



Environmental, Social and Governance Report 2020

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



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ABOUT THIS REPORT

Introduction

Agile Group Holdings Limited ("Agile") is pleased to present its fifth Environmental, Social and Governance ("ESG") Report ("the Report"). This Report discloses the performance related to Agile's sustainable development in 2020 during the period from 1 January 2020 to 31 December 2020.

Reporting Reference

This Report complies with all the "Comply or Explain" provisions contained in the Environmental, Social and Governance Reporting Guide ("ESG Guide") in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Hong Kong Listing Rules") issued by The Stock Exchange of Hong Kong Limited ("HKEX"), and follows the principles of materiality, quantification, balance and consistency specified in the ESG Guide. Index of the ESG Guide is attached to the Appendix III of this Report.

Contents of this Report are formulated in accordance with a set of systematic procedures. These procedures include identifying and prioritising important stakeholders, identifying and prioritising important ESG-related issues, determining the scope of this Report, collecting relevant materials and data, preparing this Report based on the data, and reviewing the data in this Report.

Reporting Scope and Boundary

This Report discloses the Company's ESG risks and management measures in accordance with the "materiality principle", "quantification principle", "balance principle" and "consistency principle" mentioned in the ESG Guide. This Report covers the Company and its wholly-owned and non-wholly owned subsidiaries. The scope of this Report is consistent with that of 2020 Annual Report of the Company, and shall be read in conjunction with 2020 Annual Report of the Company.

Title Description of Appellation

To facilitate presentation and reading, unless otherwise specified, "the Company" in this Report also refers to Agile, while "the Group" and "us" refer to the Company and its subsidiaries.

| Name of principal subsidiary | Abbreviated name of the subsidiary |
|---|------------------------------------|
| A-Living Smart City Services Co., Ltd. (雅生活智慧城市服務股份有限公司) | A-Living |
| A-City Group Limited (雅居樂雅城集團有限公司) | A-City |

Source

Data and case studies in this Report are mainly derived from the formal documents, statistical reports and publicly available materials of Agile.

Approval

This Report is published with the approval of the risk management committee of the board of directors of the Company (the "Board") and the Board.

Access and Response to this Report

This Report can be accessed and downloaded from the websites of HKEX (www.hkex.com.hk), Singapore Exchange Securities Trading Limited (www.sgx.com) and the Company's website (www.agile.com.cn).

For further inquiries, comments or suggestions on this Report, please contact the Company by email at ir@agile.com.cn.

This Report is prepared in Chinese and English respectively. In case of any discrepancies between the Chinese and English versions, the Chinese version shall prevail.

MESSAGE FROM THE CHAIRMAN

Dear all stakeholders,

Agile is pleased to present this Report for the purpose of addressing concerns from our stakeholders regarding the Company's sustainability management performance.

The Group attaches great importance to product quality and continues to improve the planning and design of its products, striving to create a quality living environment for the public. The Group has launched five main product series that focuses on the "eight elegances of residence" product philosophy. In particular, the "Agile health" product series, which was developed with reference to the WELL Building Standards and Assessment Standard for Healthy Building, and adhering to the philosophy of "smart technology leading to a healthy life", that has incorporated a new smart venting system, low-pollution decoration materials, whole-room water purification system and other advanced equipment, so as to comprehensively optimise property owners' living condition in response to people's pursuit of a simple and cosy life. We also took initiatives to apply for the WELL Precertification during the year, and so far have received WELL Gold Pre-Certification in two projects, demonstrating our continuous exploration on the application and innovation of healthy building standards.

The Group is concerned about the impacts of its business development on nature and ecology. We continue to explore development and operation models that are in harmony with the environment, and actively evaluate the opportunities associated with the development of green building technologies. As of the end of the reporting period, since commencing our project design and construction with reference to the Assessment Standard for Green Building (GB/T 50378-2019), the Group has 70 projects reaching Green Building Star Design Standard and 19 projects obtained Green Building Certification. In addition, the Sponge City design concept is being deployed in over 60% of the Group's new projects to help build a sustainable urban water cycle system, thus enhancing the resilience to climate change of our project's surrounding environment.

The Group remains steadfast to the "people-oriented" principle and committed to build a professional, dedicated, and competent team. We provide a healthy and safe working environment as well as a competitive and motivational mechanism and development opportunities for employees. The Group values the health and safety of employees. Our sustainable development steering group is responsible for monitoring the implementation of management measures and achievement of goals. All key personnel of different business arms have signed the Work Safety Responsibility Certificate, and have formulated suitable safety goals based on business conditions to promote and realise accountability regarding safety management. Meanwhile, the Group has in place a comprehensive staff training and development system which fosters diversity and all-inclusive culture in the workplace. Our annual employee satisfaction survey continues to show results above the industry average.

The Group maintains a high standard of corporate governance, keeps up good communication with the capital market and continues to enhance corporate transparency. The Group complies with business ethics and codes, and has strict internal control and risk management procedures in place to ensure efficient information disclosure to the public. During the year, the risk management committee coordinated and supervised the development, planning and implementation of ESG management strategies and assessed ESG risks and opportunities material to the Company. Through establishment and tracking of key risk indicators, we lead various business arms to join hands in pursuing a sustainable development model for achieving balance between economic, environment and social performance.

The Group will uphold the philosophy of "lifestyle of a lifetime", continue to adopt the business model of "focusing on property development, supported by a synergy of diversified businesses", and enhance its internal management capability. With an unwavering focus on people's aspiration for a wonderful lifestyle, we will strive to create stable long-term return for our staff, customers, investors, and all other stakeholders.

Chairman and President
CHEN Zhuo Lin

Hong Kong, 28 June 2021

ABOUT THE COMPANY

Corporate Profile

Agile and its subsidiaries are principally engaged in the development of large-scale mixed-use property projects, with extensive presence in the businesses such as property management, environmental protection, construction, real estate construction management, urban renewal and commercial. The Group will uphold the philosophy of “lifestyle of a lifetime”, continue to adopt the business model of “focusing on property development, supported by a synergy of diversified businesses”, and enhance its internal management capability. With an unwavering focus on people’s aspiration for a wonderful lifestyle, we will strive to create stable long-term return for our staff, customers, investors, and all other stakeholders.

Shares of the Company have been listed on the Main Board of HKEX since 2005 and are constituent stocks of Hang Seng Composite Index, Hang Seng Composite MidCap Index, Hang Seng Stock Connect Hong Kong Index, Hang Seng Stock Connect Greater Bay Area Index, Hang Seng Stock Connect China 500 Index, Hang Seng High Dividend Yield Index, Hang Seng China High Dividend Yield Index, MSCI China Index and Lippro Select HK & Mainland Property Index.

ABOUT THE COMPANY (CONTINUED)

Business Overview

Agile will continue to adopt the operating model of “focusing on property development, supported by a synergy of diversified businesses”, driving the solid growth of each business segment.

The Group’s property development business had a land bank with a total planned GFA of 53.01 million sq.m. in 84 cities, and 216 projects for sale including 46 newly launched projects during the year.

A-Living upheld its original aspiration of “lifelong caring for property owners”, put quality first and continued to improve service standards to meet property owners’ needs for higher quality and more personalised services in an effort to create “heart-warming communities”. During the year, A-Living completed the acquisition of equity interest in CMIG Futurelife Property Management Limited, with the GFA under management and the contracted GFA (excluding GFA of the consultant projects and its associates) reaching 374.8 million sq.m. and 522.6 million sq.m., respectively.

Following the development strategy of “1 Core, 4 Drivers and N Wings”, the environmental protection business of the 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. As at 31 December 2020, the Group had 48 projects in total, covering four major regions in Mainland China, namely Central China, Southern China, Guangxi and Northern China. Among them, 32 were hazardous waste treatment projects, 7 were domestic waste-to-energy projects, 4 were integrated industrial park projects and 5 were water treatment projects.

A-City is a prominent ecological habitat service provider in China, committed to providing customers with a green living experience through ecological outdoor landscapes and a quality indoor ambience. As at 31 December 2020, its operations spanned 203 cities in 31 provinces in Mainland China, 26 out of the property developers that ranked in the top 30 property developers in Mainland China were A-City’s customers.

With excellent supply chain management, outstanding management capabilities and the Group’s strong integrated resources, the real estate construction management business provided high-end technical operations and professional services to our partners, ranging from design and construction application, construction management, cost control, brand export and product marketing. As at 31 December 2020, the real estate construction management business of the Group had 34 real estate construction management projects nationwide with accumulated saleable resources over RMB110.0 billion, demonstrating its comprehensive capability as an industry leader.

The Group’s urban renewal segment was formally established in June 2020. With a focus on the Greater Bay Area of Guangdong, Hong Kong and Macau and penetrating into Northern China and Central China, the urban renewal business is committed to building a full chain of urban renewal services. Our urban renewal business covered a wide range of redevelopment projects. As at 31 December 2020, the urban renewal segment entered into 18 cooperation agreements, with businesses covering 5 provinces and municipalities across the country, secured planned GFA of over 11.50 million sq.m. with a locked-in saleable resources of nearly RMB360.0 billion.

Business Performance Highlights



Total Assets

RMB

313.765 billion



Revenue

RMB

80.245 billion



Proportion of Diversified Businesses Revenue

13.3%



Pre-sale Value

RMB

138.190 billion



Net Profit Margin

15.3%



Profit Attributable to Shareholders

RMB

9.475 billion



Total Land Bank

53.01 million sq.m.



Full Year Dividend per Share

HKD

110.0 cents

Sustainable Development Management



SUSTAINABLE DEVELOPMENT MANAGEMENT

Concept of Sustainable Development

Constantly adhering to the business philosophy of “lifestyle of a lifetime”, Agile has been always concerned about people’s pursuit of a better life, and devoted to creating refined living for the public through developing real estate and diversified businesses.

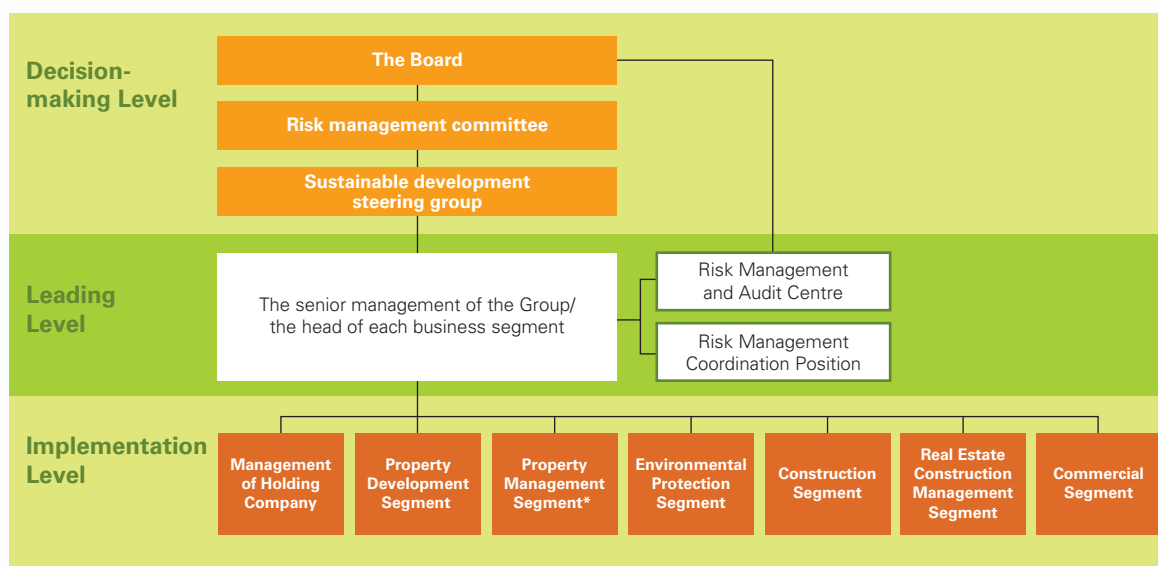
Agile attaches great importance to the sustainable development of economic, environmental and social benefits during its operation, maintains a good level of corporate governance to protect shareholders’ rights and interests, implements the concept of green development to safeguard local ecological environment, creates occupational development opportunities to help employees realise their own values, keeps steady and healthy growth of main businesses to achieve joint development with suppliers, and makes active participation in community development to assume corporate social responsibility.

Sustainable Development Management Structure

Agile underscores the sustainability management, keeps a close eye on ESG-related proposals and standards at home and abroad, and makes timely assessment and optimisation of its managerial structure and system, ensuring that it has sufficient and effective management capabilities over each ESG topic.

The risk management committee is responsible for overseeing the sustainability development of the Group. The Board receives reports from the risk management committee at the board meetings on major sustainability issues and the status of management of annual key performance indicators. The risk management committee also monitors the effectiveness of the risk management framework and policies, and conducts regular risk identification, analysis and review of the management process through the Enterprise Risk Management (ERM) system, as well as identifies and manages core ESG risks with ERM. The person-in-charge of each of the Group’s business arms serves as the first responsible person of the unit’s environment and safety management, as such, their performance remuneration is linked to the key environmental and safety management indicators of the business arms, thereby promoting the relevant responsible departments to ensure the effective implementation of the ESG management system.

The sustainable development steering group is responsible for monitoring the implementation of management measures and achievement of goals. To ensure the effective implementation of the Company’s ESG strategy, the sustainable development steering group supervises each business segment of the Company to set ESG management objectives (e.g. environmental and safety management objectives) based on operational conditions, regularly reviews the reasonableness of the objectives, and continuously monitors the achievement of the objectives.



Risk Management Organisation Chart

* As the date of publication of this Report, this business segment is being operated by A-Living which is a 50.79% owned by the Company

SUSTAINABLE DEVELOPMENT MANAGEMENT (CONTINUED)

Stakeholders' Communication

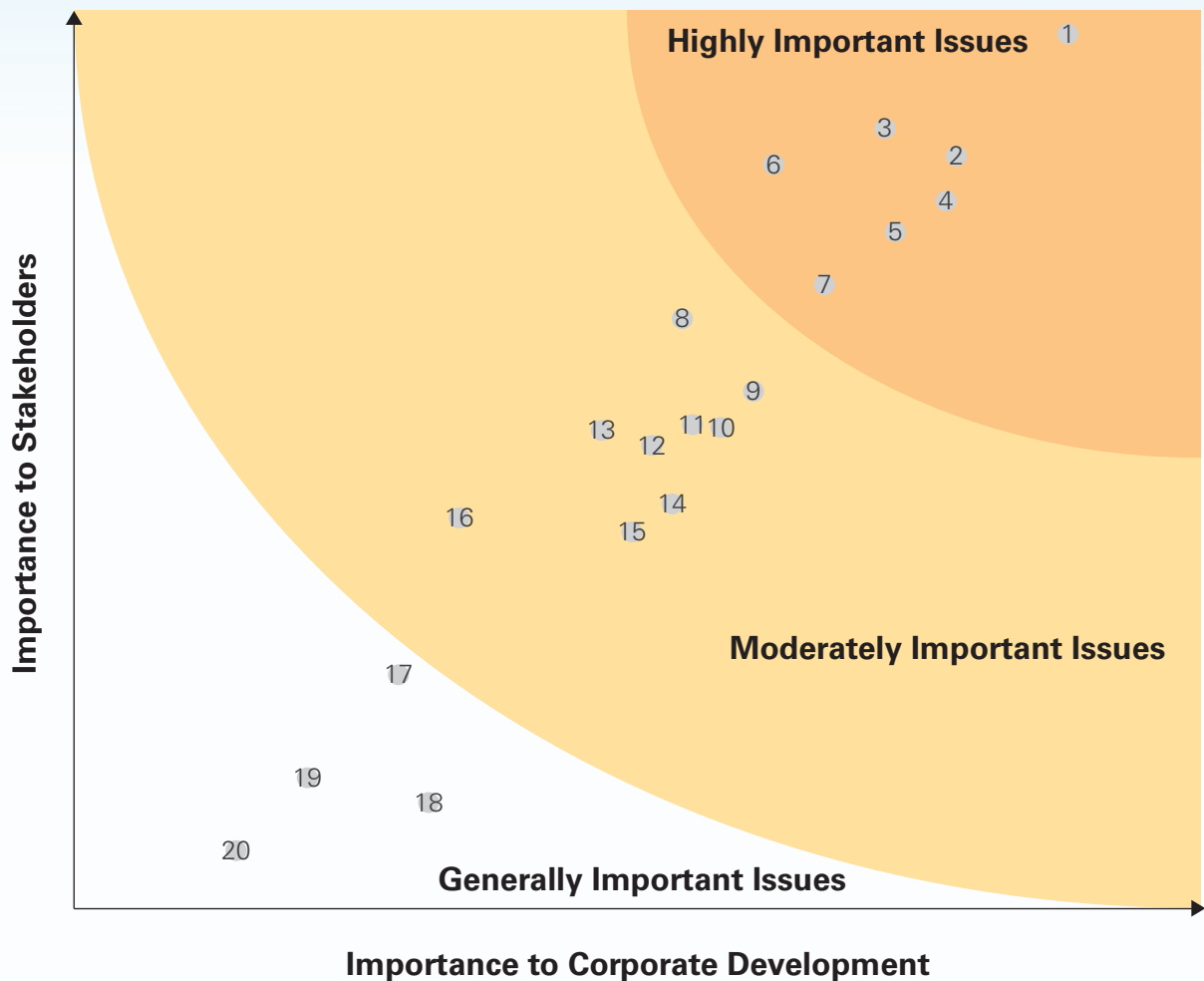
Agile spotlights stakeholder's opinion and expectation of the Company. It has established a regular communication mechanism with employees, investors, tenants, property owners, suppliers, regulators and community representatives to timely understand all stakeholders' expectations and demands on Agile, and communicate and make feedback via different channels to continuously improve the Group's management of environmental, social and corporate governance.

| Stakeholder Category | Communication Aim | Communication Channels |
|---|--|--|
| Government/ regulators | <ul style="list-style-type: none"> Contribute to regional economic construction Create employment opportunities Operate in accordance with the laws and regulations | <ul style="list-style-type: none"> Government and enterprise forum Supervision and inspection Work report and research |
| Shareholders and investors | <ul style="list-style-type: none"> Long-term stable development Compliance information disclosure Safeguard shareholders' rights | <ul style="list-style-type: none"> Investor briefing General meeting of shareholders Telephone and correspondence |
| Employees | <ul style="list-style-type: none"> Protect legal rights and interests Guarantee safety and health Provide training and development opportunities | <ul style="list-style-type: none"> Employee engagement survey Employee representatives meeting Opinions feedback platform |
| Customers/ property owners/ tenants/ consumers | <ul style="list-style-type: none"> Guarantee product and service quality Provide communication and feedback channels | <ul style="list-style-type: none"> Customer satisfaction survey Customer communication hotline |
| Suppliers/ contractors/ subcontractors/ service contractors | <ul style="list-style-type: none"> Maintain long-term stable cooperation Make joint efforts for development of the industry | <ul style="list-style-type: none"> Partners meeting Telephone and correspondence |
| Industrial associations/ professional institutions | <ul style="list-style-type: none"> Make joint efforts for development of the industry | <ul style="list-style-type: none"> Industrial associations |
| Media | <ul style="list-style-type: none"> Open and transparent information | <ul style="list-style-type: none"> Press conference Telephone and correspondence |
| Community | <ul style="list-style-type: none"> Promote community development Protect the community environment | <ul style="list-style-type: none"> Community activities Telephone and correspondence |

Materiality Analysis

During the year, we invited representatives from various stakeholders for in-depth communication and collected over 11,000 feedbacks from a wide range of stakeholders through questionnaires, which served as an important basis for the preparation of this Report. The materiality matrix shows the materiality of the 20 sustainability issues to external stakeholders (Y-axis) and their materiality to the continued operation and development of Agile's business (X-axis). The overall materiality is determined by the total score given to each issue by internal and external stakeholders.

Materiality Matrix of Agile ESG Issues



SUSTAINABLE DEVELOPMENT MANAGEMENT (CONTINUED)

List for Materiality Analysis of ESG Issues of Agile in 2020

| | No. | Issue |
|------------------------------------|-----|--|
| Highly Important Issues | 1 | Guarantee the health and safety of employees |
| | 2 | Prevent corruption and non-compliance risks |
| | 3 | Compliant employment and protect the rights and interests of employees |
| | 4 | Protect customer privacy |
| | 5 | Compliance with business ethical standards |
| | 6 | Provide competitive salary and motivate mechanism |
| | 7 | Provide quality products and services |
| Moderately Important Issues | 8 | Enhance training and development system |
| | 9 | Reduce consumption of water resources |
| | 10 | Reduce pollutant emissions |
| | 11 | Safeguard interests in intellectual property rights and trademarks |
| | 12 | Enhance quality management system of supply chain |
| | 13 | Compliant disposal of waste |
| | 14 | Improvement of energy consumption efficiency |
| | 15 | Develop green buildings and green communities |
| | 16 | Carry out responsible marketing |
| Generally Important Issues | 17 | Respond to policies and participate in industry exchanges |
| | 18 | Reduce greenhouse gas emissions |
| | 19 | Identify and respond to climate change risks |
| | 20 | Participate in charity and voluntary activities |

A-Governance • Developing Our Future Together



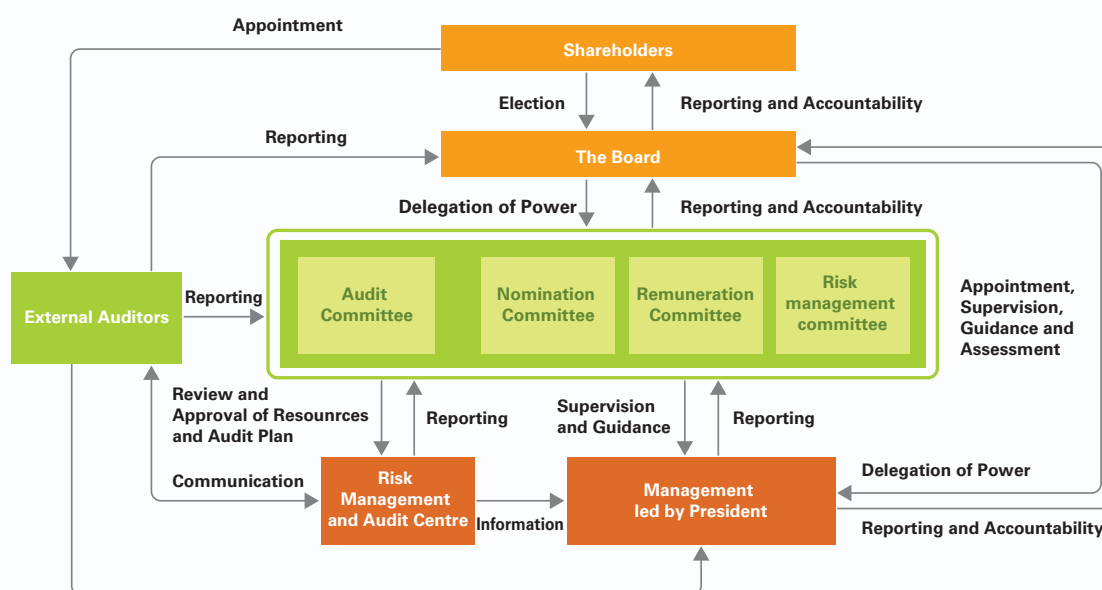
A-GOVERNANCE • DEVELOPING OUR FUTURE TOGETHER

Important Issues in this Section

Prevent corruption and non-compliance risks
Compliance with business ethical standards

Agile is committed to protecting the rights and interests of shareholders. With reference to domestic and foreign standards and the Corporate Governance Code of HKEX, it formulates and executes the various corporate governance policies in compliance with its Memorandum and Articles of Association. The Board and its audit committee, nomination committee, remuneration committee and risk management committee supervise the implementation of the corporate governance, suggest and monitor the Company's financial and business development strategies and objectives, oversee the disclosure of information to the public, and assess whether the management's performance meets the Company's operational objectives.

The Group continued to improve its corporate governance structure and charter, established a comprehensive system, implemented effective internal supervision, and ensured transparent information disclosure.



The Company's risk management committee is responsible for reviewing and formulating a risk management framework, monitoring the implementation of risk controls to ensure the effective implementation of the risk control system.

Integrity System

As a member of the China Anti-corruption Enterprise Alliance, the Group has always maintained a zero-tolerance attitude towards corruption. The Group strictly abides by the requirements of relevant laws and regulations including, and in particular, the Anti-Unfair Competition Law of the PRC, the Criminal Law of the PRC, the Criminal Procedure Law of the PRC, the Civil Code of the PRC and the Company Law of the PRC for its business operations in Mainland China and continuously develops and enhances the system based on the Anti-corruption System and the Code of Business Conduct, to lower the risks of fraud and commercial bribery.

Anti-corruption System

The Anti-corruption System of Agile sets out clear guidance on the identification and punishment of non-compliance with the anti-corruption policy, the introduction of information reporting standards by partners, employee related information reporting and anti-corruption reporting management measures, and relevant regulations are applicable to all subsidiaries and external partners. The system clarifies the criteria for identifying violations of anti-corruption. If any improper behaviour of “appropriating, embezzling, accepting bribes and other means for seeking illegitimate benefits for oneself or others” is identified, the Company will hold the parties concerned accountable in accordance with the relevant regulations of the system.

At the same time, the system also provides the Company with a unified anti-corruption reporting approach for stakeholders, and fully protects the personal information of the whistleblower through the Confidentiality System.

The Company has disclosed the system on its website (<https://www.agile.com.cn/contact/honest>) for all employees and external partners to check and use.

Anti-corruption Commitment

The directors and senior management of Agile participated in the annual oath of integrity and signed the Anti-corruption Management Responsibility Certificate. The signatories promised that as the person responsible for the integrity management of the unit, they must ensure effective implementation of the integrity management work of the unit. All employees are requested to sign the Employee Anti-corruption Commitment when joining the Group, undertake to abide by all requirements in the Anti-corruption System, carry out various business operations and daily work in accordance with the Code of Business Conduct, effectively identify and avoid conflicts of interest in time, and prevent violations intended for improper benefits.

Meanwhile, to prevent violations of laws and disciplines that seek to gain illegitimate benefits, the Group requires relevant partners and suppliers to sign the Anti-corruption Agreement, and all partners shall comply with relevant laws and regulations and management systems like the Anti-corruption System to ensure that the staff of both parties are corruption-free, self-disciplined, honest and trustworthy in the process of contract performance, and ensure the compliance of the cooperation process.

Case: Annual Oath of Integrity

The directors and senior management of Agile participated in the 2020 annual oath of integrity and signed the Anti-corruption Management Responsibility Certificate at the meeting. They solemnly promised to implement the integrity management work for the unit, and to take a leading, supervising and educating role in assuring the integrity of all direct subordinates. If an employee commits 2 or more serious violations of integrity within a year under the management of a signatory, the signatory voluntarily assumes joint management responsibilities and accepts decisions of demotion, dismissal, or other action made by the Company under the Anti-corruption System.



Internal Control Mechanism

Agile has continuously improved its internal supervision mechanism. The audit committee is responsible for reviewing the financial control, risk management and internal control systems, and reviewing and evaluating the major findings of internal investigations. The Company's risk management committee is responsible for supervising the implementation of risk monitoring to ensure that internal risk monitoring is effective. The dedicated department for risk management and audit of the Group continuously monitors the compliance of the operation processes among all departments of the Group and assesses the risks, so as to assist the Board and senior management to review the Group's performance in complying legal and regulatory requirements, thereby enhancing the efficiency of internal governance mechanism and ensuring the effective operation of internal control mechanism.

Improving Risk Management

The Group has established a comprehensive risk management framework as the foundation of a sound risk management system, continuously improved the Risk Management System, and implemented closed-loop risk management processes that cover identification, analysis, response, monitoring, summarisation and reporting procedures, so as to continuously monitor and manage risks. Based on the nature of the business segments the Group operates in, its operation characteristics, strategic objectives, and senior management's risk preference, we have established risk assessment dimensions and standards applicable to different business segments to obtain risk assessment results that meet with the business reality.

The Board is responsible for supervising the design, implementation and monitoring of the Group's risk management by the management, conducting continuous monitoring of major risks and performing regular review of the implementation of the relevant control measures. Besides, risk management committee has been formed under the Board to be responsible for approving and formulating the risk management framework, reviewing and evaluating the effectiveness of the Group's risk management framework, monitoring the implementation of risk control measures and ensuring their effective implementation.

Implementing Audit Supervision

According to the Anti-corruption System, the Group assigns the audit committee to supervise and manage the internal audit monitoring works, review and evaluate the effectiveness of the Group's internal control procedures, and improves the internal control process in a timely manner in conjunction with external auditors' assessment and management recommendations in respect of internal control. The dedicated department for risk control and audit continuously monitors the compliance of the operation processes among all departments, and supervises the implementation of the Group's financial management and the effective use of funds, thereby preventing the occurrence of risk incidents such as duty encroachment. During the year, there were no concluded litigations in relation to corruption against the Group or its employees.

Encouraging Report of Corruption

In accordance with the regulations in the Anti-corruption System for whistleblowing, Agile "encourages employees and external parties to actively report corruption, either by real names or anonymously." The Company provides a corruption reporting hotline and email for whistleblowers, and the reporting methods are also published on the Company's website (<https://www.agile.com.cn/contact/honest>).

Corruption Reporting Methods of Agile

Reporting Email: lianzheng@agile.com.cn

Reporting Hotline: 0086-20-88839935

The dedicated department for risk control and audit of the Group will register and sort out the information received, conduct preliminary investigations of suspected corruptions, and report the investigation to the real-name whistleblower within 48 hours after the complaint. The department will report the investigation results and handling opinions to the Board of the Company if the complaint is established upon verification, and the necessary action will be taken against the relevant person according to the Group's Anti-corruption System, Employee Manual, Accountability System for Defaults and other relevant provisions. Minor breaches of discipline or non-corruption violations shall be passed to the relevant departments for follow-up actions. The whistleblower is protected under the Confidentiality System. The Group requires units under investigation and persons whose is being complained of not to retaliate against the whistleblower, otherwise the Group will strictly deal with it according to the relevant provisions of the Accountability System for Defaults. Whistleblowers can also report under real names. The Group encourages real-name whistleblowers and promises to maintain absolute confidentiality of their information.

Advocating of Integrity Culture

Agile places great importance on compliance management, and advocates honest and self-disciplined values of business conduct. The Group provides regular integrity training sessions for all employees of each subsidiary, and organised the anti-corruption event “Sunshine Culture Festival” during the reporting period. Through various activities such as Poster Design Competition, the event aims to continuously enhance employees’ awareness of preventing risks, improving internal control and investigating violations, so as to create a culture of integrity with joint force.

During the reporting period, the dedicated department for risk control and audit of the Group organised a total of 9 anti-corruption education sessions. More than 2,300 employees from the Group participated in the sessions and passed their online tests held afterwards.

All business arms of Agile also carry out integrity training project based on their business needs in accordance with the Group’s Anti-corruption System, covering laws and regulations, analysis of the anti-corruption system, and internal audit case analysis, to clarify the main risks and compliance requirements of each operation process for employees.

Case: Agile Hosted the Annual Seminar of the Enterprise Anti-Fraud Alliance

In November 2020, Agile hosted the Seminar on Corporate Risk Management and Control Practices under the New Situation of the Enterprise Anti-fraud Alliance with nearly 150 corporate representatives joining the event. At the seminar, representatives of the Group had an in-depth exchange on experience in risk management and control with representatives from various industries, shared results of application of risk management and control tools, and methods for building an anti-fraud system that are more suitable for the actual situation of enterprises, so as to improve professional ethics of anti-fraud.



Supply Chain Management

Agile strictly abides by the relevant laws and regulations in the regions where we operate. For instance, in Mainland China, we abide by, among others, the Bidding Law of the PRC, the Regulation on the Implementation of the Bidding of the PRC, the Product Quality Law of the PRC, the Anti-unfair Competition Law of the PRC, to formulate and improve the Supplier Management System, Manual on Procurement Management Operation and other systems and rules, and during the reporting period, internal management systems such as Management System for Materials Bidding and Purchase of Centralised Procurement Centre and Management System for Suppliers of Centralised Procurement Centre were updated to effectively manage supplier tendering and audit works.

In 2020, Agile has completed the preliminary establishment of a collaboration platform for online supply chain. The supplier middle-platform, bidding middle-platform and e-commerce middle-platform can meet the full life cycle management of suppliers, and improve supplier management efficiency through digitalisation.

Number of Suppliers by Region in 2020

| Regions | Unit | Number of Suppliers |
|--|------|---------------------|
| Mainland China | / | 20,482 |
| Hong Kong, Macau, Taiwan and overseas | / | 187 |

Sunshine Procurement

In order to enhance the building of integrity, ensure a smooth business order and create a fair business environment, Agile puts in place the following measures from the enlistment to management of suppliers:

- Registration of suppliers: When registering a supplier, Agile requires the supplier to make individual declaration on their relationship with the employees including its senior management of Agile (if any);
- Before inclusion into the supplier list: Agile requires both parties to review and sign the Anti-corruption Agreement when signing the contract;
- Contract performance of suppliers: Agile requires cooperating suppliers to fully understand its integrity management requirements to ensure that suppliers are corruption-free, self-disciplined, honest and trustworthy in the course of contract performance, so as to protect the legitimate rights and interests of both parties.

Green Procurement

Agile recognises the impact of the environmental and social risks of the supply chain on its sustained and stable operation, so we have been committed to building a sustainable supply chain. In 2020, we strengthened the assessment of suppliers' environmental and social risk factors, evaluated suppliers' environmental and safety management performance with reference to ISO14001 environmental management system and ISO45001 safety management system, and recommended and supported suppliers to obtain environmental and safety management system certification, in order to reduce our supply chain risks and facilitate suppliers to enhance their management standard.

Quality Control

In order to urge suppliers to improve their quality management level, the Group formulated the new Management System for Suppliers of Centralised Procurement Centre and Quality Control System in 2020, implementing the quality control of suppliers from three dimensions:

- Prospective control: We monitor and control the raw materials, production management, and quality management of suppliers' factories by formulating factory inspection plans;
- Ongoing control: After the inclusion of supplier into our supplier list, we will formulate a material sampling plan and carry out random inspections on each item to control the quality of the materials;
- Retrospective control: Each supplier is evaluated twice a year, and the lower ranked suppliers are interviewed. Any supplier assessed to be unqualified shall not be granted any bidding opportunity or allocated with any new projects within a period of three years, whereas any black-listed supplier will never be engaged group-wide and across all product categories.

A-Staff • Sincere Collaboration



A-STAFF • SINCERE COLLABORATION

Important Issues in this Section

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

Protection of the Rights and Interests of Employees

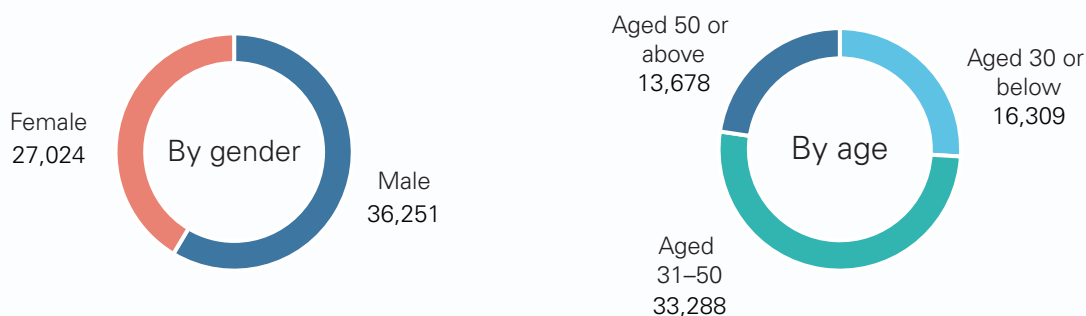
As a “putting people first, lifestyle of a lifetime” company, Agile advocates the alignment between employee value and corporate value, continuously strengthens the protection for the human resource system and mechanism, continues to expand multiple recruitment channels, builds a diversified development platform and an equal and inclusive working environment for employees, and pays attention to the selection, nurturing, deployment and retention of talent. In 2020, the Group consolidated human resources, established a human resource administrative shared service centre, and realised intelligent management of employee relations, salary and benefits, and employee documentation through standardisation and digitalisation, thus providing efficient talent support for the business development of the Group.

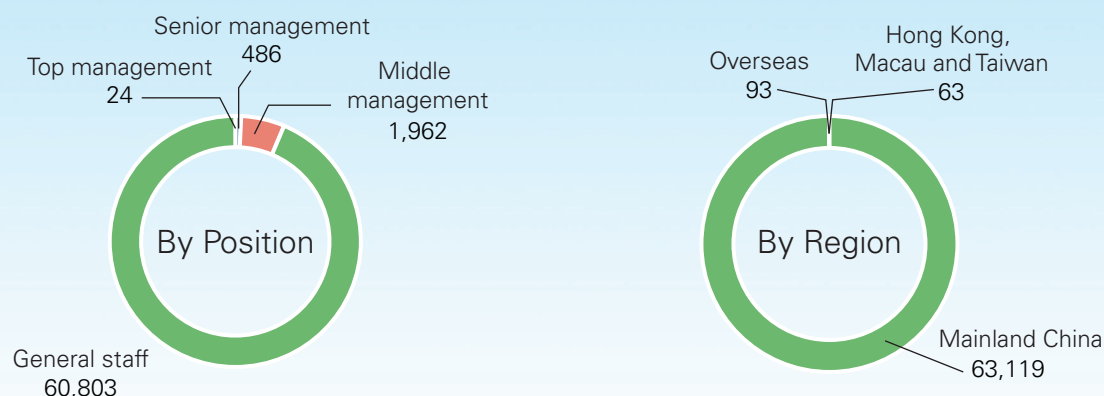
Compliant Employment

Agile strictly abides by the relevant laws and regulations in the regions where we operate. For instance, in Mainland China, we abide by, among others, the Labour Law of the PRC and the Labour Contract Law of the PRC, and formulates internal systems such as Induction Management System and Resignation Management System, covering employment requirements of working hour, recruitment and dismissal of employees. Adhering to the principles of fairness, we set out in the Employee Manual that discriminatory behaviours based on differences in gender, age, ethnicity, beliefs of employees are prohibited, with a view to providing employees with equal and fair employment opportunities.

In the meantime, the Group promotes a diverse and inclusive workplace atmosphere by actively expanding recruitment channels such as school recruitment, public recruitment and others, in order to provide outstanding talents to the Company in a timely manner. We also continue to optimise the staff structure to achieve a reasonable distribution of employees by gender, age, region, etc., providing sufficient human resources for the Company’s development. As at 31 December 2020, the Group’s total number of employee was 63,275.

Staff Structure in 2020





In addition, Agile respects human rights and labour interests, and stipulates in the Labour Contract Management System that it signs labour contracts with all permanent employees, and service contracts with interns and temporary workers, so as to effectively protect the legitimate rights and interests of employees. The Group strictly abides by the Provisions on the Prohibition of Using Child Labour, prohibiting any business unit or supply chain cooperative unit to employ child labour and forced labour of any kind. In order to prevent any non-compliance in regard to employment of child labour and forced labour, we conduct the verification of past employment records or relevant background checks on prospective candidates. If forced labour behaviour is found, we will hold relevant department and unit responsible for the non-compliance. During the reporting period, no material labour disputes and violations, including hiring child labour or forced labour, occurred in the Group.

Salary and Benefits

Agile attaches importance to the value of talents by building and continuously improving the salary system and performance appraisal mechanism, in order to provide employees with competitive market rate salary that reflects the value of their positions, and strengthen our attractiveness to external talents. In the meantime, the Group adheres to the principle of equal pay for equal work and conducts performance appraisal based on factors such as employee performance, promotes workload-driven payment to employees for ensuring internal equity. The Group provides employees with comprehensive welfare protection. In addition to basic benefits, the Group also provides a number of additional benefits such as paid holidays and annual physical examinations, with continuous improvement of the salary incentive mechanism to support the livelihood of employees.

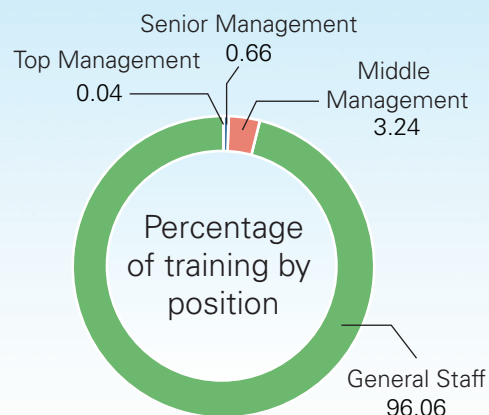
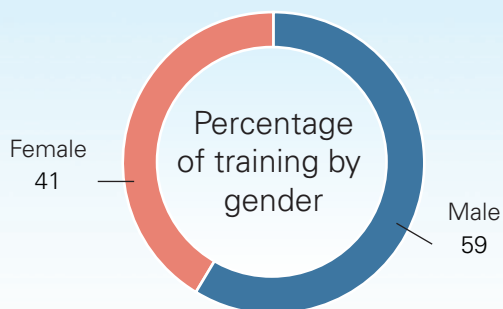
Talent Development and Training

Talent development is a core competitiveness that contributes to long-term development of the Group. Agile has developed and improved its internal systems such as the Administrative Measures for Training, the Guidelines on Internal Trainer Management, the Administrative Measures for Recruiting and Training Graduate Management Trainee and the Rotation Management System of Cross-industry Training for Employees of the Group for the Group, to establish an internal training and selection mechanism and encourage outstanding employees to share their experience and realise their potentials in multiple dimensions. In 2020, 1,284 staff were trained by the Group to be trainers.

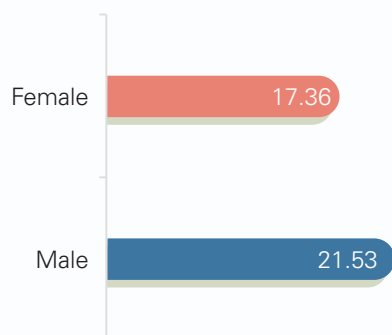
The Group has established an integrated online learning platform in 2020, namely “Enjoy Learning”, featuring “learning, practising, testing and evaluation”, for fresh graduates, professional staff, frontline management personnel and senior management personnel. Through internal research and development and cooperation with external parties, a number of programmes have been conducted, covering different aspects such as management, professionalism and general practices with specific topics ranging from anti-corruption propaganda, integrity education, safety production and service quality improvement, etc.

The Group continued to roll out offline training programmes such as “Leading Agile Project”, “Leading Manager Plus Scheme” and “Team π Programme”. In 2020, A professional training system for human administration was established, while “Trailwalking Programmes” designed for human resources and administration leaders of each business segment and “System Regulation” thematic programmes targeting all employees were launched. The total training hours for the Group’s employees was 1,249,526, with an average of 19.75 hours of training per person.

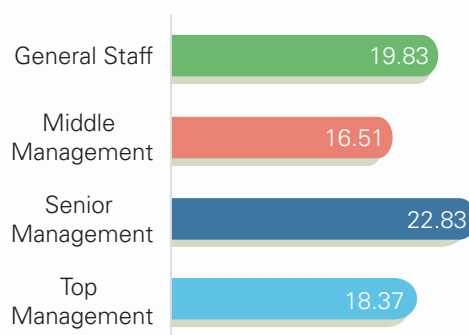
Percentage of employees trained and average training hours in 2020



Average training hours by gender (hours)



Average training hours by position (hours)



Training Programmes of 2020

| Target Trainee | Training Programme/ Scheme | Training Objectives |
|---|-------------------------------|--|
| Senior management | Leading Agile Project | To learn from the experiences of exemplary enterprises in respect of business models and project management through benchmarking study tours, thereby improving senior management's comprehensive capabilities |
| General managers of business units | Leading Manager Plus Scheme | To focus on developing the professional skills and comprehensive capabilities of "frontline commander" through thematic learning activities of benchmark projects |
| Prospective candidates for head of business units | Talented Manager Scheme | To enhance the comprehensive capabilities of prospective candidates for unit leaders through a combination of management and professional courses |
| Key personnel at entry level | Prospective Manager Scheme | Learning content is designed in accordance with the three major aspects of leadership, namely, interpersonal relationship, handling of affairs and team building |
| Fresh graduates | Team π Programme | To enable fresh graduates to quickly achieve career development by on-the-job practice, job rotation learning, centralised training, dynamic evaluation and other means |

Case: the "Leading Agile Project" — Learning Project for Senior Management

In 2020, Agile organised a four-day benchmarking tour to Eastern China for senior management. By visiting Alibaba Hangzhou headquarters and other prestigious corporations, senior management of the Group expanded their horizon while studying the business models and project management experience of exemplary enterprises, which provided benchmarking examples for the Group's efforts to explore management solutions in order to break through existing operating limitations and overcome current management obstacles.



Case: the “Leading Manager Plus Scheme” — Capability Enhancement Project for General Managers of Business Units

In 2020, Agile carried out the third centralised training in Chongqing and Chengdu for two days. With a purpose of enhancing the design and project management skills of general managers across business units, the event adopted the “3-2-1” training approach, where 3 benchmark projects, 2 thematic learning seminars and 1 presentation on project improvement solution were completed.



Case: the “Team π Programme” — Development Project for Fresh Graduates

As a talent management brand, the “Team π Programme” development project aims to enable fresh graduates to improve management and professional capabilities and achieve career development through an integrated development system incorporating centralised training, on-the-job practice, key missions, on-the-job mentoring and guidance and dynamic evaluation, thereby nurturing new talents for the Company.



A-STAFF • SINCERE COLLABORATION (CONTINUED)

In 2020, the Group's continuous investment and effectiveness in talent development was highly recognised by the larger society with a number of important awards in the employer category.

Award and Issuing Organisation

Image of the Award

The Award Ceremony

2020 HR Model Management Team
51job.com



China Model Award for Talent
Management Mechanism 2020
Beisen Research of Talent Management



China University Students' First Choice
of Employer in the Real Estate Industry
2020

China Real Estate Association & China
Association of Construction Education



Staff Communication and Care

Adhering to the concept of “putting people first, lifestyle of a lifetime”, Agile establishes a two-way communication mechanism through the caring hotline and other channels to encourage employees to give timely feedback and maintain a cordial relationship with the management, which effectively guarantees democratic and active communication. Meanwhile, the Group launches various employee care activities, such as collective birthday celebrations, to enhance corporate cohesion and employees’ happiness.

The Group continues to conduct surveys on employees’ satisfaction and dedication in collaboration with a third-party consulting firm to launch surveys on job expectations of over 18,000 employees through questionnaires. In 2020, the Group’s overall dedication score fell within the average range of domestic enterprises with a higher sense of corporate culture, diversity and inclusion among the Group’s employees in general, which provided a basis for the Group to review its own human resources management.

Health and Safety

Agile keeps paying attention to occupational safety and health in a bid to create a healthy and safe working environment for its employees, projects under construction and operation and supply chain partners. The Group continues to enhance its safety management structure, optimise its construction of safety management system and promote management system certification. Adhering to high standards and stringent requirements, the Group strives to enhance the standard of corporate health and safety management.

Safety Management Structure

In 2020, the Company revised the terms of reference of the risk management committee. It clarifies that the risk management committee is responsible for the formulation of environmental, social and governance strategies and the supervision of their implementation, as well as to coordinate and organise the working teams for sustainability supervision in the formulation of safety management strategies and performance reviews. Meanwhile, Agile has formed a three-tier Environment, Health and Safety (EHS) management structure on the basis of “Business Group — Region — Project Company” for each business group based on the business characteristics and industry standards, which aims to comprehensively identify and control safety risks. The regional and project companies under each business segment continue to sign the Work Safety Responsibility Certificate and implement safety production responsibility at each level.

System Protection and Safety Management Certification

Agile actively promotes the construction of safety management system and complies with relevant laws and regulations where we operate, such as Production Safety Law, the Fire Protection Law, Emergency Response Law of the PRC for business operations in Mainland China. Accordingly, the Group formulates internal management systems such as Safety Management System, Office Environment Management System and Supplier Management System, which further clarify the safety management principles and duties of staff, with reference to the occupational health and safety management system OHSAS 18000/ISO 45001 standard. It also collaborates with suppliers, contractors, subcontractors, property management companies and other cooperative units to promote safety management requirements, among which the Safety Management System covers workplaces owned by and under the direct operational control of the Group in scope, identifies health and safety risks in the Group’s office environment and in the projects under development and operation of each business segment, and ensures the implementation of corresponding preventive and control management measures.

Property Development

Property Development Business has established and implemented internal management systems, such as Work Safety Accountability System, Management System for Safety and Civilised Construction, Measures on the Administration of Engineering Inspection and Evaluation, Measures on the Administration of Engineering Management and Accountability, to thoroughly cover safe production supervision, assessment measures, responsibility investigation, contingency plans, etc., with a view to providing effective and comprehensive guidelines for the Group's safety management works.

A-City

A-City has formulated management policies, such as Management System for Safety and Civilised Construction, Measures on the Administration of Engineering Inspection and Evaluation, Measures on the Administration of Engineering Management and Accountability, Measures on the Administration of Safety Bottom Line, Code of Conduct of Project Construction Management, Guidance Manual on Onsite Rectification of Potential Safety Hazards, to set out the standard and code of conduct of safety management work for projects in progress. In addition, A-City promoted the certification of safety management system for construction in progress in 2020 and achieved a certified rate of 90% in standardisation assessment of construction safety for main contractor of projects in Guangdong Province, and 100% in environment management system certification ISO 14001 for renovation projects, 100% in occupational health and safety management system OHSAS 18000 and environment management system certification ISO 14001 for landscape projects.

Environmental Protection

The environmental protection business has established relevant internal management systems, such as EHS Responsibility System, EHS Hidden Risk Inspection and Governance Management System, Safety and Environmental Emergency Accidents Management Guidelines, Contractor EHS Management System, Risk Assessment Management Guidelines on New Processes, New Equipment and New Businesses for Hazardous Waste Projects, Management System for the Receipt and Disposal of Highly Toxic Chemicals and Explosive Hazardous Chemical Waste (Trial), to further improve the regulation over safe production, emergency response management, contractor's safety management and properly execute safety management works by active pursuit of management system certification works. In 2020, the environmental protection business has obtained ISO 14001 Environmental Management System certification, ISO 45001 Occupational Health and Safety Management certification and ISO 9001 Quality Management certification for several projects.

Safety Production Management

Agile makes continuous efforts in strengthening its safety production management by implementing various measures such as inspection and supervision of safety hazards, regular safety assessments and safety education to lay the foundation of safety management comprehensively.

Safety Supervision

The Group has further strengthened the supervision of safety production by installing video surveillance system in each project under construction and conducting real-time monitoring of construction sites through Agile Cloud (雅樂雲) software to ensure the standardisation of safety production, thus effectively minimising the risk of safety accidents.

Safety Inspection

The Group takes initiative to promote safety hazard investigation in which the environmental protection business' EHS Centre conducted EHS audit reviews on 30 project companies with a total of 800 EHS hazards found through comprehensive supervision and hazard review. Most of the rectification works were completed by December 2020.



On-site potential hazard screening



Sample check

Safety Evaluation

The Group employs a third-party organisation to implement the safety evaluation of all projects under construction, covering three major aspects including electricity consumption of project construction, personnel safety education, and on-site safety management. In 2020, the Group scored 88.98% for safety and clean construction management, demonstrating a continuous improvement in its safety management performance.

Safety Education

According to business characteristics and job requirements, all business segments of Agile formulate a safety training plan for personnel in charge of quality control or product safety, which covers all employees of Agile and employees of our contractors. The corresponding functional departments in the safety management framework are responsible for supervising the implementation, to ensure that employees can master safety rules and operation skills related to their positions, with the purpose of fulfilling the promotion and education of the safety system.



Safety training



Integrated safety emergency drill



Chemical leak emergency drill

Related-parties Safety Management

Agile actively push forward the safety management of contractors and other related parties, and has in place various management measures to improve the management level of related parties.

- In the project bidding, the cost for safety and civilised construction measures is included in the budget, and the special funds are used specifically for safety construction and real-name employment systems. Our contractors are required to present the item separately in their financial statements for reference, which shall not be used for other purposes, to effectively protect the rights of contractors' employees;
- We carry out safety inspections in respect of the safety production, civilised construction and occupational health on the project sites. If potential hazards are found in safety production and occupational health, closed-loop rectification is urged to put into place;
- Factors affecting occupational health are included in the safety assessment of project sites, and all parties to the project are urged to implement protective measures.

Objectives and Assessment of Safety Management

Areas and projects of Agile property development, environmental, and other business segments set relevant evaluation indicators for safety management and detailed safety management objectives, and regularly review the safety management structure, safety management policy and performance to ensure that all business segments fulfil their safety management responsibilities.

| Business segments | Indicators for performance evaluation of the Group's operation | Specific management objectives |
|-------------------------------------|--|--|
| Property Development | Safety Management | Score over 80 points in the scores of safety and quality management from a third-party rating |
| Environmental Protection | EHS Comprehensive Assessment | Zero material accidents Not more than 2 cases of serious accidents Over 80% of EHS Comprehensive inspection rate Over 80% completion rate of EHS potential hazard rectification |
| A-City | Health and Safety | Eliminate all fatal accidents in operation, control serious injury accident rate and minor injury rate to under 3% 100% coverage of occupational safety training 100% provision of labour protection supplies Below 1% annual rate of occupational diseases |
| Real Estate Construction Management | Safety Production Management | Score over 75 points in the scores of safety production from a third-party evaluation Score over 80 points in the score of project inspection from a third-party evaluation |

During the reporting period, the provision of labour protection articles reached 100% within the Group, and there was neither cases of occupational disease nor suspected occupational disease occurred. We helped to assist the claims of the death benefits entitled by one of our staff member who passed away due to his acute disease (during his course of employment) during the reporting period.

Protection of Occupational Health

Agile attaches great importance to the occupational health of our employees and abides by, for instance, in Mainland China, the Occupational Disease Prevention and Control Law of the PRC, Measures for the Categorised Administration of Occupational Disease Hazards in Construction Projects, and Measures for the Administration of Occupational Health Monitoring, as well as the laws and regulations in the regions where it operates. According to the standards of Occupation Health Safety Management System OHSAS 18000/ISO 45001, Agile established and implements various internal management systems, including but not limited to Occupational Health Management System, Occupational Hazards Warning and Notification System, and Occupational Health Examination System, to fully protect the occupational health of employees.

Agile regularly engages a third-party to conduct comprehensive evaluation on the occupational health hazards in the project under construction and operation, and inform employees of the risks specific to their positions and the measures required to prevent occupational disease. Agile provides necessary safety articles and personal protective equipments to employees involved in positions with occupational health hazard in accordance with the Personal Protective Equipment Management System, in order to prevent work-related injuries, occupational diseases and occupational accidents. Additionally, according to the Occupational Health Examination System, we provide annual occupational health examination for employees in relevant positions, so as to establish an occupational health archive and track the data regularly.

In addition, the Group also plays an active role in promoting health and sports culture and organise sports games and other sports activities for staff. Besides, we keep a keen eye on employees' mental health and stress relief by encouraging them to participate in physical exercise for better spiritual life, supporting them to live a healthy life.

A-Life • Lifestyle of a Lifetime



A-LIFE • LIFESTYLE OF A LIFETIME

Important Issues in this Section

- Protect customer privacy
- Provide quality products and services
- Safeguard interests in intellectual property rights and trademarks
- Develop green buildings and green communities
- Carry out responsible marketing
- Respond to policies and participate in industry exchanges
- Participate in charity and voluntary activities

Creating a Liveable Living Environment

Adhering to the brand concept of “lifestyle of a lifetime”, Agile always pays attention to people’s pursuit of beautiful life and attaches importance to product quality management, while sparing no effort in seeking innovation and breakthroughs. The product concept of “eight elegances of residence” and “N-happy molecules” ecosystem are the principles upon which Agile creates and interprets unfettered lifestyle.

Product Quality Responsibility

Quality and safety is the lifeline of Agile products. The Group strictly abides 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 standardised quality management systems in accordance with technical specifications of the construction industry, such as 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. Based on the quality management standards of Agile and in combination with the actual business operation, Agile’s property development business and A-City have further worked out detailed operation guidelines to form a standardised quality management system.

In 2020, Agile conducted video remote supervision on the structural construction, slope construction and large machinery and equipment of various projects under construction through the Agile Cloud software. The software video surveillance adopts 360° zoom adjustable Cloud IP Camera HD, which are installed at or near high-altitude locations such as tower cranes. The software system achieves real-time monitoring of the construction sites through remote zooming and rotated shooting.

During the reporting period, there were no product quality-related non-compliances in Agile.

Product Design and Innovation

Agile has always been committed to superior quality and craftsmanship while pursuing innovation and breakthroughs. In 2020, Agile launched the product concept of “eight elegances of residence” which proposes three product propositions, namely “paying tribute to the original aspiration with craftsmanship, paying tribute to life with quality and paying tribute to the future with innovation”, and established a “5N” omni-dimensional product system that comprises of its 5 product series and N-happy molecular ecosystem, to provide customers with a variety of lifestyles and create unlimited lifestyle possibilities for residents. In 2020, 5 products series were launched in a total of 46 projects, covering various regions such as Southern, Eastern, Northern and Western China.



The Official Launching Ceremony of Agile 5N Product Series

At present, four Happy molecules, namely Happy Ages, Happy Technology, Happy Community, Happy Healthcare, are established under the Agile N-happy molecular ecosystem to form an ecosystem that creates unlimited lifestyle possibilities and actively responds to new living needs of residents.

Agile's Standard-based Happy Healthcare Product System

By reference to the dual authoritative standard system of WELL Construction Standard and Healthy Construction Evaluation Standard (T/ASC 02-2016), the Agile's Happy Healthcare ecosystem creates an increasingly professional, intelligent and humane Happy Healthcare residences from three aspects, including physical health, mental health and social health, and two dimensions, including intelligent health and community health.

Happy Healthcare consistently applies the WELL standards to the N-happy molecular ecosystem, focusing on ten major perspectives, including air, construction materials and water supply, interior environment, lighting, noise cancelling, community care and environmental protection, and adheres to the principle of smart technology leading a healthy life. Through the adoption of new smart ventilation system, low polluting renovation materials, whole-room water purification system, smart air-conditioning system, high-quality lighting and other advanced installations, we provide pure, clean air and water and ensure a safe and sanitary living environment for owners, improving their living conditions from all aspects, thus enabling them to live in a calm and passionate manner, and to realise their pursuit of a simple, comfortable life. Ultimately, we aim to realise a Happy Healthcare LEAD (Limpid, Ease, Active and Defend) community that embodies limpid pleasures, ease of living, active lifestyle and defence and protection against diseases.

| Project Name | Awarded Certification/ Level |
|----------------------------|------------------------------|
| Hainan Clearwater Bay | WELL Gold Pre-certification |
| Agile Boguang Yafu Chengdu | WELL Gold Pre-certification |

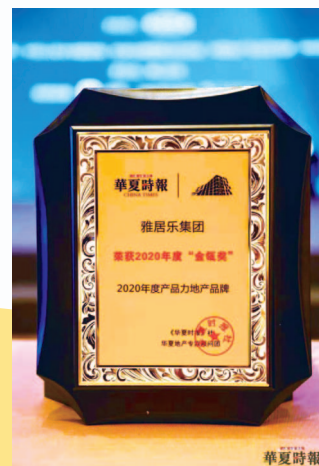
In addition, Agile conducted specialised research in respect of elderly-friendly design from multiple dimensions and summarises the needs of daily life for the elderly from the perspectives of physical and sensory functions as well as psychological characteristics. Our goal is to deliver elder-friendly, suitable, aesthetic, and smart designs for both indoor and outdoor spaces that fully satisfy the needs of elderly residents without compromising the user experience of non-elderly residents, and to build a community that caters to all age groups.

Case: Agile Property Development Business Cooperated with Tsinghua University on Elder-friendly Designs of Residential Properties

Agile Property Development Business commenced its cooperation with Tsinghua University on Elder-friendly designs and refined designs of residential properties. The research targeted at the “new generation of elderly people” in Mainland China, who hold new values and pursue pleasant living conditions in their senior years. The aim is to build a wellness destination for both travelling and living, which promotes equality among all age groups and welcomes participation and sharing to create a living environment that integrates space with services, and cultures with the environment.

Product and Brand Related Awards of Agile Property Development Business

- Ranked 8th in the list of the “2020 China Real Estate Enterprises Super Product Capability”
- Awarded the “2020 Top 10 China Real Estate Enterprises Residential Product Lines in terms of Brand Influence”
- Selected as “2020 China Culture and Tourism Resort Benchmarking Project”



**Agile Group was granted “Golden Vase Award” 2020
— Real Estate Brands with Outstanding
Product Strength 2020**

Case: A-City Strives to Become an “Ecological Habitat Service Provider” Based on the Concept of “Beauty of Smart Home”

In 2020, A-City launched the new brand concept “ecological habitat service provider”, focusing on two main operations, namely, the ecological landscaping services and the intelligent home and decoration services, with a view to realising the brand mission of “building smart spaces”.



A-City Launch Event of the New Brand Concept

At the same time, the Group attaches importance to the protection of interests in intellectual property rights and trademarks and each operating entity shall only follow laws and regulations applicable to the place where it operates, including the Patent Law of the PRC and the Trademark Law of the PRC for its business operation in Mainland China. We conduct patent risk checks in the course of research and development and design in accordance with the mainly relevant management systems of the Group to protect its own legal rights as well as to avoid infringement of external intellectual property rights. During the reporting period, the Group was not involved in any material dispute or litigation related to intellectual property rights infringement.

Green Building Opportunities

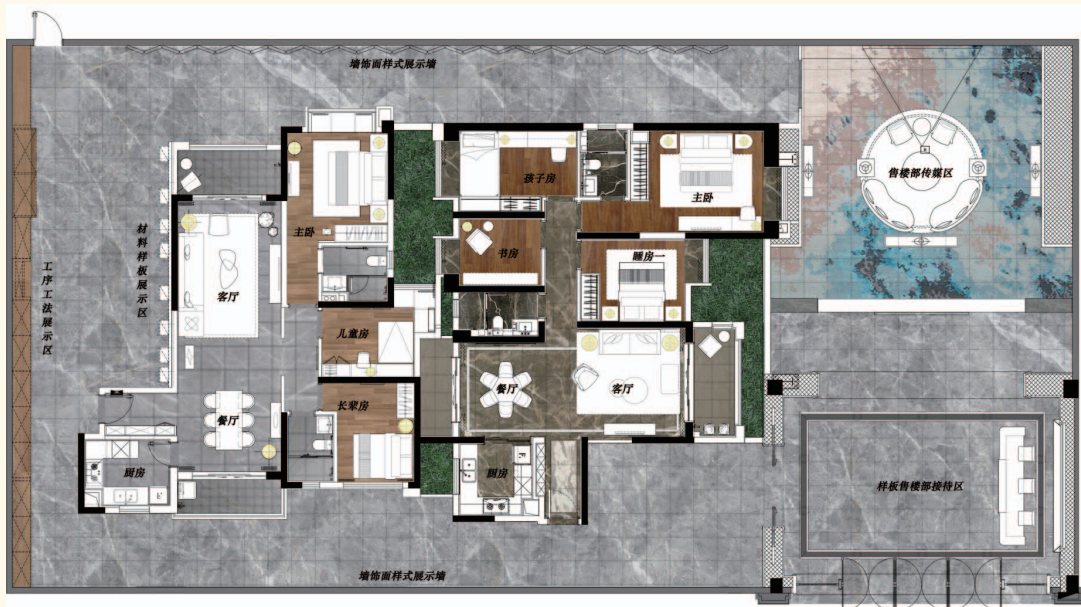
Agile values the harmonious co-existence of communities environment and the natural ecology. It actively keeps track of policies and technical standards in relation to green building in the regions where we operate and carefully assesses green building opportunities arising during project development in various regions. As of the end of the reporting period, by commencing our project design and construction with reference to the Assessment Standard for Green Building (GB/T 50378-2019), the Group has 70 projects reached Green Building Star Design Standard and 19 projects obtained Green Building Certification.

| Green Building Certified Projects of the Group in 2020 (Partial) | |
|--|-----------------------|
| Project Name | Star Level of Project |

| | |
|--|---------------------------|
| Haimen Central Park Residential and Commercial Project | National Standard 2 Stars |
| Residential Property on Wuxi land parcel A | National Standard 2 Stars |
| Primary School on Wuxi land parcel A | National Standard 2 Stars |
| Nantong Tonglu River Project land parcel no.05 | National Standard 2 Stars |
| Nantong Tonglu River Project land parcel no.06 | National Standard 2 Stars |
| Agile Riverside Guangzhou | National Standard 2 Stars |

Case: A-City Built a Prefabricated Showroom to Showcase the Advantages and Strengths of its Prefabrication Capabilities

A-City built a prefabricated decoration showroom at the product development base, with an area of 680 sq. m., to systematically showcase the craftsmanship and quality of its prefabrication techniques for interior designs, while providing sufficient display area for the green material products of its partner companies. The showroom adopts state-of-the-art technologies in the scope of prefabricated decoration and, through self-development and innovation, demonstrates the effects of various application scenarios. This ensures high quality and also enables quick installation and disassembly. It is a safe and green approach that saves costs and fully manifests the advantages and strengths of prefabrication techniques.



A-City Prefabricated Decoration Showroom in Foshan

Support Urban Renewal

The urban renewal segment was established during the reporting period. Adhering to its position as an “integrated urban renewal operator”, the urban renewal business strived to expand businesses in old village renewal, old factory renewal, old city renewal and shanty town renewal. During the reporting period, the urban renewal business has signed 18 cooperation agreements with projects covering five provinces and municipalities across the country and secured an accumulated GFA of 11.5 million sq.m..

Case: Agile's Contribution to Urban Renewal in Multiple Areas

- To drive the upgrading of local industries, the urban renewal business started the Taiyuan Dianpo Project in Yingze District, Taiyuan City, Shanxi Province, which covers an area of approximately 610 mu. The first phase of the project was completed in December 2020.



- The urban renewal business contributed to the transformation of the shanty town of Guobei Village in Guodu Street, Chang'an District, Xi'an City, Shaanxi Province, to create a community with convenient transportation, improved resources, comprehensive facilities and beautiful environment.



Co-development of Sponge Cities

Along with the extreme weather conditions and the trend of precipitation changes brought about by the global climate change, maintaining and improving the adaptability of the urban water cycle has become a common concern of relevant industries. Agile pays close attention to frontier researches related to climate change, as well as the initiatives of energy saving and emission reduction. We assess the risks related to climate change and our ability to respond to our operation process, and actively introduce the design concept of sponge city to enhance the adaptability of water cycle in the areas where the projects are located, thus improving the habitability of the communities.

In 2020, the concept of sponge city has been introduced in the designs of 49 projects of the Group, which accounted for 45% of the total project design area. At the same time, the Group also actively carried out sponge city technology research, and applied some of the research results in the project development process.

Case: Agile Binhe County Tianjin, a Project Immersed in Nature's Beauty

The landscape of Agile Binhe County Tianjin is designed to create an ecological green corridor pleasant to live in, while restoring the aquatic ecosystem of land-sea transition zone, thus forming a harmonious coexistence of human habitat with hydrological ecology and marine culture.

The project works in coherence with the surroundings to establish a sponge water system with the natural water source, thus creating an ecological wetland park that is eco-friendly with low maintenance cost. The green area in the park utilises rain gardens and sunken greenbelts for rainwater filtering and infiltration, while rainwater run-off refills the lake. The wastewater from the parking lot is no longer discharged into the lake due to the pollution of motor oil and heavy metals brought by vehicle, and is directly purified by infiltrating in the grass swale. Partial eutrophication is prevented in the lake through water pumping and circulation, while vegetation and organisms are carefully distributed, so as to create a stable aquatic ecosystem.



Rendering of Agile Binhe County Tianjin

Providing Quality Living Service

Agile strictly abides by the laws and regulations where it has business operations. For its business operations in Mainland China, they will also have to comply with the Advertising Law of the PRC, the Consumer Rights and Interests Protection Law of the PRC, to formulate relevant systems like the Rules on Project Delivery Management (Trial) and Project Delivery Guidelines, so as to continuously improve customer management and service levels.

Responsible Marketing

To develop a full-cycle and comprehensive service standard, Agile launched the “5S+ Life Service System” in 2020, which integrates five service standards (Smile +, Serve +, Share +, Support +, Satisfy +) with five major home ownership experiences, namely, house prospecting, purchase, engagement, delivery and moving in, to establish a branded service standard throughout the whole cycle from house prospecting to moving in.

At present, the “5S+ Life Service System” has set up 19 service modules, 99 service points and nearly 300 implementation rules for the five major customer experience cycles, while the services are provided through various platforms from online mobile terminals to offline experience centres.

Agile’s Property Development Business Formulated Comprehensive System for Sales Office Management in Hainan Region

For the purpose of standardising the daily management of the sales office, Agile’s property development business in Hainan Region has formulated the Standardised System for Project Sales Office Management and Implementation Rules of Sales Offices Management for Hainan Regional Company to manage and regulate various works in the sales office. With an aim of pushing the property consultants to provide the utmost attentive services to customers, the system motivates them to strive for higher sales performance in accordance with the principle of fair competition. Meanwhile, it has also standardised the reception process, improved the quality of reception services in the sales office, thereby enhancing customer satisfaction.

Complaint Handling

We value feedback from customers as we seek to better understand customer demands and continuously improve our service quality. Customer demands, opinions and suggestions may vary among different customer groups. To optimise the handling of customer complaints, each business segment establishes its own complaint management system and makes targeted response to customer needs based on its own business characteristics and management methods

Agile’s Property Development Business Formulated Ordinance on Customer Complaint at Sales Offices in Hainan Region

To improve service quality at sales offices, Agile’s property development business formulated the Ordinance on Customer Complaint about Services at Agile Clearwater Bay Sales Office in 2020, to specify the regulation over 12 and 3 response recommendations in respect of pre-sale and after-sale complaint, respectively. The ordinance is applicable to all frontline property consultants, after-sale service personnel and project pipeline development personnel at the project sales offices, to further ensure five-star service standard at sales offices and enhance customer satisfaction.

Informatisation Construction

Agile advocates informatisation construction in a standardised, regulated and integrated manner on all fronts to improve information protection and risk management levels. In 2020, Agile published a “Three-year Informatisation Programmes — Agile Cloud Plan” to commence informatisation construction in various aspects, including data, security, procedures, experience, IT system, etc. We have accomplished the development and promotion of 11 key projects, including, supplier mid-end, file sharing and electronic stamp, as well as funding sharing, to achieve simultaneous offline-to-online business management.

Meanwhile, Agile Smart Cloud Project introduces smart chatbot and RPA (Robotic Process Automation) robot to facilitate smart office, and enables innovative marketing channels such as online Virtual Reality (VR) tour, online live streaming and online flat selection, with a view to enhancing customer experience, as well as increasing revenue, reducing costs and improving efficiency.

Agile encourages product R&D and application of smart community development in various dimensions to improve owners’ living experience and quality of community services. The smart community solutions we offer include:

- Smart access: Facial recognition access and Artificial Intelligence (AI) video surveillance offers formality-free access to owners and self-service access to visitors to improve access experience and efficiency as well as access security management;
- Smart customer service: Artificial Intelligence (AI) voice service connects with the smart household system to establish the interface portal to digital community;
- Smart work: Cleaning work is fully automatised and adopts unmanned vehicles throughout the work procedures, as well as integrates multiple functions such as cleaning, disinfection and security patrol;
- Smart IoT: It enables smart contract, smart performance and smart payment;
- Smart operation and maintenance: Equipment Building Automation (EBA) facility management and facility cloud maintenance reduce risks and ensure facility safety to improve operation and inspection efficiency.

Smart community access application earned the Group’s Garden North Estate, a project under Agile Guangzhou, the honour of “2020 Smart Community Model of Chinese Property Project of Digital Power”.



The Group has established and upgraded its systems related to information security management, including Management System for Safety and Operation of Information System, Standards on Handling of Information System Problems and Accidents and Management System for Changes of Information System, so as to implement 24-hour security threat detection for its core system network, preemptively arrange security equipment for incoming cyber attacks, commence tasks such as security deficiency scan and recovery, and security baseline equipment examination. Meanwhile, we arrange emergency drill for security incidents and information security awareness training for employees. In the course of system compliance development, Agile Property Development’s operation system, ERP3 (Enterprise Resource Planning), has passed the security assessment of the national information security standard.

Agile Established Information Access Management to Protect Customer Privacy

Agile emphasises the protection of sensitive information. We have formulated the Management System for Safety of Sensitive Privacy Data within Information System and organises regular information security training to enhance employees' awareness of personal information protection. We have adopted layered and categorised protection for sensitive information and only collect information necessary for business purpose on a minimal basis, while prohibiting export of sensitive personal data from the system. We have implemented strict approval procedures over the authority to use personal information and safeguard personal information security by controlling employees' access, recording personal information handling activity in the system record and conducting regular auditing.

Satisfaction Improvement

To protect customer rights and improve customer satisfaction, the Group has conducted satisfaction surveys and customer demand surveys to understand the status quo of customer satisfaction, and use this as an opportunity to quickly respond to customer needs and improve brand services.

In 2020, A-Living scored 86%, 96% and 73% in the residential customer, sales service and housing quality satisfaction survey, respectively, demonstrating our persistence in product quality and customer's recognition of us. The commercial business scored 97.5%, 92.29% and 93.1% in the business operation, hotel operation and golf course operation satisfaction survey, respectively.

A-Living also highlights customer experience during the property management and operation and constantly summarises the items to be improved in their services. Its endless efforts in customer service management has received high external recognition.

Awards

Ranked TOP 4 in the list of 2020 Top 100 Property Management Companies in China



Ranked TOP 1 in the list of 2020 Top 100 Leading Property Management Companies in terms of Growth Potential in China



Ranked TOP 2 in the list of 2020 Top 100 Property Management Companies in terms of Business Performance in China



Awards

Ranked TOP 2 in the list of 2020 Listed Property Management Companies in terms of Comprehensive Strength in China



2020 Top 100 Leading Property Management Companies in terms of Service Quality in China



2020 Top 100 Leading Property Management Companies in terms of Customer Satisfaction in China



2020 Leading Property Management Brand Companies in terms of Specialised Operation in China



Public Welfare and Charity

Agile has adhered to the philosophy of “empathy” for public welfare and charity. Complying with stipulations in the Charity Law of the PRC and the articles of Agile Public Welfare Foundation and other internal management policies, the Company has given back to society with substantial actions by actively participating in welfare and charity as follow:

As of 2020, the Group’s various charitable donations have exceeded RMB1.85 billion in aggregate.

Input in Public Welfare and Charity of the Group in 2020

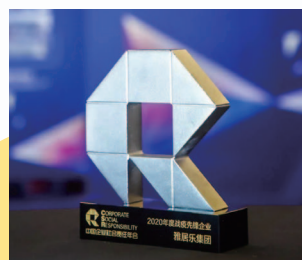
| Input Aspect | Unit | Input Amount |
|---|------|--------------|
| Offering education assistance and sponsorship | RMB | 65,649,114 |
| Poverty alleviation and fighting novel coronavirus pandemic | RMB | 35,735,206 |
| Sustainable development | RMB | 54,017,500 |
| Total | RMB | 155,401,820 |

The consistent effort of the Group in public welfare and charity received unanimous recognition from external parties. In 2020, the Group received the following recognitions and awards in various domains of welfare and charity:



2020 Award for Enterprise with Special Contribution to Anti-Pandemic Efforts

The Group received “2020 Award for Enterprise with Special Contribution to Anti-Pandemic Efforts” on the 18th Annual Conference on Chinese Enterprise Competitiveness granted by China Business Journal.



Anti-Pandemic Pioneer Enterprise

The Group was honoured as an “Anti-Pandemic Pioneer Enterprise” on the 12th China Corporate Social Responsibility Annual Meeting organised by Southern Weekly.

National Charity Enterprise Award

Agile’s Hainan regional company received “National Charity Enterprise Award” in the annual charity event “Joint Effort to Overcome the Pandemic, Good Deeds to Achieve Moderate Prosperity — Celebration of the 5th “China Charity Day” jointly hosted by bodies including China Charity Federation.



Offering Education Assistance and Sponsorship

Agile supports the education sector and contributes to the future of China with active charity efforts in the field of education.

Case: Agile Building its 7th Sunshine Playroom to Provide Children with Education and Care

Since 2017, Agile's Happy Living Charity Walk joins hand with Bazaar Charity Fund and Beijing Western Sunshine Rural Development Foundation to support the construction of the "Agile Sunshine Playroom" as an effort to fill the gap in pre-school education in rural areas. In October 2020, volunteers of Agile travelled to Longshe Town, Pengshui County, Chongqing City to set up the 7th Agile Sunshine Playroom, which serves as a wonderland that brings joy and dream to children lacking parental care.



Agile setting up its 7th Agile Sunshine Playroom in Longshe Town, Pengshui County, Chongqing City in October 2020

Case: Agile Donated RMB40 Million to Sanxiang Town Yagang Primary School for Contribution to Local Education Development

On 5 November 2020, Agile donated RMB40 million to Sanxiang Town Yagang Primary School in Zhongshan City through Agile Public Welfare Foundation for the purpose of school expansion and the establishment of Yagang Primary School Education Development Project Foundation. As of 2020, Agile has donated a total of over RMB220 million to parties in Sanxiang Town to promote the development of local education industry and facilitate the integrated education development in the Guangdong-Hong Kong-Macao Greater Bay Area.



Agile donated RMB40 million to Sanxiang Town Yagang Primary School in November 2020

Case: Agile Donated RMB1 Million to the Education Bureau of Jiangxia District, Wuhan City to Boost Local Pandemic Prevention and Education

In June 2020, Agile Public Welfare Foundation donated RMB1 million to the Education Bureau of Jiangxia District, Wuhan City to help the construction of anti-pandemic facilities and subsidise student meals at secondary and primary schools, including Changcheng Secondary School, and private kindergartens, thereby helping parties from Jiangxia District, Wuhan to fight against pandemic and maintain school operation.



Agile donated RMB1 million to the Education Bureau of Jiangxia District, Wuhan in June 2020

Fighting Novel Coronavirus Pandemic

During the outbreak of the novel coronavirus pandemic in 2020, Agile actively shouldered the corporate social responsibility and promptly implemented anti-pandemic efforts in response to the call of the state. Agile showed compassion to the general public in the affected areas and continuously supported anti-pandemic efforts through charitable donations to offer warmth in a bitter winter plagued by the pandemic.

Case: Agile Assisted the Anti-pandemic Efforts in Wuhan and Other Regions

In February 2020, Agile allocated RMB30 million to set up a special relief fund dedicated to anti-pandemic efforts in Wuhan and other regions. Part of the fund was directly donated to Wuhan Charity Federation for purchasing needed medical supplies and equipment to support the local pandemic prevention and control, and another part of the fund was marked for targeted assistance to affected families, first-line medical care personnel, and pandemic prevention and treatment institutions.

Case: Agile Donated “Happy Life Pandemic Prevention Packages” to Hubei Jingzhou Primary School to Safeguard Students’ Health and Safety



To ensure that children will grow up healthy, Agile property development business joined hands with Bazaar Charity Fund to offer the “Happy Life Pandemic Prevention Packages”, which includes relevant daily necessities such as instant hand sanitisers for children, disinfectant wipes, antibacterial soap and forehead thermometers, so as to nurture children with good hygiene.

Agile donated “Happy Life Pandemic Prevention Packages” to Hubei Jingzhou Primary School

Case: The Environmental Protection Business Spared No Effort in the Disposal of Medical Hazardous Waste to Help Fight the Pandemic Successfully

In response to COVID-19, the environmental protection business' Xushankou Project in Qinhuangdao operated at full capacity to dispose of substantial amount of infectious waste for local pandemic prevention medical institutions, so as to ensure medical waste is transported in a timely manner and being disposed on a harmless and safe basis. As at 10 February 2020, the Xushankou project disposed of over 110 tonnes of medical waste during the pandemic, including about 24 tonnes of COVID-19 infectious waste, with equipment operation reaching a loading rate of 95%.



Agile's environmental protection business implemented safety protection work for medical waste disposal

Poverty Alleviation and Calamity Relief

Agile continues to devote in poverty alleviation and respond to the national call for poverty alleviation. We put our philanthropic ideal into practice by helping impoverished communities to improve their living conditions and actively lending a helping hand to People's Liberation Army (PLA) and people in the disaster-relief areas

Case: Agile Donated Supplies to Disaster-hit Areas in Jiangxi to Support the Flood Control and Relief Work



Agile offered help to the Jiangxi's flood control and relief in July 2020

In July 2020, various parts of Jiangxi were hit by natural disasters such as floods and landslides. The real estate construction management business acted in emergency and headed to the local firefighting team to visit and express solicitude to the frontline PLA who stationed at the site of flood control. Agile urgently prepared flood control supplies to make our contribution to the communities as well as showing our care and respect for the frontline heroes of flood control.

Case: 30-Hour Famine

For the eleventh consecutive year, Agile again was the lead sponsor of the “30-Hour Famine” organised by World Vision Hong Kong to raise awareness about poverty, famine, disaster and disability. With the theme of “heated hunger”, the 30-Hour Famine 2021 aims at providing timely, adequate and continued support to the hunger struck population in the three African countries deeply affected by climate change. In response to the new coronavirus pandemic, this year’s “30-Hour Famine” was held online, with a number of celebrities taking up the role of “Famine Stars” to invite the general public to donate and support the hunger struck population in the African countries of Simbabwe, South Sudan and Somalia.



Agile was again the lead sponsor of the “30-Hour Famine” organised by World Vision Hong Kong for the eleventh consecutive year

Case: The Real Estate Construction Management Business Walked Side by Side with the Community Elderlies and Provided Targeted Support to Families in Poverty



In January 2020, the real estate construction management business joined hands with the community elderlies in helping needy families living in Shayuan Street of Guangzhou

In January 2020, the real estate construction management business joined hands with the Guangzhou Charity Association and the Guang Ai Social Work Service Centre of Guangzhou to initiate the “show your empathy and pass on the warmth of love”, a caring and charity activity of the real estate construction management business. We visited and showed our love to more than 30 households of elderly and disabled in poverty, and distributed them with Lunar New Year’s presents and holiday blessings.

Case: A-City Launched the “Agile House Renovation” Activity to Improve Living Environment

The Second “Agile House Renovation” charity walk of A-City was officially launched in May 2020. Under the theme of “Walk with Love”, the activity aimed to deliver love and care by improving the living environment and redecorating the living space for the three major groups of children, youth and elderly.

In May 2020, A-City launched its second “Agile House Renovation” activity to facilitate living environment upgrade



Sustainable Development

Sustainable development is one of the focus of Agile’s public wealth and charity work. The Group is committed in facilitating society’s sustainable development in respect of culture, ecology and education.

Case: Agile Launched an Innovative Charity Activity in the Field of Agriculture to Help Local Farmers Achieve Sustainable Development



Agile Joined Hands with Public Welfare Musician Young Jack to Launch a Live Streaming Event for Agriculture Charity in August 2020

In 2020, Agile worked together with Benlai Life to explore areas such as Tengchong, Ruili, Jinghong in Yunnan, in order to investigate and discover local characteristic agricultural products, thereby promoting the e-commerce transformation of Yunnan agricultural products. In August, Agile joined hands with public welfare musician Young Jack to film a charity video and create a charity song. By the use of “Live+Adoption” as an innovative way to support farmers, we aim to catch more people’s attention and engage them to participate in agriculture charity, thus helping local farmers to get rid of poverty through sustainable development .

Case: Agile Supported Cantonese Cultural Education and Promoted the Sustainable Development of Cultural Education

Agile donated RMB5 million to Cantonese Cultural Education Charitable Fund to support the cultural development of Zhuji Lane in Nanxiong and promote the culture of local clan, actively passing down the legacy of Cantonese culture and promoting the development of cultural education charity.



Agile donated RMB5 million to Cantonese Cultural Education Charitable Fund in September 2020

Case: Lai See Packets Reuse and Recycle Programme

Agile has been a participant of the "Lai See Reuse and Recycle Programme" organised by "Greeners Action" since 2011. Being one of the first Mainland China companies to advocate for Lai See packet recycle and reuse, the Group has received widespread support from residents, customers and employees over the years. In 2020, over 100 residential, hotel, shopping mall and office properties of the Group have participated in the campaign. To reduce carbon emissions arising from transportation, Agile continued its policy of "local recycle and reuse" in Mainland China by distributing the collected "New Life Lai See Packets" to local residents and employees. At the same time, the Company continued not to print new Lai See pockets so as to reduce paper consumption and encourage the community to make better use of the earth's resources.

Poster of Lai See Packets Reuse and Recycle Programme for Agile in 2020



A-Style • Green Life



Important Issues in this Section

- Reduce consumption of water resources
- Reduce pollutant emissions
- Enhance quality management system of supply chain
- Compliant disposal of waste
- Improvement of energy consumption efficiency
- Reduce greenhouse gas emissions
- Identify and respond to climate change risks

Environmental Management System

Agile attaches great importance to the harmonious unity in the sustainable development of economic benefits, environmental benefits and social benefits, concentrates on people's pursuit of a better life, takes a leading role in the environmental protection during the development and operation, and insists on providing green and healthy living services to the public.

In the process of property development design, we have fully considered the environmental impact of the projects during the whole life cycle of construction, including the bio-diversity protection and green construction opportunities. During the preliminary stage of project construction, we made use of prefabricated buildings and other green construction techniques to control pollutant emission at the source. In the course of project construction, we apply green construction techniques to reduce environmental pollution and wastage of resources during construction. During the project operation process, we launch energy-saving renovation project and use internal promotion to heighten the utilisation efficiency of resources and energy, as well as continue to practise the green development concept of energy saving and emission reduction.

At the same time, the Group continues to get deeply involved in environmental protection business, focusing on the three major areas of hazardous waste treatment, water treatment and domestic waste-to-energy, and devote to providing platform-level environmental system solutions and comprehensive environmental services.

Agile has been committed in enhancing the EHS management framework. Through overall planning, supervision and execution of environmental management work, we continue to improve ISO 14001 and other system certification works based on our business development. At the same time, the environmental protection business regularly conducts environmental-related audits, including EHS potential hazard review and supervision on its project companies, to ensure the green operation of each project company. As at the end of the reporting period, the Group has no material environmental pollution accidents, and reached an environmental emission qualification rate of 100%.

Resource Utilisation

Agile actively promotes the development of circular economy. By the conservation and recycling of resources, it aims at improving the efficiency of resource use. We abide by, for instance, in Mainland China, the Circular Economy Promotion Law of the PRC, the Water Resources Protection Law of the PRC and other relevant laws and regulations in the regions where we operate during the construction and operation processes, and all business segments continuously improve the resource management system in accordance with the characteristics of their businesses.

Recycling and Utilisation of Building Materials

For the use of materials in the development and construction of property development projects, the Group has established the Technical Guidelines for Prefabricated Building Construction, Guidelines on Techniques of Quick Demolition of Aluminium Cast Structure and Implementation Rules for Material Management of Self-operated Projects, and added the Administrative Measures for the Use of Secondary Recycled Materials in Safe and Civilised Construction in 2020, to realise lower consumption and reuse of building materials and enhance efficiency of resource use.

Case: A-City Increased the Utilisation Rate of Resource by Recycling Building Materials

A-City's daily operation involves a variety of waste building materials. In order to improve the recycling rate of building materials, A-City classifies building materials according to their characteristics. The material recycling work mainly involves the followings:

- Reuse construction wastes such as concrete and brickbat as fillers after crushing;
- Rebar and other wastes that exceed 1.5 meter in length are used for on-site construction by welding and other methods;
- Used small components (such as flanging) are sold to external parties;
- Large materials (such as formwork and square wood) are used in hoarding or flowerbed fences on a limited basis;
- Woven cloth floor protective film without obvious damage and stubborn stains are reused;
- Contact suppliers to fill fire extinguishers with dry powder if the safety plug is intact.

Reducing Water and Paper Consumption

Major types of resource used in all business segments of Agile include water and paper consumed in offices. During the project construction process, we attach great importance to reasonable consumption of water resource and increase the utilisation rate of water resource by adopting wastewater reclamation technology. At the same time, we advocate water conservation and paperless office within the Group, with a view to raising the awareness of resource conservation in the working process, thus making joint contribution to the resource protection.

Case: Agile Adopted Water-Saving Technology in All Aspects to Make Contribution to Water Resource Protection

Agile's projects under constructions consume substantial water resources. In order to improve the utilisation rate of water resources, Agile's projects under constructions adopt water-saving technologies in all aspects. The specific technologies applied include:

- Use automatic control system to control temporary spray on site;
- Set up a three-stage sedimentation and reuse mechanism for car wash tank;
- Install water-saving appliances in living areas and on-site toilets;
- Set up rainwater collection systems in areas with high rainfall to supplement temporary water sources.

Resource Consumption in 2020

| Indicator | Unit | The Company, Property Development, Real Estate Construction Management and Commercial | Environmental Protection | A-City |
|--------------------------|-------|---|-----------------------------|-----------|
| Office paper consumption | kg | 70,639.57 | 981,178.17 | 5,761.66 |
| Water consumption | tonne | 846,291.10 | 11,712,411.02 | 33,968.20 |

Energy Control and Response to Climate Change

Agile attaches importance to the management of energy saving and consumption reduction. Agile abides by, for instance, in Mainland China, the Energy Conservation Law of the PRC and other relevant laws and regulations in the regions where we operate, to establish and implement internal management systems including the Administrative Measures for Office Energy Conservation, Administrative Measures for Energy Conservation and Consumption Reduction, and Public Energy Consumption Management Regulations. Agile takes the initiative to monitor energy use data and adjusts energy consumption control strategies in a timely manner to reduce cost and increase efficiency.

All business segments of Agile continue to promote energy saving and emission reduction measures. The property development business improves energy efficiency at construction sites through the sensible use of new energy sources such as solar energy and air energy in the project construction process. In the course of its business operation, the environmental protection business applies online dust collecting and other technologies to improve the operational efficiency of machinery, with an aim to achieve the effect of reducing energy consumption. A-City implements energy-saving renovation works such as water-saving valve modification and replacement of lighting system to achieve energy saving.

Case: Agile Installed Solar Street Lights to Reduce Energy Consumption in Hainan Region

In order to increase the energy efficiency of Agile's projects under construction, Agile Starlight City Hainan situated in Hainan Province makes use of the local natural advantages of ample sunlight and long day light hours by installing energy-saving solar powered street lights on the construction site, and use automatic daylight storage function to provide electricity for street lights turned on at night, so as to reduce the use of purchased electricity. Meanwhile, the solar street light is controlled by an intelligent controller, which can automatically adjust the brightness of street lights at night according to surrounding brightness, realising energy saving and environmental protection.



Installed Solar Street Lights

| Energy Consumption in 2020 | | | | |
|--|----------------|--------------------------|--------------|------------|
| The Company, Property Development, Real Estate Construction Management and Commercial | | | | |
| Indicator | Unit | Environmental Protection | A-City | |
| Gasoline | L | 235,659.32 | 118,706.07 | 187,514.73 |
| Diesel | L | 38,261.51 | 2,839,961.27 | 80,018.93 |
| Natural gas | M ³ | – | 358,513.00 | – |
| Liquefied petroleum gas | M ³ | – | 2,280.00 | 2,626.12 |
| Direct energy consumption | GJ | 8,942.73 | 183,586.41 | 85,357.61 |
| Consumption of the purchased power | GWh | 4,439.99 | 56,861.29 | 1,494.71 |
| Indirect energy consumption | GJ | 15,983.97 | 204,700.64 | 5,380.97 |
| Total energy consumption | GJ | 24,926.70 | 388,287.04 | 90,738.58 |
| Energy consumption intensity | GJ/RMB million | 0.31 | 4.84 | 1.13 |

With PRC's suggestion to tackle global warming by committing for "Carbon Neutrality by 2060", Agile actively responds to the macro-policies by closely following the impacts of its business development on climate change, as well as implementing measures to conserve energy and reduce consumption, so as to reduce the greenhouse gas emissions during business development. Beside keeping thorough statistics of scope 1 and scope 2 greenhouse gas emissions, the Group also being attentive to the statistics and management of scope 3 greenhouse gas emissions. We encourage employees to give priority to public transportation for business trips through the Business Travel Management System, as well as promote the usage of remote meeting system continuously, so as to reduce indirect greenhouse emissions arising from business travel.

Emission of Greenhouse Gas in 2020

| Indicator | Unit | The Company, Property Development, Real Estate Construction Management and Commercial | Environmental Protection | A-City |
|--------------------------------------|---|---|-----------------------------|----------|
| | | | | |
| Scope 1 greenhouse gas emissions | tonne CO ₂ e | 635.48 | 12,364.72 | 5,134.22 |
| Scope 2 greenhouse gas emissions | tonne CO ₂ e | 3,672.35 | 51,799.06 | 1,250.90 |
| Total greenhouse gas emissions | tonne CO ₂ e | 4,307.83 | 64,163.72 | 6,385.12 |
| Emission intensity of greenhouse gas | tonne CO ₂ e/ RMB million | 0.05 | 0.80 | 0.08 |

To effectively assess and address the potential impacts of climate change on the Group's business development, the sustainable development steering group incorporated the physical and transformation risks of climate change in the Group's risk assessment process, so as to analyse material risk factors and formulate respective responsive measures.

On one hand, to address the physical risks of climate change on the Group's business development, each business segment has formulated safety contingency plans for climate hazards with reference to the Measure for Issuance of Warning Signal of Emergency Climate Hazard (Trial), while enhancing employees' contingency management capability through regular contingency drills and training. In addition, with reference to the Technical Guide for Sponge City Construction — Development of Rain System Structure with Low Impacts (Trial), the Group adopts the concept of sponge city in the design of its new projects, so as to increase the rain storage, penetration and purification capabilities of the project location, thus enhancing the projects' environmental resistance to extreme weather such as drought, high temperature and rainstorm.

On the other hand, to address the transformation risks of climate change on the Group's business development, we keep promoting prefabricated building technique and green architecture. Through the introduction of new technologies, we have increased, on a reasonable basis, our projects' energy efficiency in the construction and operation stages, and thus reduced the Group's energy consumption and carbon emissions during business development to cope with the tightening management policies on carbon emissions.

Emissions Management

“Lucid waters and lush mountains are invaluable assets”, Agile attaches great importance to pollutant emission management and control in the course of operation. All business segments abide by relevant laws and regulations in the areas where the operation is conducted, and establish an effective pollutant and noise monitoring mechanism to ensure compliance with local standards. While ensuring the compliant discharge of pollutants during the Group’s business operation, Agile engages in the environmental protection business in areas such as solid waste treatment and disposal as well as sewage treatment, assists in the harmless treatment of pollutants and strives to create a livable ecology for the public.

Solid Waste Management

The solid waste involved in the operation of Agile mainly include the construction garbage of the projects under construction, domestic waste of property management and office process, and solid waste generated during the operation of the environmental protection business. We adhere to the principle of “reduction, recycling and harmlessness” stipulated in the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste, for its operations in Mainland China, the Provisions on the Administration of Urban Construction Garbage, the Administrative Measures for Municipal Solid Waste and other relevant laws and regulations in the regions where we operate. During the development of the project, the construction unit is required to collect and dispose of all construction garbage and domestic wastes in a centralised manner and construction garbage shall be regularly cleaned and transported for harmless treatment according to the Unified Promotion Practices for Construction. At the same time, we promote the use of green materials on construction sites to reduce waste and to create a green and civilised construction site.

Case: Reducing Construction Waste by Applying “Aluminium instead of Wood” Technology to a Project Under Construction

In 2020, aiming to reduce construction waste generated during the construction process, Agile adopted the “Aluminium instead of Wood” technology, using aluminium formwork instead of wood formwork for construction. The technology enables the reduction of construction waste by improving the efficiency of resources utilisation in the following aspects:

- The formwork design of the support system is more user-friendly and the manual workload in installation, dismantling and transportation is reduced. The installation process does not rely on mechanical lifting, thus increasing the efficiency of resource utilisation;
- By avoiding the generation of wood chips and leaving no construction waste such as wood mouldings and square logs at construction sites, the pressure on environmental protection and fire safety is effectively reduced;
- Effectively improved the quality of concrete construction and achieve plaster-free effect.

In 2020, the Group already has 55 projects that use aluminium formwork instead of wood formwork, which helps reduce construction waste.

In addition, in 2020, the environmental protection business further deepened its foothold in hazardous and general solid waste management. On top of strictly complying with the Standard for Pollution Control on Hazardous Waste Storage and the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste, we have established internal systems such as the Standard Management System for Hazardous Waste, Storage Management System for Secondary Hazardous Waste Generated during Hazardous Wastes Handling, Operational Management Guidelines for Flexible Landfill of Hazardous Waste and Risk Assessment Management Guidelines on New Processes, New Equipment and New Businesses for Hazardous Waste Projects, to strictly control hazardous waste produced during business operations, thus ensuring that general and hazardous waste are properly treated and disposed of.

As of the end of the reporting period, the environmental protection business has hazardous waste disposal projects in 12 provinces, municipalities and autonomous regions across Mainland China. We have the capability to dispose of several thousands of types of hazardous wastes that covers 45 categories stated in the Directory of National Hazardous Waste, and has been the “leading enterprise in the field of hazardous waste” for three consecutive years. In the future, Agile’s environmental protection business will continue to cultivate and work hard in the field of hazardous waste disposal to contribute to a green society.

Case: Core Processing Technology of Hazardous Waste

Agile’s environmental protection business is deeply engaged in the field of hazardous waste treatment and disposal. In which, the new Shaowu Luyi Plant Site has a safe landfill capacity of over 18 million cubic metres, with the capacity to incinerates 1 million tonnes/year of waste. In order to reduce the environmental impacts of hazardous waste treatment, we combine several core processes in our workflow to achieve a rational treatment and comprehensive utilisation of hazardous waste:

- Material controlled workshop: through the identification of information on hazardous waste (such as their types and weights) arriving at the plant, we can achieve classification and standardised storage of hazardous waste;
- Rotary kiln incineration process: the main technical process for the treatment and disposal of hazardous waste is to send the waste into the rotary kiln for combustion and decomposition. Incomplete incineration generates harmful fumes — dioxins. The project ensures complete incineration of hazardous fumes and prevents secondary generation by applying additional technologies to the process, such as secondary high temperature burning and spray scrubbing;
- Landfill: The residues of hazardous waste after incineration are tested and analysed, and those that meet the standards are placed in the landfill; those that do not meet the standards are conserved for seven days and tested again to ensure that all residues entering the landfill meet the environmental requirements. In addition, we have equipped the plant site with a large steel canopy and a landfill tank with reinforced concrete and impermeable membrane structure to further enhance landfill safety.

Generation of Solid Waste in 2020

The Company,
Property
Development,
Real Estate
Construction
Management
and Commercial

Environmental
Protection

A-City

| Indicator | Unit | | | |
|--|----------------|------------|--------------|------------|
| Hazardous waste | | | | |
| Fluorescent tubes | piece | 188 | 497 | 205 |
| Toner cartridges | unit | 1,346 | 1,148 | 218 |
| Used batteries | KG | 1,967.83 | 979.76 | 21.06 |
| Total amount of hazardous waste produced | tonne | – | 103,681.28 | – |
| Non-hazardous waste | | | | |
| Domestic waste from office operations | KG | 358,585.80 | 272,013.70 | 147,711.00 |
| Office paper waste | KG | 70,639.57 | 981,178.17 | 5,761.66 |
| Non-hazardous waste | KG | 429,225.37 | 1,253,191.87 | 153,472.66 |
| Density of non-hazardous waste produced | KG/RMB million | 5.35 | 15.62 | 1.91 |

Wastewater Emission

In the course of operation, all business segments of Agile abide by, for instance, in Mainland China, the Water Pollution Prevention and Control Law of the PRC and other relevant laws and regulations in the regions where we operate, and strictly implement the Integrated Wastewater Discharge Standard.

The property development business has set up sewage collection pipelines and treatment facilities in the projects under construction to reduce the generation of sewage through reclaimed water reuse technology, and the wastewater generated is treated to ensure that it meets local sewage discharge standards before being discharged to municipal sewage pipe network.

A-STYLE • GREEN LIFE (CONTINUED)

Water Affairs Division of the environmental protection business has set up waterworks and sewage treatment plants to provide systematic solutions for local residents' water, municipal water, municipal sewage and industrial wastewater treatment in various regions. In 2020, through process optimisation and innovation, and by incorporating innovative elements of intelligent water based on Internet of Things and Cloud Computing, each of the water services companies under the Water Affairs Division of the environmental protection business achieved the goals of high standards, high quality and high automation level in water plant construction and operation with relatively lower construction and operation costs. It also achieved the goal of guaranteeing the quality of discharged tail-water, in which the safety level meets or even exceeds the design standards, while at the same time being able to significantly reduce pollutant emissions, thereby improving the overall quality of the water environment and enhancing environmental efficiency.

In addition, the Hazardous Waste Division of the environmental protection business has carried out leachate technology improvement work for its projects in accordance with the updated Standard for Pollution Control on the Security Landfill Site for Hazardous Waste in 2020, to ensure that wastewater is discharged in compliance with the standard.

| Indicator | Unit | Environmental Protection |
|---|------|--------------------------|
| Ammonia Nitrogen (NH ₃ -N) Emissions | KG | 28,507.64 |
| Chemical Oxygen Demand (COD _{Cr}) Emissions | KG | 1,852,816.89 |

Exhaust Gas Management

Agile strictly abides by, for instance, in Mainland China, the Law of the PRC on the Prevention and Control of Atmospheric Pollution, Regulations on the Administration of Construction Project Environmental Protection and the other relevant laws and regulations in the regions where we operate, as well as implements the Integrated Emission Standard of Air Pollutants, carries out pollutant monitoring and ensures that the discharge meets the standards.

In order to actively control the dust pollution generated by the construction projects, A-City strictly complies with the requirements of the local government in the course of construction, and has taken various measures such as setting up wall spray, tower crane spray, floor spray, and Particulate Matter (PM) 2.5 monitoring instruments at construction sites to reduce or control dust pollution. Currently, Agile has set up PM2.5 monitoring instruments for all projects under construction according to the requirements of relevant national and local standards, and publicly displays the monitoring results at the construction sites in real time. This is to ensure that the dust emission indicators of each project under construction meet the requirements of the local government and to effectively maintain the air quality around the construction site. During the reporting period, the exhaust gas emissions arising from the Group's operation were fully in compliance with standards.

For the atmospheric pollutants generated during the operation of environmental protection business, the environmental protection business establishes and implements management systems such as Management System for Exhaust Gas and Management System for Environmental Information Disclosure in accordance with the Measures for the Administration of Environmental Surveillance, the Measures for the Self-Monitoring and Information Disclosure by Enterprises subject to Intensive Monitoring and Control of the State and other relevant provisions, to ensure the discharge of nitrogen oxides, sulphur dioxide and other atmospheric pollutants meet the standard. In addition, Agile's environmental protection business adopts measures such as bag-type dust removal, incinerator modification and process improvement to continuously reduce the level of pollutants.

Case: The Environmental Protection Business Promptly Handled a Toxic Gas Leak and Prevented the Contamination from Spreading

In June 2020, there was a road accident with 4 tonnes of toxic chemical materials leaked. Multiple local project teams of the environmental protection business made an urgent joint effort to actively engage in the treatment of toxic gas in an effort to prevent the spread of toxic and harmful gas in the air, and swiftly contained the pollution to the environment and climate.

Emission of Air Pollutants in 2020

| Indicator | Unit | The Company, Property Development, Real Estate Construction Management and Commercial | Environmental Protection | A-City |
|--------------------------------------|------|---|-----------------------------|--------------|
| Nitrogen oxides | KG | 2,156.82 | 17,643,097.48 | 3,838,715.95 |
| Sulphur dioxide | KG | – | 401,395.23 | – |
| Particulate Matter (PM) Emissions | KG | 206.45 | 50,102.22 | 303,222.84 |

Noise Management

During the construction of projects under construction, Agile strictly complies with the provisions on prevention and control of construction noise pollution stipulated in the Law of the PRC on the Prevention and Control of Pollution from Environmental Noise for its projects in Mainland China and for the rest will have to comply with the local rules and regulations where it operates. In accordance with the Administrative Regulations on Construction Noise in the areas where the projects are located, Agile submitted the environment noise values and measures to prevent environment noise pollution to local relevant administrative department of environmental protection, established noise monitoring instruments and monitors in real time, in order to ensure that noises generated in the construction process meet the national and local standards. At the same time, Agile actively communicates with the residents of the surrounding community and provides advice, feedback and complaint at the construction sites in order to find out the interference factors that may exist in the construction process in time on the surrounding community. By adopting noise reduction measures such as controlling construction time slots, using enclosing fences and pump truck noise canopies at the construction site, and by actively bringing in low noise equipment such as static pile press machine during the construction process, noise levels are effectively controlled to ensure that surrounding residents' daily activities would not be affected.

APPENDIX 1 — LIST OF POLICIES (MAINLY FOR ITS BUSINESS OPERATIONS IN MAINLAND CHINA)

List of Policies and Indicators

| Aspects of ESG | Compliance with Laws and Regulations | Partial Policies of the Company |
|----------------|---|---|
| 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 Construction Project Environmental Protection | Management System for Environmental Information Disclosure |
| | Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste | Standard Management System for Hazardous Waste |
| | Directory of National Hazardous Waste | Administrative Measures for Transfer of Hazardous Waste |
| | Provisions on the Administration of Urban Construction Garbage | Storage Management System for Secondary Hazardous Waste |
| | Regulations of Guangdong Province on Prevention and Control of Environmental Pollution by Solid Waste | Operational Management Guidelines for Flexible Landfill of Hazardous Waste |
| | Measures for the Administration of Permit for Operation of Hazardous Waste | Risk Assessment Management Guidelines on New Processes, New Equipment and New Businesses for Hazardous Waste Projects |
| | Standard for Pollution Control on Hazardous Waste Storage | Management System for Exhaust Gas |
| | Water Pollution Prevention and Control Law of the PRC | Provisions on the Administration of Urban Construction Garbage |
| | Integrated Wastewater Discharge Standard | Administrative Measures for Municipal Solid Waste |
| | 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 |
| | Integrated Emission Standard of Air Pollutants | |
| | Environmental Protection Tax Law of the PRC | |
| | Soil Pollution Prevention and Control Law of the PRC | |
| | Standard for Pollution Control on Hazardous Waste Storage | |
| | Standard for Pollution Control on the Hazardous Waste Landfill | |
| | Measures for the Administration of Environmental Surveillance | |

APPENDIX 1 — LIST OF POLICIES (MAINLY FOR ITS BUSINESS OPERATIONS IN MAINLAND CHINA) (CONTINUED)

| Aspects of ESG | Compliance with Laws and Regulations | Partial Policies of the Company |
|--|--|--|
| A2. Use of Resources | Energy Conservation Law of the PRC Circular Economy Promotion Law of the PRC Water Resources Protection Law of the PRC | Administrative Measures for Office Energy Conservation Business Travel Management System 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 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 Administrative Regulations on Construction Noise Measure for Issuance of Warning Signal of Emergency Climate Hazard (Trial) Technical Guide for Sponge City Construction — Development of Rain System Structure with Low Impacts (Trial) Assessment Standard for Green Building | Administrative Measures for Energy Conservation and Consumption Reduction Technical Guidelines for Prefabricated Building Construction Unified Standard Atlas of Civilised Construction |
| A3. Environment and Natural Resources | | |
| B1. Employment | Labour Law of the PRC Labour Contract Law of the PRC Law of the PRC on the Protection of Labour's Rights and Interests Social Insurance Law of the PRC Provisions on the Prohibition of Using Child Labour | Human Resources Management System Compilation |
| | | |

APPENDIX 1 — LIST OF POLICIES (MAINLY FOR ITS BUSINESS OPERATIONS IN MAINLAND CHINA) (CONTINUED)

| Aspects of ESG | Compliance with Laws and Regulations | Partial Policies of the Company |
|------------------------------|--|---|
| B2. Health and Safety | Labour Law of the PRC | Occupational Health Management System |
| | Labour Contract Law of the PRC | Occupational Hazards Warning and Notification System |
| | Social Insurance Law of the PRC | Personal Protective Equipment Management System |
| | Occupational Disease Prevention and Control Law of the PRC | Occupational Health Examination System |
| | Fire Protection Law of the PRC | Safety Management System |
| | Production Safety Law of the PRC | Work Safety Accountability System |
| | Emergency Response Law of the PRC | Work Safety Responsibility Certificate Management System for Safety and Civilised Construction |
| | Regulations on Reporting and Investigation and Disposition of Safe Production Accidents | Measures on the Administration of Engineering Inspection and Evaluation |
| | Measures for the Administration of Contingency Plans for Work Safety Incidents | Measures on the Administration of Engineering Management and Accountability |
| | Regulations on Safety Supervision over Special Equipment | Measures on the Administration of Safety Bottom Line |
| | Regulation on Emergency Responses to Work Safety Accidents | Measures on the Administration of Accidents |
| | Measures for the Administration of Emergency Response Plans | Engineering Project Process Evaluation System |
| | Measures for the Categorised Administration of Occupational Disease Hazards in Construction Projects | Management System for Special Equipment and Special Operating Personnel |
| | Measures for the Administration of Occupational Health Monitoring | Guidance Manual on Onsite Rectification of Potential Safety Hazards |
| | | Occupational Health Management System |
| | | Occupational Hazards Warning and Notification System |
| | | Personal Protective Equipment Management System |
| | | Occupational Health Examination System |
| | | EHS Responsibility System |
| | | EHS Hidden Risk Inspection and Governance Management System |
| | | Safety and Environmental Emergency Accidents Management Guidelines |
| | | Contractor EHS Management System |
| | | Risk Assessment Management Guidelines on New Processes, New Equipment and New Businesses for Hazardous Waste Projects |
| | | Management System for the Receipt and Disposal of Highly Toxic Chemicals and Explosive Hazardous Chemical Waste (Trial) |
| | | Code of Conduct of Project Construction Management |

APPENDIX 1 — LIST OF POLICIES (MAINLY FOR ITS BUSINESS OPERATIONS IN MAINLAND CHINA) (CONTINUED)

| Aspects of ESG | Compliance with Laws and Regulations | Partial Policies of the Company |
|-------------------------------------|---|---|
| B3. Development and Training | Labour Law of the PRC Labour Contract Law of the PRC Social Insurance Law of the PRC | 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 |
| B4. Labour Standards | 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 | Human Resources Management System Compilation Induction Management System Resignation Management System Labour Contract Management System |
| B5. Supply Chain Management | 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 | 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 |

APPENDIX 1 — LIST OF POLICIES (MAINLY FOR ITS BUSINESS OPERATIONS IN MAINLAND CHINA) (CONTINUED)

| Aspects of ESG | Compliance with Laws and Regulations | Partial Policies of the Company |
|-------------------------------------|--|--|
| B6. Product Responsibilities | Product Quality Law of the PRC Urban Real Estate Administration Law of the PRC Advertising Law of the PRC Consumer Rights and Interests Protection Law of the PRC Cybersecurity Law of the PRC Patent Law of the PRC Trademark Law of the PRC | Unified Promotion Practices for Construction Engineering Project Process Evaluation System Unified Standard Atlas of Civilised Construction Manual for Prevention and Control of General Quality Problems Project Delivery Guidelines Rules on Project Delivery Management (Trial) Trademark and Brand Management Standards Special Management System for Structural Design Control Management Process on Structural Limit Design Standardised Actions for Dealing with Customer Complaints Management System for Safety and Operation of Information System Standards on Handling of Information System Problems and Accidents Management System for Changes of Information System Management System for Safety of Sensitive Privacy Data within Information System Standardised System for Project Sales Office Management Implementation Rules of Sales Offices Management for Hainan Regional Company Ordinance on Customer Complaint about Services at Agile Clearwater Bay Sales Office |
| | 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 Risk Management System Code of Business Conduct Accountability System for Defaults Administrative Measures for Anti-Corruption in Procurement System Articles of Association Employee Anti-corruption Commitment Anti-corruption Agreement Employee Manual Accountability System for Defaults Confidentiality System Anti-corruption Management Responsibility Certificate |
| B8. Community Investment | Charity Law of the PRC | Articles of Agile Public Welfare Foundation |

APPENDIX 2 — LIST OF DATA

Environmental Key Performance Indicators (KPIs)

| | | Data in 2020 | | |
|---|-------------------|---|-----------------------------|--------------|
| ESG Indicator | Unit | The Company, Property Development, Real Estate Construction Management and Commercial | Environmental Protection | A-City |
| A1.1 Category and Relevant Data of Emissions | | | | |
| Nitrogen Oxides (NO _x) emissions | KG | 2,156.82 | 17,643,097.48 | 3,838,715.95 |
| Ammonia nitrogen(NH ₃ -N) emissions | KG | – | 28,507.645 | – |
| Sulphur dioxide (SO ₂) emissions | KG | – | 401,395.23 | – |
| Particulate Matter (PM)emissions | KG | 206.45 | 50,102.22 | 303,222.84 |
| Chemical Oxygen Demand (COD _{cr}) emissions | KG | – | 1,852,816.89 | – |
| A1.2 Greenhouse Gas Emissions and Density | | | | |
| Total carbon dioxide emissions ¹ | tonne | 4,307.83 | 64,163.77 | 6,385.12 |
| Carbon dioxide emission density | tonne/RMB million | 0.05 | 0.80 | 0.08 |
| Direct carbon dioxide emissions ² | tonne | 635.48 | 12,364.72 | 5,134.22 |
| Indirect carbon dioxide emissions ³ | tonne | 3,672.35 | 51,799.06 | 1,250.90 |
| A1.3 Hazardous Waste Generated | | | | |
| Fluorescent tubes | piece | 188 | 497 | 205 |
| Toner cartridge | unit | 1,346 | 1,148 | 218 |
| Used battery | KG | 1,967.83 | 979.76 | 21.06 |
| Total amount of hazardous waste generated | tonne | – | 103,681.28 | – |
| A1.4 Non-hazardous Waste Generated | | | | |
| Non-hazardous waste ⁴ | KG | 429,225.37 | 1,253,191.87 | 153,472.66 |
| Non-hazardous waste density | KG/RMB million | 5.35 | 15.62 | 1.91 |
| Office paper waste | KG | 70,639.57 | 981,178.17 | 5,761.66 |
| Domestic waste from office operations | KG | 358,585.80 | 272,013.70 | 147,711.00 |

¹ Total carbon dioxide emissions include the sum of direct and indirect carbon dioxide emissions.

² Direct carbon dioxide emissions include direct emissions generated from diesel, gasoline, natural gas, liquefied petroleum gas, etc.

³ Indirect carbon dioxide emissions include indirect emissions generated from purchased electricity.

⁴ Non-hazardous waste includes office paper waste and domestic waste from office operations.

APPENDIX 2 — LIST OF DATA (CONTINUED)

| | | Data in 2020 | | |
|---|-------------------|---|-----------------------------|------------|
| ESG Indicator | Unit | The Company, Property Development, Real Estate Construction Management and Commercial | Environmental Protection | A-City |
| A2.1 Total Energy Consumption and Intensity | | | | |
| Comprehensive energy consumption ⁵ | GJ | 24,926.70 | 388,287.04 | 90,738.58 |
| Comprehensive energy consumption intensity | GJ/RMB million | 0.31 | 4.84 | 1.13 |
| Direct energy consumption ⁶ | GJ | 8,942.73 | 183,586.41 | 85,357.61 |
| Indirect energy consumption ⁷ | GJ | 15,983.97 | 204,700.64 | 5,380.97 |
| Diesel consumption | L | 38,261.51 | 2,839,961.27 | 80,018.93 |
| Gasoline consumption | L | 235,659.32 | 118,706.07 | 187,514.73 |
| Natural gas | m ³ | 0.00 | 358,513.00 | 0.00 |
| Liquefied Petroleum Gas (LPG) | m ³ | 0.00 | 2,280.00 | 2,626.12 |
| Purchased power | MWh | 4,439.99 | 56,861.29 | 1,494.71 |
| A2.2 Water Resources Consumption and Intensity | | | | |
| Total water consumption | tonne | 846,291.10 | 11,712,411.02 | 33,968.20 |
| Water consumption intensity | tonne/RMB million | 10.55 | 145.96 | 0.42 |

⁵ Comprehensive energy consumption includes the sum of direct and indirect energy consumption.

⁶ Direct energy consumption includes direct consumption generated from gasoline, diesel, natural gas and LPG.

⁷ Indirect energy consumption includes indirect consumption generated from purchased power.

Scope of Statistics:

The scope of environmental statistics of the Group in 2020 includes the Company, the real estate construction business, the property development business and its projects under management, the commercial business and its projects under management, the environmental protection business and A-City. Among which, the environmental protection business includes 37 project companies under the management of headquarters and divisions of the environmental protection business (water division, energy division and hazardous wastes division), whilst A-City includes headquarters of A-City and its 14 project 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, natural gas, piped gas and others is calculated with reference to *Guidance on greenhouse gas emission accounting and reporting — 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 *Guidance on greenhouse gas emission accounting and reporting — 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 2017 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) Emission intensity of carbon dioxide, intensity of non-hazardous wastes, comprehensive energy consumption intensity and water consumption intensity are emission intensities based on the operating revenue of 2020.

APPENDIX 2 — LIST OF DATA (CONTINUED)

Social KPIs

| ESG Indicator | | Unit | Data of the Group in 2019 | Data of the Group in 2020 |
|-----------------|---|--------|------------------------------|------------------------------|
| B. | Society | | | |
| B1. | Employment | | | |
| B1.1 | Number of Employees: Breakdown by Gender, Age, Position and Region | | | |
| Gender | Total number of employees | person | 38,313 | 63,275 |
| | Male | person | 22,615 | 36,251 |
| | Female | person | 15,698 | 27,024 |
| Age | At and below 30 | person | — | 16,309 |
| | 31-50 | person | — | 33,288 |
| | 50 or above | person | — | 13,678 |
| Position | Top management | person | 17 | 24 |
| | Senior management | person | 305 | 486 |
| | Middle management | person | 890 | 1,962 |
| | General staff | person | 37,101 | 60,803 |
| Region | Mainland China | person | 38,160 | 63,119 |
| | Hong Kong, Macau and Taiwan | person | 42 | 63 |
| | Overseas | person | 111 | 93 |
| B1.2 | Employee Turnover Rate: Breakdown by Gender, Age and Region | | | |
| Gender | Male | % | 44.83% | 37.24% |
| | Female | % | 43.00% | 33.56% |
| Age | At and below 30 | % | 54.70% | 43.06% |
| | 31-50 | % | 35.58% | 31.83% |
| | 50 or above | % | 53.57% | 36.20% |
| Region | Mainland China | % | 44.15% | 35.74% |
| | Hong Kong, Macau and Taiwan | % | 21.43% | 14.29% |
| | Overseas | % | 28.83% | 1.08% |
| B2. | Health and Safety | | | |
| B2.1 | Number of Work-related Fatalities | | | |
| | Number of work-related fatalities | person | 2 | 1 |
| B2.2 | Number of Lost Days due to Work Injury | | | |
| | Number of work-related injuries | time | 175 | 230 |
| | Total number of lost days due to work injury | day | 3,342 | 11,104 |

APPENDIX 2 — LIST OF DATA (CONTINUED)

| ESG Indicator | | Unit | Data of the Group in 2019 | Data of the Group in 2020 |
|-----------------|---|------|------------------------------|------------------------------|
| B. | Society | | | |
| B3. | Development and Training | | | |
| B3.1 | Percentage of Employees Trained: Breakdown by Gender and Position⁸ | | | |
| Gender | Overall staff | % | — | 78.00% |
| | Male | % | — | 58.73% |
| | Female | % | — | 41.27% |
| Position | Top management | % | — | 0.04% |
| | Senior management | % | — | 0.66% |
| | Middle management | % | — | 3.24% |
| | General staff | % | — | 96.06% |
| B3.2 | Average Number of Training Hours Received by Employees: Breakdown by Gender and Position⁹ | | | |
| Gender | Overall staff | hour | 56.87 | 19.75 |
| | Male | hour | — | 21.53 |
| | Female | hour | — | 17.36 |
| Position | Top management | hour | 55.59 | 18.37 |
| | Senior management | hour | 59.77 | 22.83 |
| | Middle management | hour | 64.54 | 16.51 |
| | General staff | hour | 56.66 | 19.83 |
| B5. | Supply Chain Management | | | |
| B5.1 | Number of Suppliers | | | |
| Region | Mainland China | / | 16,852 | 20,482 |
| | Hong Kong, Macau, Taiwan and overseas | / | 157 | 187 |
| B6. | Product Responsibilities | | | |
| B6.2 | About Products and Service Satisfaction | | | |
| | Residential customer satisfaction | % | — | 86.0 |
| | Business operation satisfaction | % | 94.6 | 97.5 |
| | Hotel operation satisfaction | % | 93.8 | 92.3 |
| B7. | Anti-corruption | | | |
| B7.1 | Number of Filed or Concluded Legal Cases regarding Corruption | case | 0 | 0 |
| B8. | Community Investment | | | |
| B8.2 | Resources Contributed to the Focus Area | | | |
| | Fund donation | RMB | 106,450,720 | 155,401,820 |

⁸ The percentage of employees trained for the year, as well as the related data generated therefrom, including the percentage of employees trained by gender and position, are calculated according to the Group's latest standard for calculating the percentage of training. Calculation standard of data: percentage of employees trained = number of employees trained in such position/total number of employees trained.

⁹ The average number of training hours received by employees for the year, as well as the related data generated therefrom, including the average number of training hours received by employees by gender and position, are calculated according to the Group's latest standard for calculating the average number of training hours received. Calculation standard of data: average number of training hours received by employees = total number of training hours received by employees in such position/total number of employees in such position.

APPENDIX 3 — INDICATOR INDEX

Aspects, General Disclosures and KPIs

| ESG Indicator | Description | Paragraph |
|-----------------------------|--|--|
| Aspect 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 exhaust gas and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste | Environmental Management System Emissions Management |
| KPI A1.1 | The types of emissions and respective emissions data | Emissions Management Appendix 2 List of Data |
| KPI A1.2 | Greenhouse gas emissions (in tonnes) and, where appropriate, intensity | Energy Control and Response to Climate Change Appendix 2 List of Data |
| KPI A1.3 | Total hazardous waste produced (in tonnes) and, where appropriate, intensity | Emissions Management Appendix 2 List of Data |
| KPI A1.4 | Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity | Emissions Management Appendix 2 List of Data |
| KPI A1.5 | Description of emissions target(s) set and results achieved | Emissions Management |
| 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 | Emissions Management |

APPENDIX 3 — INDICATOR INDEX (CONTINUED)

| ESG Indicator | Description | Paragraph |
|---|--|--|
| Aspect A2: Use of Resources | | |
| General Disclosure | Policies on the efficient use of resources, including energy, water and other raw materials | Environmental Management System Resource Utilisation |
| KPI A2.1 | Direct and/or indirect energy consumption by type in total and intensity | Energy Control and Response to Climate Change |
| KPI A2.2 | Water consumption in total and intensity | Appendix 2 List of Data Resource Utilisation |
| KPI A2.3 | Description of energy use efficiency target(s) set and results achieved | Appendix 2 List of Data Energy Control and Response to Climate Change |
| KPI A2.4 | Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and results achieved | Resource Utilisation Appendix 2 List of Data |
| KPI A2.5 | Total packaging material used for finished products and, if applicable, with reference to per unit produced | N/A |
| Aspect A3: The Environment and Natural Resources | | |
| General Disclosure | Policies on minimising the issuer's significant impacts on the environment and natural resources | Environmental Management System Emissions Management |
| KPI A3.1 | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them | Creating a Liveable Living Environment Emissions Management |

APPENDIX 3 — INDICATOR INDEX (CONTINUED)

| ESG Indicator | Description | Paragraph |
|--|--|--|
| Aspect 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 | Protection of the Rights and Interests of Employees |
| KPI B1.1 | Total workforce by gender, employment type, age group and geographical region | Protection of the Rights and Interests of Employees Appendix 2 List of Data |
| KPI B1.2 | Employee turnover rate by gender, age group and geographical region | Appendix 2 List of Data |
| Aspect 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 | Health and Safety |
| KPI B2.1 | Number of work-related fatalities | Health and Safety Appendix 2 List of Data |
| KPI B2.2 | Number of lost days due to work injury | Health and Safety Appendix 2 List of Data |
| KPI B2.3 | Description of occupational health and safety measures adopted, and how they are implemented and monitored | Health and Safety |
| Aspect B3: Development and Training | | |
| General Disclosure | Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities | Talent Development and Training |
| KPI B3.1 | The percentage of employees trained by gender and employee category | Talent Development and Training Appendix 2 List of Data |
| KPI B3.2 | The average training hours completed per employee by gender and employee category | Talent Development and Training Appendix 2 List of Data |

APPENDIX 3 — INDICATOR INDEX (CONTINUED)

| ESG Indicator | Description | Paragraph |
|---|--|---|
| Aspect 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 or forced labour | Protection of the Rights and Interests of Employees |
| KPI B4.1 | Description of measures to review employment practices to avoid child and forced labour | Protection of the Rights and Interests of Employees |
| KPI B4.2 | Description of steps taken to eliminate such non-compliant practices when discovered | Protection of the Rights and Interests of Employees |
| Aspect B5: Supply Chain Management | | |
| General Disclosure | Policies on managing environmental and social risks of the supply chain | Supply Chain Management |
| KPI B5.1 | Number of suppliers by geographical region | Supply Chain Management Appendix 2 List of Data |
| KPI B5.2 | Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored | Supply Chain Management |
| Aspect 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 regarding products and services provided and methods of redress | Creating a Liveable Living Environment |
| KPI B6.1 | Percentage of total products sold or delivered subject to recalls for safety and health reasons | N/A |
| KPI B6.2 | Received product and service related complaints and how they are dealt with | Providing Quality Living Service Appendix 2 List of Data |
| KPI B6.3 | Description of practices relating to observing and protecting intellectual property rights | Creating a Liveable Living Environment |
| KPI B6.4 | Description of quality assurance process and product recall procedures | N/A |
| KPI B6.5 | Description of consumer data protection and privacy policies, and how they are implemented and monitored | Providing Quality Living Service |

APPENDIX 3 — INDICATOR INDEX (CONTINUED)

| ESG Indicator | Description | Paragraph |
|--|--|---|
| Aspect 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 preventing bribery, extortion, fraud and money laundering | Integrity System |
| KPI B7.1 | Number of concluded legal cases regarding corrupt practices brought against the issuer and its employees during the reporting period and the outcomes of the cases | Internal Control Mechanism Appendix 2 List of Data |
| KPI B7.2 | Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored | Internal Control Mechanism |
| Aspect 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 take into consideration the communities' interests | Public Welfare and Charity |
| KPI B8.1 | Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sports) | Public Welfare and Charity |
| KPI B8.2 | Resources contributed (e.g. money or time) to the focus area | Public Welfare and Charity Appendix 2 List of Data |



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