Yunnan, Xishuangbanna, Lingshui, Hainan, etc.



Case: Emergency Aid and Supplies for Henan Province and offer Help in Post-Disaster Reconstruction

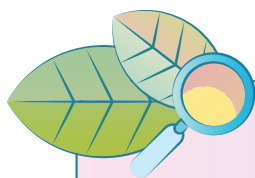
In July 2021, Henan Province was hit by a massive flood. After acknowledging the difficulties in supplying materials in Henan Province, the Group urgently procured assault boats, water purifiers, food and beverages, and dispatched a fleet of 21 vehicles from all over China to Zhengzhou City, Henan Province to provide strong material support to the disaster stricken area. The Group’s A-Living set up the Agile Zhengzhou Flood Control and Flood Fighting Action Group to stick to the forefront of flood control and actively participate in flood fighting and emergency rescue work to protect the lives and properties of owners, employees and people affected by the flood.



Agile Unites Various Industry Groups for Emergency Procurement of Supplies



Agile Zhengzhou Flood Control and Flood Fighting Action Group



Case: Donations to Help Build a Beautiful Village in Zhongshan City

In recent years, Guangdong Province Agile Foundation has continued its cooperation with local governments in Zhongshan City to help Zhongshan’s construction and economic development. In August 2021, Agile Foundation donated RMB210 million to the Red Cross Society of Zhongshan City to support rural revitalisation and construction in Zhongshan City.

Cumulative contributions
RMB400 million+

Targeted funding for Sanxiang Town, Zhongshan City

- **Yagang Village**
- **Yongmo Village**
- **Guinan Village, Wuguishan**

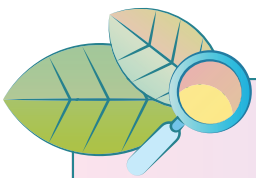


Cheque Presentation Ceremony Between Agile Group and Zhongshan Red Cross Representative

Assisting Urban Development

The Group adheres to the concept of “improvement of the living environment, increase of government tax, increase of employed population and improvement of the surrounding environment” as the transformation concept of urban renewal projects, and actively invests in urban renewal projects such as redevelopment of urban brownfields, construction of affordable housing and attention to soil remediation, with a view to optimising urban spatial structure, improving living quality and promoting the prosperous development of cities.

In addition, the Group upholds the principle of “equality and mutual benefit, sincere cooperation and mutual development”, and makes use of its leading resources to help industry incubation, empowering the Group’s own industry while continuing to enhance the Group’s social influence, creating a “win-win” situation.



Case: Assist Shunde District, Foshan City to Accelerate the Layout of the City Renewal and Jointly Explore the Redevelopment of Urban Brownfields

In April 2021, the Group formally became the implementation body of the upgrading and transformation project of Shibao Industrial Zone in Lunjiao Street, Shunde District, Foshan City, and joined hands with Lunjiao Shibao Village to build the first industrial transformation project in Shunde District, Foshan City, to jointly explore a new path of diversified development of urban renewal and integrate high-quality resources through the redevelopment of urban brownfields to contribute to the urban renewal construction of Foshan City and the improvement of the living environment and quality of life of villagers in Lunjiao Shibao Village.

The project has 257 mu of industrial-to-industrial land, 92 mu of industrial-to-residential land and 68 mu of public welfare land, with a planned construction area of over 150,000 sq.m. for high-quality residential buildings. Agile will incorporate the high-quality development plan of Shunde District, Foshan, precisely targeting the future industrial direction of “intelligence” and “ecology”, and strive to build an exemplary industrial configuration zone.



Demolition of Inefficient Industrial Plants



Case: Create a Dining Hall for the Elderly to have Meals and Enjoy Their Twilight Years

The Group's Jitang Elderly Resettlement Centre is located in Huangpu District, Guangzhou City, with a total site area of approximately 5,964 sq.m. and 60 units of "one-bedroom, one-living room" elderly housing.

The Jitang Elderly Resettlement Centre is designed with a dining hall for the elderly, which provides three free meals per day for the elderly residents. The dining hall provides safe, hygienic meals with balanced nutritious to meet the nutritional needs of the elderly, making sure they have no worries about what to eat.



Seniors Enjoy Nutritious Meal Together



Case: Working with Professional Organisations to Help Huangpu Jitang Village Create a Sustainable Village

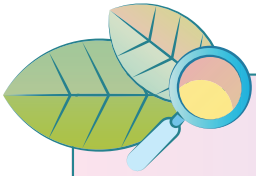
In 2021, Agile was commissioned by Huangpu Jitang Village to carry out soil remediation. As of the end of the Year, the Jitang project has completed soil assessment and started soil remediation, and is currently at the stage of commissioning professional enterprises to prepare proposals. In the future, the Jitang community will be oriented towards industrial upgrading and quality improvement, creating a Huangpu innovation cluster and forming a new Huangpu centre which integrated production, living and ecology.



Project Personnel Conducting On-Site Surveys and Discussing Plans



Survey Site

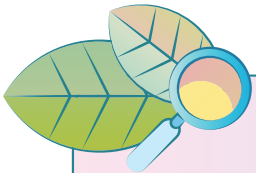


Case: Construction of Affordable Housing

The Group insists on responding to the call of national policies and continues to expand the supply of affordable housing, including resettlement housing and relocation housing, for the majority of low-income people with housing difficulties. At the same time, the Group provides schools, shopping malls and other ancillary facilities for the affordable housing to ensure the convenient living of the residents at the same time. During the Year, the Group relocated 258,000 sq.m. of residential buildings, 7,000 sq.m. of primary schools, and 47,000 sq.m. of supporting public buildings in the redevelopment project of Guobei District in Xi'an City.



Redevelopment Project in Guobei, Xi'an



Case: Facilitate the Incubation of Green Industry and Create a Benchmark Demonstration Pilot

During the Reporting Period, the Group built the first professional environmental protection demonstration park in Guangxi Province under the authorisation of the government of Fumian District, Yulin City, Guangxi Province, utilising its own leading resources to develop and construct the project, which is equipped with green operation systems such as industrial wastewater treatment, sludge disposal, industrial water supply and combined heat and power supply projects, which solved the problems of environmental protection and pollution control facilities for enterprises entering the park. The Group's aim is to establish a long-term resource mutual aid mechanism, build an industrial park for incubation of new industries and materialise the common development of the Group and the tenants in the park.



Energy-Saving and Environmental Protection Industrial Park in Yulin (Fumian) Guangxi

APPENDIX I — LIST OF POLICIES AND REGULATIONS

Aspects of ESG	Compliance with Laws and Regulations	The Group's Internal Policies and Systems
A1. Emissions	Environmental Protection Law of the PRC	
	Measures for the Administration of Environmental Surveillance	
	Measures for the Self-Monitoring and Information Disclosure by the Enterprises subject to Intensive Monitoring and Control of the State	
	Regulations on the Administration of Environmental Protection for Construction Projects	Storage Management System for Secondary Hazardous Waste
	Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste	Provisions on the Administration of Urban Construction Garbage
	Directory of National Hazardous Waste	Measures for the Management of Municipal Domestic Waste
	Provisions on the Administration of Urban Construction Garbage	Standard Management System for Hazardous Waste
	Regulations of Guangdong Province on Prevention and Control of Environmental Pollution by Solid Waste	Administrative Measures for Transfer of Hazardous Waste
	Measures for the Administration of Permit for Operation of Hazardous Waste	Operational Management Guidelines for Flexible Landfill of Hazardous Waste
	Standard for Pollution Control on Hazardous Waste Storage	Risk Assessment Management Guidelines on New Processes, New Equipment and New Businesses for Hazardous Waste Projects
	Water Pollution Prevention and Control Law of the PRC	Hazardous Waste Transportation Management System (AER-R-HW-127)
	Integrated Wastewater Discharge Standard	Guidelines for the Development of Hazardous Waste Project Systems
	Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant	Unified Promotion Practices for Construction of Agile Property Group
	Law of the PRC on the Prevention and Control of Atmospheric Pollution	Technical Guidelines for Prefabricated Building Construction
	Environmental Protection Tax Law of the PRC	Environmental Protection Management Manual
	Soil Pollution Prevention and Control Law of the PRC	Integrated Emission Standards for Air Pollutants
	Standard for Pollution Control on Hazardous Waste Storage	
Standard for Pollution Control on the Hazardous Waste Landfill		
Standards for Pollution Control on Hazardous Waste Incineration		

APPENDIX I — LIST OF POLICIES AND REGULATIONS (CONTINUED)

Aspects of ESG	Compliance with Laws and Regulations	The Group's Internal Policies and Systems	
A2. Use of Resources	Energy Conservation Law of the PRC	Administrative Measures for Office Energy Conservation	
	Circular Economy Promotion Law of the PRC	Business Travel Management System	
A3. Environment and Natural Resources	Water Resources Protection Law of the PRC	Administrative Measures for Energy Conservation and Consumption Reduction	
		Public Energy Consumption Management Regulations	
		Technical Guidelines for Prefabricated Building Construction	
		Guidelines on Techniques of Quick Demolition of Aluminium Cast Structure	
		Technical Guidelines for the Construction of Lightweight Slat Walls	
		Implementation Rules for Material Management of Self-operated Projects	
		Administrative Measures for the Use of Secondary Recycled Materials in Safe and Civilised Construction	
		Environmental Protection Law of the PRC	
		Energy Conservation Law of the PRC	
	Law of the PRC on the Prevention and Control of Pollution from Environmental Noise		
	Land Management Law of the PRC		
	Regulations of the PRC on Nature Reserves	Administrative Measures for Energy Conservation and Consumption Reduction	
	Administrative Regulations on Construction Noise	Technical Guidelines for Prefabricated Building Construction	
	Measure for Issuance of Warning Signal of Emergency Climate Hazard (Trial)	Unified Standard Atlas of Civilised Construction	
	Technical Guide for Sponge City Construction — Development of Rain System Structure with Low Impacts (Trial)	Agile Property Green Development Plan	
	Assessment Standard for Green Building		
	WELL Construction Standard and Healthy Construction Evaluation Standard		
A4. Climate Change	Law of the PRC on Combating Climate Change	Meteorological Disaster Prevention Ordinance	
B1. Employment	Labour Law of the PRC		
	Labour Contract Law of the PRC	Human Resources Management System Compilation	
	Law of the PRC on the Protection of Labour's Rights and Interests	Recruitment Management System	
	Social Insurance Law of the PRC	Staff Handbook	
	Provisions on the Prohibition of Using Child Labour	Guidelines on Induction Training for New Employees	

APPENDIX I — LIST OF POLICIES AND REGULATIONS (CONTINUED)

Aspects of ESG	Compliance with Laws and Regulations	The Group's Internal Policies and Systems
B2. Health and Safety	Labour Law of the PRC	Safety Management Manual
	Labour Contract Law of the PRC	Safety and Quality Red Line Management Handbook of Safe and Civilised Construction
	Social Insurance Law of the PRC	Safety Bottom Line Management Management System for Safe and Civilised Construction
	Occupational Disease Prevention and Control Law of the PRC	Accident Management Approach
	Fire Protection Law of the PRC	Engineering Project Process Evaluation System
	Production Safety Law of the PRC	Red Light Early Warning Management of Engineering Quality and Safety Risks
	Emergency Response Law of the PRC	Engineering Bottom Line Management Approach
	Regulations on Reporting and Investigation and Disposition of Safe Production Accidents	EHS Responsibility System of Environmental Protection Group
	Measures for the Administration of Contingency Plans for Work Safety Incidents	Management System for Sudden Safety and Environmental Accidents
	Regulations on Safety Supervision over Special Equipment	Contractor EHS Management System
	Regulation on Emergency Responses to Work Safety Accidents	Guidelines on Risk Assessment and Management of New Processes, Equipment and New Businesses for Hazardous Waste Projects
	Measures for the Administration of Emergency Response Plans	Standards of Conduct for Project Engineering Management
	Measures for the Categorised Administration of Occupational Disease Hazards in Construction Projects	Occupational Health Management System
	Measures for the Administration of Occupational Health Monitoring	Occupational Health Management Manual
		Occupational Health Examination System
		Occupational Disease Hazard Warning Message System
	Health and Safety Management Policy	
	Fire Management Manual	
	Management System of Personal Protective Equipment	
	Maintenance and Warranty Team Assessment and Management Measures (2021 Edition)	
	Safety Management Regulations for Barrier-Free Facilities	
	Code of Practices for Operational Safety Management	
	Emergency Preparedness and Emergency Response Control Procedures	

APPENDIX I — LIST OF POLICIES AND REGULATIONS (CONTINUED)

Aspects of ESG	Compliance with Laws and Regulations	The Group's Internal Policies and Systems
B3. Development and Training	<p>Labour Law of the PRC Labour Contract Law of the PRC Social Insurance Law of the PRC</p>	<p>Administrative Measures for Training Guidelines on Internal Trainer Management Administrative Measures for Recruiting and Training Graduate Management Trainee Guidelines on Orientation Training for New Employees Administrative Measures for Career Mentors Rotation Management System of Cross-industry Training for Employees of the Group</p>
B4. Labour Standards	<p>Labour Law of the PRC Labour Contract Law of the PRC Social Insurance Law of the PRC Provisions on the Prohibition of Using Child Labour</p>	<p>Human Resources Management System Compilation Induction Management System Resignation Management System Labour Contract Management System</p>
B5. Supply Chain Management	<p>Company Law of the PRC Civil Code of the PRC Bidding Law of the PRC Regulation on the Implementation of the Bidding Law of the PRC Product Quality Law of the PRC Anti-Unfair Competition Law of the PRC</p>	<p>Supplier Management System Bidding Management System Manual on Procurement Management Operation Manual on Rights and Responsibilities Administrative Measures of Bidding for Materials Suppliers Measures for Identification and Handling of Quality Problems concerning Materials Supplied by Party A Administrative Measures for Anti-Corruption in Procurement System Management System for Materials Bidding and Purchase of Centralised Procurement Centre Management System for Suppliers of Centralised Procurement Centre Quality Control System</p>

APPENDIX I — LIST OF POLICIES AND REGULATIONS (CONTINUED)

Aspects of ESG	Compliance with Laws and Regulations	The Group's Internal Policies and Systems
B6. Product Responsibility	<p>Product Quality Law of the PRC</p> <p>Urban Real Estate Administration Law of the PRC</p> <p>Advertising Law of the PRC</p> <p>Consumer Rights and Interests Protection Law of the PRC</p> <p>Cybersecurity Law of the PRC</p> <p>Patent Law of the PRC</p> <p>Copyright Law of the PRC</p> <p>Trademark Law of the PRC</p> <p>Law of the PRC on the Protection of Personal Information</p> <p>Measures for the Administration of the Sale of Commercial Properties</p>	<p>Unified Promotion Practices for Construction Engineering Project Process Evaluation System</p> <p>Unified Standard Atlas of Civilised Construction Manual for Prevention and Control of General Quality Problems</p> <p>Project Delivery Guidelines</p> <p>Technical Guidelines on Construction of Lightweight Slatwall</p> <p>Management of Geotechnical Monitoring and Testing</p> <p>Guidelines on Acceptance of Showering (Storage) Water for Agile Properties</p> <p>Management Measures for Joint Acceptance of Residential Project Delivery</p> <p>Residential Construction Drawing Design Guide Management Process on Structural Limit Design</p> <p>Standardised Actions for Dealing with Customer Complaints</p> <p>Management System for Safety and Operation of Information System</p> <p>Standards on Handling of Information System Problems and Accidents</p> <p>Management System for Changes of Information System</p> <p>Management System for Safety of Sensitive Privacy Data within Information System</p> <p>Marketing System Control Measures</p> <p>Marketing Site Inspection System 2021 Edition</p> <p>Management Measures for the Operation of Public Disclosure of Disadvantages Inside and Outside the Red Line</p> <p>Implementation Rules of Sales Offices Management for Hainan Regional Company</p> <p>Ordinance on Customer Complaint about Services at Agile Clearwater Bay Sales Office</p> <p>Standardised Actions for Handling Customer Complaints in Agile</p> <p>Regulation of Online Speech</p>

APPENDIX I — LIST OF POLICIES AND REGULATIONS (CONTINUED)

Aspects of ESG	Compliance with Laws and Regulations	The Group's Internal Policies and Systems
B7. Anti-corruption	Criminal Law of the PRC Criminal Procedure Law of the PRC Civil Code of the PRC Company Law of the PRC Anti-Unfair Competition Law of the PRC Interim Provisions on Banning Commercial Bribery Supervision Law of the PRC Labour Law of the PRC Public Security Administration Punishment Law of the PRC	Anti-corruption System Code of Business Conduct Accountability System for Defaults Administrative Measures for Anti-Corruption in Procurement System Articles of Association Certificate of Responsibility for Anti-corruption Management Employee Manual Confidentiality System Anti-corruption Agreement Implementing Rules on Accountability for Misconduct in Project Management (2021 Edition) Risk Management System of Agile Group Holdings Limited
B8. Community Investment	Charity Law of the PRC	Articles of Agile Public Welfare Foundation

APPENDIX II — LIST OF DATA

Environmental Key Performance Table

ESG Indicator	Unit	Consumption/ Emissions in 2021
A1.1 Category and Relevant Data of Emissions		
Nitrogen Oxides (NO _x) emissions	KG	5,180.56
Sulphur dioxide (SO ₂) emissions	KG	2.67
Particulate Matter (PM) emissions	KG	126.46
A1.2 Greenhouse Gas Emissions		
Total GHG emissions ¹	tonne of carbon dioxide equivalent	82,300.73
Direct GHG emissions (Scope 1) ²	tonne of carbon dioxide equivalent	11,707.05
Indirect GHG emissions (Scope 2) ³	tonne of carbon dioxide equivalent	70,593.69
A1.3 Hazardous Waste Generated		
Total waste batteries	KG	128.71
Total waste light tubes	piece	1,559.00
Total toner cartridges	unit	806.00
Total hazardous waste generated ⁴	tonne	66,927.00
A1.4 Non-hazardous Waste Generated		
Total non-hazardous waste generated ⁵	tonne	617.92

1 Total GHG emissions include the sum of direct GHG emissions and indirect GHG emissions.

2 Direct GHG emissions include direct emissions from diesel, gasoline, natural gas, LPG, etc.

3 Indirect GHG emissions include indirect emissions from purchased electricity.

4 Total hazardous waste generated includes the sum of generation of HW18 slag, HW18 sludge, and HW18 fly ash.

5 Total non-hazardous waste generated includes office paper waste and domestic waste from office operations.,

APPENDIX II — LIST OF DATA (CONTINUED)

ESG Indicator	Unit	Consumption/ Emissions in 2021
A2.1 Total Energy Consumption and Intensity		
Total energy consumption ⁶	kWh in '000s	139,841.06
Energy consumption intensity	kWh in '000s/RMB million	2.32
Non-renewable fuel (direct) consumption ⁷	kWh in '000s	56,835.30
Piped natural gas consumption	kWh in '000s	51,540.40
Liquefied petroleum gas consumption	kWh in '000s	203.56
Total gasoline consumption	kWh in '000s	1,664.00
Total diesel consumption	kWh in '000s	3,427.34
Purchased power (indirect) consumption ⁸	kWh in '000s	83,005.76
Electricity consumption	kWh in '000s	83,005.76
A2.2 Water Resources Consumption and Intensity		
Total water consumption	m ³	791,817.37
Water consumption intensity	m ³ / RMB million	13.15
Government water consumption	m ³	791,817.37

6 Total energy consumption includes the sum of direct energy consumption and indirect energy consumption.

7 Non-renewable fuel (direct) consumption includes the direct consumption of gasoline, diesel, natural gas and LPG.

8 Indirect energy consumption includes the indirect consumption of purchased electricity.

Scope of Statistics:

The Group's 2021 environmental data statistics include the Company, the Property Group, the Environmental Protection Group and its projects under management, and A-City Technology. Among which, the Environmental Protection Group includes operating projects under the management of the divisions of the Environmental Protection Group; A-City Technology includes A-City Technology headquarters and professional companies under management. The environmental statistics of A-Living is disclosed in its ESG Report.

Reference standards for data calculation:

- (1) Direct emission of carbon dioxide generated from gasoline, diesel, piped natural gas, LPG and others is calculated with reference to Guidelines for Accounting and Reporting Greenhouse Gas Emissions — Public Building Operation Units (Enterprises) (Trial) issued by the General Office of the National Development and Reform Commission;
- (2) Indirect emission of carbon dioxide generated from purchased power is calculated with reference to Guidelines for Accounting and Reporting Greenhouse Gas Emissions — Public Building Operation Units (Enterprises) (Trial) issued by the General Office of the National Development and Reform Commission, among which the emission factors of electricity in Mainland China are referenced to the criteria from Emission Factors for China's Regional Power Grids under 2019 Emission Reduction Projects;
- (3) The power equivalent value as in total energy consumption is converted by reference to the Chinese standard of GB/T 2589-2008 General Principles for Calculation of Comprehensive Energy Consumption;
- (4) Energy consumption intensity and water consumption intensity are emission intensities based on the operating revenue of 2021.

APPENDIX II — LIST OF DATA (CONTINUED)

Social Key Performance Table

ESG Indicator	The Group's Social Data				
	Unit	2019	2020	2021	
B1.	Employment				
B1.1	Number of Employees: Breakdown by Gender, Age, Position and Region				
Total number of employees	person	38,313	63,275	98,466	
Gender	Male	person	22,615	36,251	54,629
	Female	person	15,698	27,024	43,837
Age	30 or below	person	–	16,309	18,323
	31–49	person	–	33,288	43,128
	50 or above	person	–	13,678	37,015
Position	Top management	person	17	24	15
	Senior management	person	305	486	276
	Middle management	person	890	1,962	2,051
	General staff	person	37,101	60,803	96,124
Region	Mainland China	person	38,160	63,119	98,362
	Hong Kong, Macau, Taiwan and Overseas	person	153	156	104
B1.2	Employee Turnover Rate: Breakdown by Gender, Age and Region				
Total employee turnover rate	%	–	–	42.42	
Gender	Male	%	44.83	37.24	23.39
	Female	%	43.00	33.56	19.03
Age	30 or below	%	54.70	43.06	11.32
	31–49	%	35.58	31.83	14.66
	50 or above	%	53.57	36.20	16.44
Region	Mainland China	%	44.15	35.74	42.41
	Hong Kong, Macau and Taiwan	%	21.43	14.29	0.01
	Overseas	%	28.83	1.08	0.00
B2.	Health and Safety				
B2.1	Number of Work-related Fatalities				
	Number of work-related fatalities	person	2	1	1
	Work-related fatality rate	‰	0.52	0.16	0.01
B2.2	Number of Lost Days due to Work Injury				
	Total number of lost days due to work injury	day	3,342.0	11,104.0	5,739.5

APPENDIX II — LIST OF DATA (CONTINUED)

ESG Indicator	The Group's Social Data				
	Unit	2019	2020	2021	
B3.	Development and Training				
B3.1	Percentage of Employees Trained: Breakdown by Gender and Position				
Trained employees as a percentage of total employees	%	–	78.00	50.47	
Gender	Male	%	–	58.73	54.27
	Female	%	–	41.27	45.73
Position	Top management	%	–	0.04	0.02
	Senior management	%	–	0.66	0.76
	Middle management	%	–	3.24	4.83
	General staff	%	–	96.06	94.39
B3.2	Average Number of Training Hours Received by Employees: Breakdown by Gender and Position				
Average training hours of employees	hour	56.87	19.75	51.20	
Gender	Male	hour	–	21.53	50.10
	Female	hour	–	17.36	52.60
Position	Top management	hour	55.59	18.37	11.92
	Senior management	hour	59.77	22.83	33.43
	Middle management	hour	64.54	16.51	113.05
	General staff	hour	56.66	19.83	48.81
B5.	Supply Chain Management				
B5.1	Number of Suppliers by Region				
Region	Mainland China	/	16,852	20,482	37,606
	Hong Kong, Macau, Taiwan and overseas	/	157	187	422
B6.	Product Responsibilities				
B6.2	Number of Complaints Received about Products and Services				
	Number of complaints received	/	–	–	6,969
B7.	Anti-corruption				
B7.1	Number of Legal Cases regarding Corruption				
	Number of filed or concluded legal cases regarding corruption	case	0	0	1
B7.3	Anti-corruption Training Provided to Directors and Employees				
	Directors attending anti-corruption training	person	–	–	9
	Employees attending anti-corruption Training	person	–	–	39,000
	Anti-corruption training hours	hour	–	–	45,018
B8.	Community Investment				
B8.2	Resources Contributed to the Focus Area				
	Employees involved	person	–	–	539
	Time invested	hour	–	–	1,400
	Money invested	RMB yuan	106,450,720	155,401,820	71,365,121

APPENDIX II — LIST OF DATA (CONTINUED)

Reference standards for data calculation:

- (1) Employee turnover rate = number of employees leaving in a particular category/total number of employees at the end of the Reporting Period x 100
- (2) Percentage of employees trained = number of employees trained in a particular position/total number of employees trained x 100
- (3) Average training hours = total training hours of employees in a particular position/total number of employees in that particular position

APPENDIX III — INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE OF THE HONG KONG STOCK EXCHANGE

ESG Indicator	Description	Section
A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Protect the Environment for a Green Future
KPI A1.1	The types of emissions and respective emissions data.	Appendix II — List of Data
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix II — List of Data
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix II — List of Data
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix II — List of Data
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Protect the Environment for a Green Future
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Protect the Environment for a Green Future

APPENDIX III — INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE OF THE HONG KONG STOCK EXCHANGE (CONTINUED)

ESG Indicator	Description	Section
A2: Use of Resources		
General Disclosure	Policies on efficient use of resources including energy, water, and other raw materials.	Protect the Environment for a Green Future
KPI A2.1	Direct and/ or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix II — List of Data
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix II — List of Data
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Protect the Environment for a Green Future
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Protect the Environment for a Green Future
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A
A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Protect the Environment for a Green Future
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them.	Protect the Environment for a Green Future
A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Protect the Environment for a Green Future
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Protect the Environment for a Green Future

APPENDIX III — INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE OF THE HONG KONG STOCK EXCHANGE (CONTINUED)

ESG Indicator	Description	Section
B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Sincere Collaboration, Common Growth
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Sincere Collaboration, Common Growth Appendix II — List of Data
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix II — List of Data
B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Sincere Collaboration, Common Growth
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix II — List of Data
KPI B2.2	Lost days due to work injury.	Appendix II — List of Data
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Sincere Collaboration, Common Growth
B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Sincere Collaboration, Common Growth
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Sincere Collaboration, Common Growth Appendix II — List of Data
KPI B3.2	The average training hours completed per employee by gender and employee category.	Sincere Collaboration, Common Growth Appendix II — List of Data

APPENDIX III — INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE OF THE HONG KONG STOCK EXCHANGE (CONTINUED)

ESG Indicator	Description	Section
B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Sincere Collaboration, Common Growth
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Sincere Collaboration, Common Growth
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Sincere Collaboration, Common Growth
B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Quality-Based, Technology-Assisted
KPI B5.1	Number of suppliers by geographical region.	Quality-Based, Technology-Assisted Appendix II — List of Data
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Quality-Based, Technology-Assisted
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Quality-Based, Technology-Assisted
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Quality-Based, Technology-Assisted
B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Quality-Based, Technology-Assisted
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Quality-Based, Technology-Assisted Appendix II — List of Data
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Quality-Based, Technology-Assisted
KPI B6.4	Description of quality assurance process and recall procedures.	Quality-Based, Technology-Assisted
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Quality-Based, Technology-Assisted

APPENDIX III — INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE OF THE HONG KONG STOCK EXCHANGE (CONTINUED)

ESG Indicator	Description	Section
B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud, and money laundering.	Compliance and Risk Management
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Compliance and Risk Management Appendix II — List of Data
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Compliance and Risk Management
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Compliance and Risk Management Appendix II — List of Data
B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities takes into consideration communities' interests.	Public Welfare and Charity for the Community
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Public Welfare and Charity for the Community
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Public Welfare and Charity for the Community Appendix II — List of Data



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