LONGFOR 龙湖

2021

Sustainability Report

FOR YOU FOREVER

向善共赢

龙湖集团控股有限公司

LONGFOR GROUP HOLDINGS LIMITED

（于开曼群岛注册成立之有限公司）

(Incorporated in the Cayman Islands with limited liability)

Stock Code 股份编号：960

Property Development

LONGFOR 龙湖

Urbanization Projects

蓝海引擎 BLUE ENGINE

Commercial Investment

天街 Paradise Walk

Health & Elderly Care

ever spring 椿山万树

佑佑宝贝

Rental Housing

冠寓 Goyoo

Housing Agency Service

塘鹅租售

Space Service

LONGFOR 龙湖智创生活

Housing Decoration

塘鹅美装修

ESG

Creating a Beautiful Space to Achieve Win-win with Customers

Creating a Responsible Industry Chain to Achieve Win-win with the Industry

Practicing Green and Low-carbon to Achieve Win-win with the Environment

Human Orientation to Achieve Win-win with Employees

Delivering Warmth to Achieve Win-win with the Society

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About the Report

This Report aims to respond to stakeholders' expectations and demonstrate Longfor Group's philosophy, management, actions, and achievements in the environmental, social, corporate governance, and sustainable development. The Board of Directors of the Group has reviewd the Report to ensure that it contains no false records, misrepresentations, or material omissions. In order to ensure the effectiveness of the ESG risk management and the internal supervisory control system and promote sustainable development, the management of the Group has enforced the relevant policies and measures.

The Reporting Standards

The Report follows the relevant provisions and requirements of the *Environmental, Social and Governance (ESG) Reporting Guide* set out in Appendix 27 to the *Main Board Listing Rules of the Stock Exchange of Hong Kong Limited* (hereinafter referred to as the "HKEX"). It was prepared with reference to *SDG Compass*, *GRI Standards by Global Reporting Initiative (GRI)*, and the *Guide to the Preparation of Corporate Social Responsibility Report of China (CASS – CSR4.0)* by the Chinese Academy of Social Sciences, and other relevant Chinese and international standards.

Report Terms

For ease of expression and the convenience of reading, "Longfor Group Holdings Limited" is also referred to as "Longfor Group", "Longfor", "The Group", "The Company" or "we". Unless otherwise specified, "Yuan", "million Yuan", "billion Yuan" are referred to as "RMB", "RMB million", and "RMB billion".

Reporting Scope

The Report covers the period from January 1, 2021 to December 31, 2021 (hereinafter referred to as the "reporting period"), regarding the Group's businesses including property development, commercial investment, rental housing, space service, housing agency service, and housing decoration, with some historical or current data extension of 2022.

Source of Data

The information and data cited in the Report are from the official documents, statistical reports and financial reports of the Company, as well as the environmental, social and governance information collected, summarized and reviewed by the Company, unless otherwise specified.

Availability of the Report

The Chinese and English versions of the Report are available on the Company's official website (https://www.longfor.com/en/social/38/) or on the website of the Stock Exchange of Hong Kong. Should there be any inconsistency between the Chinese and English version, the Chinese version shall prevail.

Chairperson's Statement

The year 2021 was full of challenges and uncertainties and has reshaped the pattern and cognition of the real estate industry. Policies emphasizing stability directed property developers to firmly unwind speculations and eliminate risks to promote a positive, healthy and sustainable environment. Although the market alternated between the first and second half of the year, the Group has upheld its strategic orientation, long-term principles, pragmatic business model and prudent mindset at all times.

While we constantly create economic benefits, we also adhere to sustainable development. From the bottom of our hearts, we know that the Company cannot grow without the participation and support of companions, so we take the win-win for both the company and our companions as a driving force for achieving a long-term and healthy development. Since our establishment, Longfor Group has been taking "For You Forever" as its fundamental value. We proactively perform social responsibilities to create more positive values and build a harmonious ecology.

In 2021, Longfor Group's environmental, social, and governance (ESG) performance improved steadily. We were rated BBB by MSCI ESG rating, upgrading for two consecutive years; and rated "Three Green Star" from the Global Real Estate Sustainability Benchmark (GRESB) with a score of 84, making us the second place in the listed residential real estate developers in East Asia; and the global leading environmental, social and governance (ESG) rating and research company, Sustainalytics, adjusted the ESG rating for us to "Low Risk", with a risk score of 15.8, being the best among China property developers. In addition to the approvals of ESG rating institutions, Longfor Group was also awarded based on its prominent performance in public welfare, charity, and social responsibilities. In September 2021, Longfor Group won the "China Charity Awards", the top award issued by governments in the field of charity in China. In November 2021, Longfor Group won the "Outstanding Enterprise Charity Award" in "China Benefit Corporation". In December 2021, Longfor Group was ranked 23rd in the "2021 Top 100 Chinese Private Enterprises of Social Responsibility Performance" by All-China Federation of Industry and Commerce (ACFIC), and listed as one of the excellent cases of social responsibility performance of Chinese private enterprises in 2021.

Devoted to the concept of "what is taken from the society is used in the interests of the society", we established Longfor Foundation in 2020 to comprehensively carry out charitable activities. In 2021, as the country was advocating "Common Prosperity", based on our business philosophy of "For You Forever", and considering various life stages of assistance recipients, we successively carried out more than 20 charity events, such as the "The Xinya Project", "The Huguang Project", "The Flying Project", "The Stream Project", "The Evergreen Project" and so on, surrounding the following aspects: "rural revitalization", "friendly community" and "protection against Covid-19 and disaster relief ", which helped about 40,000 people in total. In July and October, Longfor Foundation donated RMB20 million and RMB10 million to Zhengzhou Charity Federation and Shanxi Charity Federation respectively to help relieve extreme rainstorms and post-disaster recovery in Henan province and Shanxi province. In 2021, we donated RMB416 million in total, making the all-time accumulated donation reach RMB1.7 billion.

We adhere to green development and attach great importance to the national goals of "carbon peaking and carbon neutrality". We swiftly organized a special team to promote tasks related to "carbon peaking and carbon neutrality" to make contributions to the realization of such national goals. Besides, based on the development concept of "low-carbon, green, and healthy", the Company combined the sustainable development with the life cycle of construction and applies the low carbon concept to company operation and the industrial chain, to set an example for the environment protection in the industry and promote the low carbon development of construction industry and to stretch a balance between the industry development and the environment protection. As of the end of 2021, Longfor Group has built more than 90 million square meters that meet Green Building Standard, covering residential, commercial, and office buildings, as well as other types of buildings.

Longfor Group regards employees as the vital fortune and foundation of the long-term and steady development of the Company, so the Company has been focusing on cultivating a professional and warm workplace culture to realize a joint development of the Company and its employees. In 2021, via the "Da Tong Yuan Employee Caring Program", Longfor Group further upgraded the employees' medical insurance system, benefiting about 100,000 people, including our employees, and their spouses and children in total.

Besides, based on its business recourses and advantages, Longfor Group helps municipal economic development. In 2021, rental housing brand Goyoo implemented over 40 projects via cooperation with more than 30 key cities, such as Wuhan, Nanjing, Chongqing, and Shenzhen, providing over 20,000 houses for talents, which promoted cities to attract talents and thus, the development of local industries and economy. We also participated in the municipal renovation sectors, such as Beijing Longfor Blue Engine Industrial Park and Shanghai Longfor Blue Engine Danshui Riverside Smart Park Project, to promote regional development via upgrading facilities, to build a new model and provide new driving forces for industrial and municipal development.

In the future, Longfor Group will continue to follow the business philosophy of "For You Forever" and the trend of the era to take more social responsibility. We will keep making full use of space creation capability and related services to keep practicing charity activities, bring lights to more people's lives, return to the society with good faith, and realize the win-win situation together with our companions.

Wu Yajun

Board Statement

Longfor Group fulfills its corporate social responsibility, establishes a sound ESG governance mechanism, and strives to achieve harmony between the environment and society at a steady and pragmatic pace and create values for the environment, society and the Group in the long run. The Board of Directors attaches great importance to the sustainable development of the Group and has established an ESG Committee at the board level to assist in formulating the ESG strategy and regularly reviewing it. We officially set up an organization-wide ESG Working Group under the leadership of the ESG Committee to complete ESG tasks systematically and ensure all policies and measures are implemented effectively. We pay close attention to the expectations and demands of stakeholders, regularly communicate with them, identify and evaluate ESG issues, and discuss and approve the evaluation results at the ESG Committee meeting. We take ESG material issues as our annual strategy for sustainable development, and continuously improve the company's capabilities and performance on ESG management.

ESG Committee regularly checks the Group's management and control of ESG risks and opportunities. With reference to the framework proposed by the Task Force on Climate-related Financial Disclosures (TCFD), we identified and analyzed all climate-related risks, including physical and transition risks and formulated relevant management approaches and countermeasures in 2021. In response to China's goal of carbon neutrality, we established a special team responsible for all carbon-related businesses, and set the goal of reducing carbon emissions intensity (per unit area) by 15%* by 2030. In order to achieve this goal, the Group will make detailed plans for specific targets and the ESG Committee will supervise the implementation and urge the Group to keep going.

The Group places great emphasis on ESG information disclosure. The annual Sustainability Report is drafted by the ESG Working Group and reviewed by the ESG Committee to ensure the authenticity and effectiveness of disclosed information. The Report, disclosing in detail the progress and achievements of Longfor Group's ESG work in 2021, was reviewed and approved by the ESG Committee on May 18, 2022.

Carbon Reduction Targets of Longfor Group

2021

Established a Special Team Responsible for All Carbon-related Issues

2030

Reduction Target of Carbon Emissions Intensity (per unit area) by 2030

15%

BOARD STATEMENT

* Compared with 2020.

About Longfor

Longfor Group, founded in Chongqing in 1993, has expanded its footprint nationwide. The Company's business segments cover property development, commercial investment, rental housing, and space service. Moreover, Longfor Group has also proactively stepped into new fields such as health and elderly care and urbanization projects.

In 2021, all businesses achieved steady development and outstanding performance.

Cities Covered
100 +

Total Revenue
RMB223.4 billion

Tax Paid
RMB26.2 billion

Property Development

Contract Sales
RMB290.09 billion

Land Bank
73.54 million square meters

Projects Developed
1,000 +

GFA Developed
130 million square meters

Commercial Investment

Rental Income
RMB8.15 billion

GFA in Operation
5.94 million square meters

No. of Malls in Operation
61

Annual Customer Traffic
680 + million

Rental Housing

Rooms in Operation
100,000 +

Stores in Operation
300 +

Customers Served
400,000 +

Space Service

Projects Served
1,500 +

Contracted GFA
460 million square meters

Cities Covered
100 +

Customer Satisfaction Rate
90% +

Housing Agency Service

Customers Served
1.4 million

Customer Satisfaction Rate
96% +

Housing Decoration

Cities Covered
40 +

Projects Undertaken
300 +

Corporate Culture

Mission

- For You Forever

Vision

- SaaS, Space as a Service

Core Values

- Entrepreneurship
- Integrity
- Agility
- Win-Win

Ten Principles

- Customer First
- Win-win
- Open and Agility
- Continuous Productivity Improvement
- Eco-system
- Long-term Oriented
- Continuous Innovation
- End to End Ownership
- Transparency
- Minimum Cost

GROUP CULTURE

2021 Awards and Honors

Forbes Global 2000
Ranked at 198th

Fortune Global 500
Ranked at 456th

Hang Seng Index Constituent Stocks
HSI Services Ltd

China Charity Awards
China's Top Governmental Award in Charity
Ministry of Civil Affairs

Best Managed Companies in China 2021
Deloitte China

Preferred Brand of China's Real Estate Employers for College Students 2021
China Association of Construction Education

2021 ESG Key Performance

Economics/ Governance

Revenue

RMB 223.4 **billion**

Core Attributable Profit

RMB 22.4 **billion**

Total Assets

RMB 875.7 **billion**

Net Assets

RMB 221.9 **billion**

Tax Paid

RMB 26.2 **billion**

Full Investment-Grade Credit Rating

S&P	Fitch	Moody's
BBB Stable	BBB Stable	Baa2 Stable

CCXR	Brilliance Rating
AAA Stable	AAA Stable

MSCI ESG Rating

BBB

Sustainalytics

Rated as "low risk" , with a risk score of 15.8, the lowest among Chinese real estate companies.

GRESB

Rated as three green star with 84 points, ranking top 2 in listed residential property developers in East Asia and the highest grade A in public disclosure.

Environment

Total GFA of New Projects Obtaining Green Building Certificates

4.3 million square meters

No. of Projects Obtaining Green Building Certificates

34

Investment in the Energy-saving Transformation Project

RMB 14 million

No. of Pilots Projects with Prefabricated Decoration

84

Percentage of New Projects using Solar Energy

29.4 %

Percentage of New Projects using Air Energy

14.6 %

Society

Customer Satisfaction Rate

92.30 %

Total Number of Employees

44,065

Total Number of Collaborative Suppliers

123,653

Public Welfare Donation

RMB 416 million

Total Number of Volunteers

2,700 +

Cumulative Volunteer Hours

9,000 +

Key Development Milestones

1993
- Longfor Group was established in Chongqing.

1997
- Developed the first residential project, Longfor Garden Nanyuan in Chongqing, which is awarded "National Xiaokang Housing Demonstration Community".

1998
- Chongqing Longfor property management service passed HQKAA's ISO 9001 certification test.
- Establishment of property management division, marking the Group's start in the property management business.

2001
- Developed the first villa project, Fragrant Garden in Chongqing to foray into high-end residential development.

2002
- Set up commercial operation department, starting our business in commercial operation.

2003
- Launched the first commercial project, Longfor North Paradise Walk in Chongqing.

2004
- Started the recruitment system for management trainee and built a national talent recruitment and development system.

2005
- Expanded into Beijing and started national market expansion.

2009
- Listed on the main board of the HKEX.
- Launched three commercial property brands, i.e. Paradise Walk, Starry Street and MOCO.

2010
- Included into MSCI China Index.

2015
- Established Longfor Leadership Development Center to build a deep talent pool.

2017
- Opened the first Goyoo store and started national market expansion.
- Entered into Hong Kong, deepening the overall plan in the Greater Bay Area.

2018
- Released the strategy of "SaaS, Space as a Service", Longfor Properties renamed to Longfor Group with a new brand logo.
- Upgraded Longfor Property Management to Longfor Smart Service.
- Set up Guangcai • Longfor Special Fund for Educational and Poverty Alleviation with fund size of RMB300 million.
- Released the elderly-care brand "Ever Spring".
- Launched Urbanization project "Longfor Hangzhou Binjiang Blue Engine".

2019
- Became a constituent of HSCEI.
- Set up the "Longfor-Palace Cultural Development Fund" with fund size of RMB100 million to help the development of cultural preservation in the Palace Museum.

2020
- Formally established the ESG Committee and set up a firm-wide ESG working group to lead the administration of ESG efforts in a systematical way.
- Included into HSCEI ESG 50 Index.
- Founded Longfor Foundation, setting a milestone in systematic development of public welfare.
- Launched China's first HSR TOD project, Longfor Jinsha Paradise Walk, in Chongqing.

2021
- Included into the Hang Seng Index.
- Established a Special Team responsible for all carbon-related issues.

2022
- Launched a new space service brand"Longfor Intelligent Living".

Communication with Stakeholders

Longfor Group understands that advices from stakeholder from all sectors of society have a major impact on our ESG efforts. Therefore, we attach great importance to stakeholder feedback and have established a regular communication mechanism with various stakeholders via various forms. Accordingly, we will update the Group's sustainable development strategies and actions.

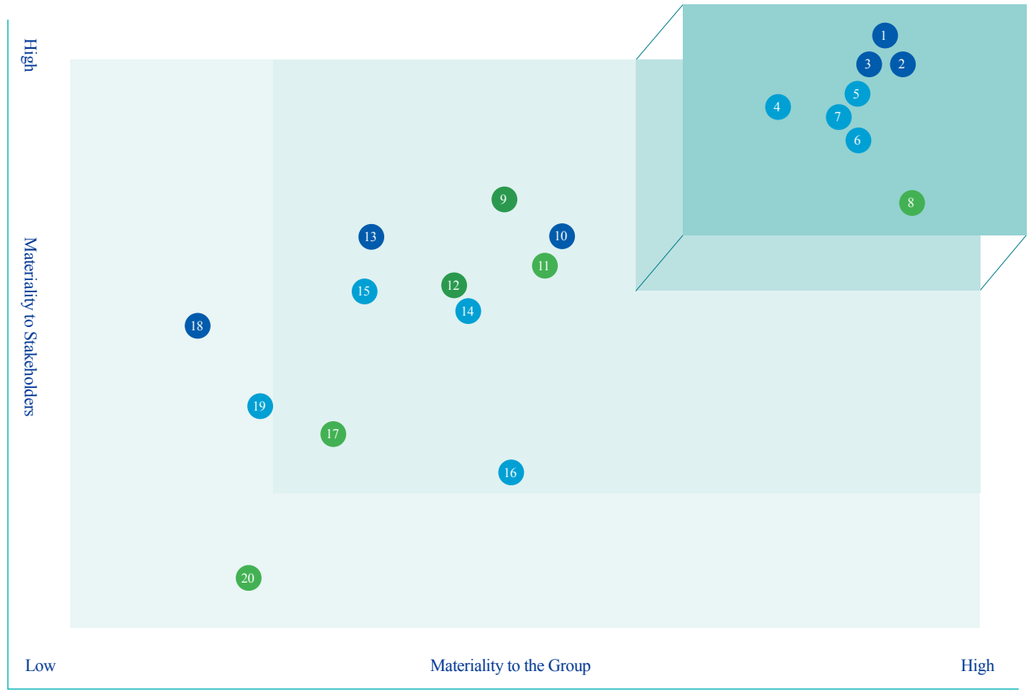
Communication Strategy

The Group regularly communicates with stakeholders to meet their reasonable demands and promote the Company's sustainable development.

Stakeholders	Major Issues of Concern	Major Communication Approaches	Major Countermeasures
Government	Legal compliance Pay taxes according to law Support to economic development	Government conferences Project collaboration Supervision by government agencies	Response to the governmental calls Implement national housing policies Operate in legal compliance Support urban development
Shareholders and Investors	Investment return and growth Enhance information disclosure	Shareholder's general meeting Regular reports and corporate announcements Investor relations activities	Maintain excellent business performance Improve corporate governance and risk management Issue reports regularly and disclose information promptly Hold shareholder's general meeting to improve investor relations management
Customers	Product quality improvement Demand satisfaction High-quality management services	Customer satisfaction survey Customer relations management Customer visit and communication	Refine customer service process Reinforce safety and quality inspection Continuously improve product and service quality
Employees	Protection of legitimate rights and interests Fair compensation and benefits Good working environment Personal career development	Employee training Employee engagement survey Employee suggestion feedback mechanism	Protect employees' rights and interests Care for employee benefits and compensation management Create a comfortable and harmonious corporate culture Improve employee satisfaction and sense of belonging
Cooperative Partners	Legal compliance Business ethics integrity Form long-term collaborative partnerships	Project collaboration and negotiation Evaluation and survey Visit and communication for daily business	Strictly comply with contractual requirements Enhance credibility Strengthen qualification review Expand business fields and maintain collaboration
Community	Boost community and social-economic development Public welfare Charitable activities	Community project engagement Regular communication with community representatives Media communication	Participate in community development Espouse public welfare and philanthropic activities Interest employees in volunteering activities
Environment	Effective use of resources Emission reduction Ecological conservation Biodiversity protection Response to climate change	Pay attention to environmental protection Environmental protection project collaboration Collaboration with social organizations	Promote the design and application of green building Actively reduce energy consumption and emission and apply green technologies Carry out green office practices and encourage a green lifestyle Conduct identification of climate change risk and opportunities and devise corresponding responses

Identification and Determination of Material Issues

Longfor Group regularly carries out ESG material issues evaluation and draws materiality matrix. In 2021, we updated the list of ESG materiality issues and their importance based on the Company's development, the mainstream ESG rating index in the capital market, peer best practices, and the expectations and demands of various stakeholders. We will actively respond to the critical concerns of our stakeholders and take action to increase their recognition of ESG management of Longfor.



Longfor Material Issues Matrix FY 2021

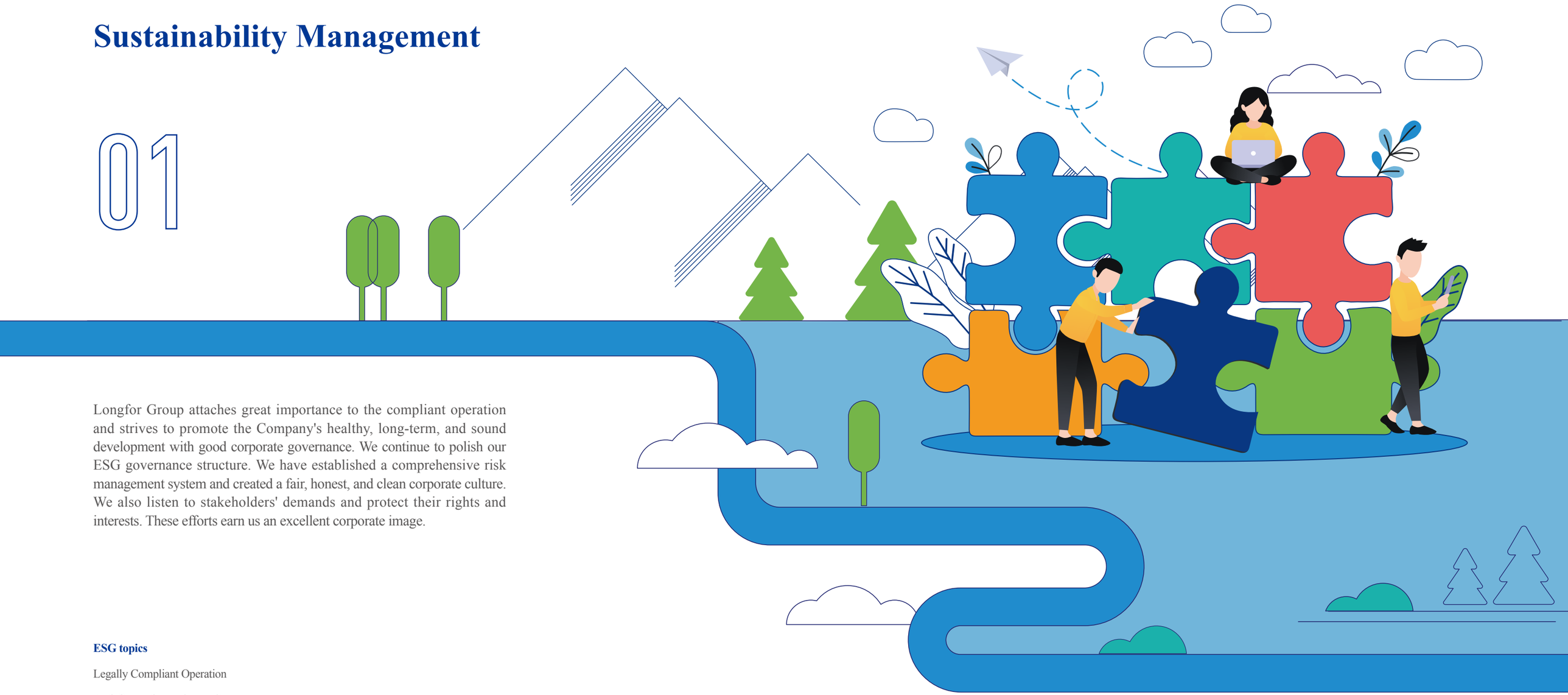
Environment Social Governance

Degree		Material Issues	Scope
Issues of High Importance	1	Engineering Quality and Safety	Governance
	2	Legally Compliant Operation	Governance
	3	Anti-Corruption and Integrity	Governance
	4	Protection of Employees' Rights and Interests	Social
	5	Occupational Safety and Health	Social
	6	Service Quality and Customer Satisfaction	Social
	7	Customer Information and Privacy Protection	Social
	8	Design and Application of Green Building	Environment

Degree		Material Issues	Scope
Issues of Medium Importance	9	Energy Conservation and Emission Reduction	Environment
	10	Supply Chain Management	Governance
	11	Response to Climate Change	Environment
	12	Waste Management and Contamination Prevention	Environment
	13	Technological Innovation	Governance
	14	Community Communication and Integration	Social
	15	Employee Career Development	Social
	16	Intellectual Property Protection	Social
	17	Water Resource Management	Environment
Issues of Low Importance	18	Industry Development	Governance
	19	Public Welfare and Charity	Social
	20	Biodiversity	Environment

Adhering to Compliant Operation and Sustainability Management

01



Longfor Group attaches great importance to the compliant operation and strives to promote the Company's healthy, long-term, and sound development with good corporate governance. We continue to polish our ESG governance structure. We have established a comprehensive risk management system and created a fair, honest, and clean corporate culture. We also listen to stakeholders' demands and protect their rights and interests. These efforts earn us an excellent corporate image.

ESG topics

Legally Compliant Operation

Anti-Corruption and Integrity

SDGs topics

Corporate Governance

Longfor Group dedicates itself to improving corporate governance continually. We have established a complete and highly effective governance structure following laws and regulations such as the *Company Law of the People's Republic of China*. The Company's Board of Directors is responsible for leading and overseeing the Group's business, strategic direction, and performance, as well as fulfilling its corporate governance duties, including formulating and deliberating the Company's corporate governance policies and practices, reviewing and supervising the training and sustainable professional development of directors and senior management personnel, and the Company's policies and procedures in respect of compliance with legal and regulatory requirements. Furthermore, the Audit Committee, the Remuneration Committee, the Nomination Committee, the Investment Committee, and the Environmental, Social and Governance Committee are established under the Board of Directors to ensure its efficient operation (the roles of the Board of Directors and each committee can be found in the "Corporate Governance Report" section of the 2021 Longfor Group Annual Report). During the Reporting Period, the Board of Directors held 4 meetings with 100% attendance rate.

Longfor Group Holdings Limited
The Board

Audit Committee	**Independent Non-Executive Directors** Chan Chi On, Derek (Chairperson) Frederick Peter Churchouse Xiang Bing	
Remuneration Committee	**Executive Director** Wu Yajun	**Independent Non-Executive Directors** Zeng Ming (Chairperson) Chan Chi On, Derek Xiang Bing
Nomination Committee	**Executive Director** Wu Yajun (Chairperson)	**Independent Non-Executive Directors** Chan Chi On, Derek Xiang Bing
Investment Committee	**Executive Directors** Wu Yajun Shao Mingxiao Chen Xuping Zhao Yi	**Group Management** Su Xizhen Chang Keyi
ESG Committee	**Executive Director** Wu Yajun	**Independent Non-Executive Directors** Chan Chi On, Derek (Chairperson) Frederick Peter Churchouse Xiang Bing

Board Structure

Board meetings
4

Attendance rate
100%

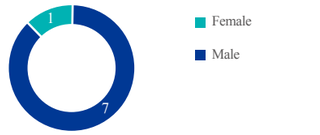
The Group has formulated the *Diversity Policy of the Board of Directors*[1] to guarantee a diversified Board structure. When nominating and appointing members to the Board of Directors, the Group will consider gender, age, professional qualifications, industry experience, professional, educational background, and other dimensions to meet the needs of each business segment.

[1] https://www.longfor.com/en/investor/21/

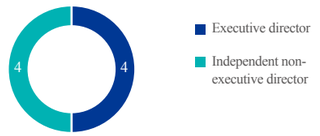
Strategy/Business Focus	Madam Wu Yajun	Mr. Shao Mingxiao	Mr. Chen Xuping	Mr. Zhao Yi	Frederick Peter Churchouse	Mr. Chan Chi On, Derek	Mr. Xiang Bing	Mr. Zeng Ming
Finance				✓	✓	✓	✓	
Industry	✓	✓	✓	✓	✓			
Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓
Regulatory Authorities/Public Relations	✓	✓	✓	✓		✓	✓	✓
Expertise in International Projects	✓	✓	✓	✓	✓	✓	✓	✓

Tenure of Office

Gender

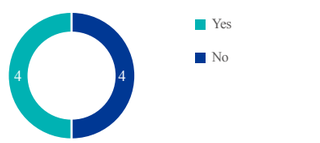


Position



Education Background

Serving as a Director of Other Companies



The Group insists on an open, fair and multi-dimensional relationship with investors, and diversified communication channels with institutional and individual investors. In 2021, the Company timely and effectively informed investors of the Group's information for their investment decisions through channels such as interim and annual report, announcement on the HKEX, result briefing, roadshow, investor forums, and mailbox for investor relations. In 2021, the Group released 80 announcements, received more than 120 investor visits and teleconferences from domestic and foreign investors, held 2 online result briefing conferences, and organized more than 60 roadshows. The Group has established a good shareholder culture, promoted communication and exchanges with shareholders, and regularly carried out investor relations activities. Our efforts were well received by investors.

Announcements issued
80

Arranged visits and calls with investors
120 +

Annual general meeting
1

Risk Control

The Group actively promotes corporate risk prevention and management. The Group complies with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Companies Ordinance* of Hong Kong, the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited*, and other relevant laws and regulations as well as advanced international provisions. The Group also refers to its peers and the internal control framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Thus, the Group formulates the *Longfor Risk Management System* to clarify its risk management organization system, specific responsibilities, overall risk management process, risk assessment methods, and regular risk reporting mechanism. It continuously strengthens the construction of risk management and internal control compliance systems.

The Group continues to optimize the "Three Lines of Defense" risk management model, with the Board of Directors as the ultimate responsible body, to bring a more effective guarantee mechanism to achieve corporate goals.

Line of Defense	Responsible Department
First Line of Defense	The Management and Staff of Business Departments
Second Line of Defense	General Manager of Business Department CEO (Leader) CFO (Deputy Leader)
Third Line of Defense	Audit Committee Internal Audit Department Safety and Innovation Management Department

The Group regularly conducts internal risk identification, analysis, and evaluation and forms an annual risk report and risk database for the following year. At the same time, we also analyze and evaluate the effectiveness of such risk management and internal control systems. We continuously improve our risk control monitoring platform to identify and sort out the risk of existing and new businesses. Furthermore, we take a risk dashboard to manage the whole process of all risks.

Risk Management Mechanism

Pre-control Phase

Systematically design and continuously improve the risk control system for each segment and new business, so as to enable and support a mature new business;

Implementation Phase

Adhere to the closed-loop management of risk control and follow up the management in the whole process;

Closing Phase

Track and feedback the implementation of risk control measures to ensure that risks are timely and effectively prevented or controlled.

Risk Management Measures and Results

Guided with System

63 system guidances were designed for business needs;

Standard Template

Revised and supplemented 352 templates in combination with new laws and regulations and new business scenarios;

Efficient Communication

121 risk control meetings were held throughout the year, enabling the development of various businesses;

Audit

Being risk oriented, regularly audited and investigated the violation of business code of conduct, completed more than 20 audit projects and reported and investigated over 50 tip-offs in this year;

Precise Post

Established a legal risk database and precisely post risks through Yuntusuo;

Training

142 legal training sessions for each segment were completed by means of short video, live broadcast, recording and broadcasting, on-site communication, etc;

Organized over 30 offline risk control training, post-audit communication, communication among Group functions and business segments in various regions;

Conducted risk control training for the new general managers and the new employees.

Sustainability Management

Longfor Group highly values ESG governance. We have established a ESG Committee, chaired by Mr. Chan Chi On, Derek, an independent non-executive director, and whose members include the Chairperson and two independent non-executive directors, to fully ensure the balance and effectiveness of ESG decisions. The ESG Committee is responsible for the overall management of ESG issues and its primary responsibilities include setting and deliberating the Group's ESG strategic direction, monitoring ESG risks and opportunities, reviewing ESG performance, etc. Under the guidance of the ESG Committee, the ESG Working Group engages all business lines and functional departments of the Company to promote the implementation of ESG affairs. In 2021, the ESG Committee has held 2 meetings with all members present. We will continue to deepen ESG practices and set multi-dimensional targets for environment, society and governance, with a view to continuously improving Longfor Group's performance in MSCI, GRESB and Sustainalytics ESG rating and enhancing the impact on sustainable development.

ESG committee meetings

2

Attendance rate

100%

ESG Committee

ESG Working Group

• Investment and Development Department	• Business Development Department
• Operation Engineering Department	• Internal Audit Department
• Research and Development Department	• Legal Affairs Department
• Supply Chain Management Department	• Safety and Innovation Management Department
• Customer Insight Department	• Digital Technology Department
• Brand Department	• Carbon Peak and Neutrality Team
• Marketing Department	• Medical Care Department
• Finance Department	• Space Service Department
• Human Resources Department	• Rental Housing and Hotel Department
• Administration Department	• Commercial Property Department

ESG Governance Structure of Longfor Group

Green Finance

The Group is committed to persuing the concept of green finance, developing green building and participating in the construction of Sponge City and Smart City positively.

In 2017

we were approved by the National Development and Reform Commission to issue three green bonds with total offering size of RMB4.04 billion.The money raised were used to develop the new Chongqing Longfor Lijia project and Shanghai Hongqiao Business District Phase I No.5 plot.

In December 2020

the Group established a green finance framework and obtained the qualified certification from the third party, Sustainalytics, which helps the Group to issue green bonds in the future. All funds raised from the green bonds would be strictly used for the financing and refinancing of qualified green projects. The Group would disclose the use and distribution of funds in the annual Sustainability Report. The Group has established a special working group which focuses on the development and preparation for passing relevant certifications of Green Building projects, promoting the development and management of green projects systematically.

We also actively participated in the RMB Green Deposit for enterprises launched by Bank of China (Hong Kong) to support projects like green buildings, renewable resources, pollution prevention industry and so on, in order to boost the economy in accordance with low-carbon, climate change adaptation, and sustainable development.

Business Ethics

The Group abides by the *Anti-Money Laundering Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Regulations on Preventing Bribery*, and other national and local policies and regulations related to anti-corruption and business ethics. Furthermore, the Group also develops the *Code of Longfor Business Conduct* targeting all employees to prevent violations.

We have zero tolerance for corruption. The *Code of Longfor Business Conduct* explicitly prohibits any employees from giving or soliciting improper commercial gains, inappropriately using and misappropriating corporate property, and disregarding the conflicts of interest. We also prohibit employees from participating in any money-laundering activities that legalize ill-obtained benefits through various means and platforms, and provide channels for reporting potential violations. In 2021, the Group's anti-fraud reporting channel received 345 effective reports, all of which have been investigated. To protect the fundamental rights and interests of the whistleblower, we keep the details of the whistleblower and the report strictly confidential and formulated the 2022 version of *Whistle-blower Protection Policy* to strictly prohibit any form of retaliation against the whistleblower. To avoid incidents that violate business ethics as much as possible, we require all employees, including executives and new employees, to sign the *Code of Longfor Business Conduct*. In 2021, all employees of the Group signed the *Code of Longfor Business Conduct*. During the reporting period, there was no corruption lawsuit filed.

Employees participated in the business code of conduct training and examinations

44,000

Pass Rate

100%

Longfor Reporting Channel for Business Ethics

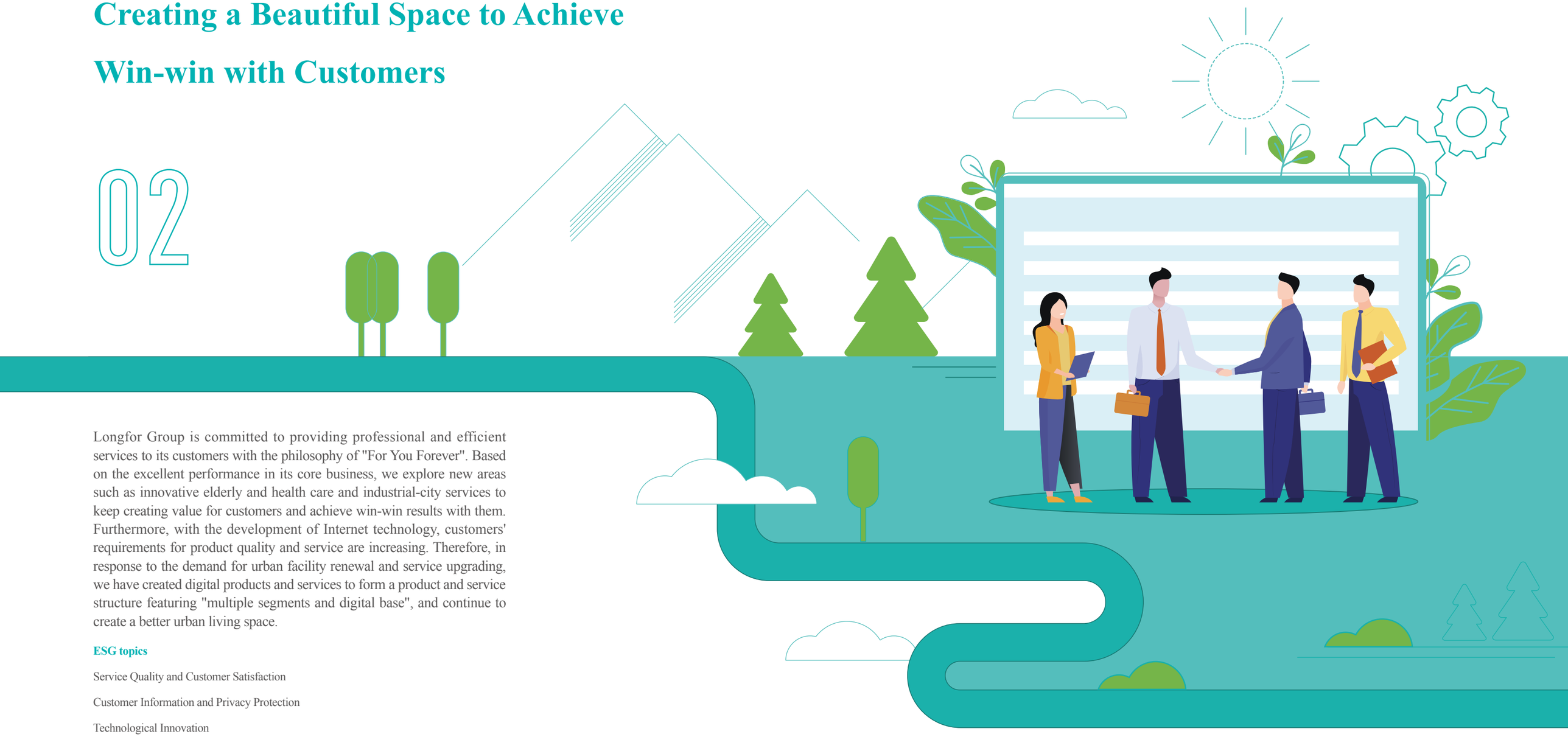
Email	ljjb@longfor.com
Hotline	400-604-0988
Website	https://www.longfor.com/contact/36/1/

The Group keeps conducting business ethics training online and offline to raise our employees' and contractors' anti-corruption awareness and create a clean and honest corporate atmosphere. We require all new employees to learn about the *Code of Longfor Business Conduct* and pass the exam before they start to work. 100% of new employees received business ethics training and passed the exam in 2021.

We also conducted online business ethics training for all employees, attracting 44,000 viewers for over 8,806 hours. Directors and senior management participated in 21 on-site training and online business ethics training sessions for a total of over 100 hours with 2.01 hours per person.

Creating a Beautiful Space to Achieve Win-win with Customers

02



Longfor Group is committed to providing professional and efficient services to its customers with the philosophy of "For You Forever". Based on the excellent performance in its core business, we explore new areas such as innovative elderly and health care and industrial-city services to keep creating value for customers and achieve win-win results with them. Furthermore, with the development of Internet technology, customers' requirements for product quality and service are increasing. Therefore, in response to the demand for urban facility renewal and service upgrading, we have created digital products and services to form a product and service structure featuring "multiple segments and digital base", and continue to create a better urban living space.

ESG topics

Service Quality and Customer Satisfaction

Customer Information and Privacy Protection

Technological Innovation

Engineering Quality and Safety

SDGs topics

Urban Renewal

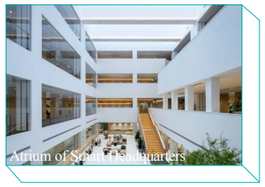
Longfor Group is actively engaged in urban renovation and combines people, buildings and cities with "Care for You" as the core. Longfor transforms and upgrades the current obsolete space in the city, changes the spatial function, introduces high-quality industries, and instills extensive scenes. In this way, the urban and industrial environment in the whole region is improved, and the city is renovated in a more sustainable way.

Beijing Longfor Blue Engine Industrial Park

The Longfor Blue Engine Industrial Park where the Intelligent Headquarter of Longfor Group is located was officially opened in May 2021. Before May 2020, it is formerly known as the obsolete crowded and messy Auto Parts Supermarket built in the 1990s and locates in Beijing's North Fifth Ring Road. In response to the policy of "relieving Beijing of functions non-essential to its role as China's capital" proposed by the Beijing Municipal Government, the auto parts supermarket with low-end industries was vacated, and was taken over by Longfor Group to start the overall space renovation and operation.

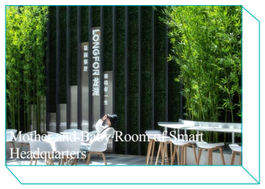
The project is the first comprehensive urban renewal project of "commercial reform office" in Longfor, adopts green energy-saving strategies, IoT, IBMS, and other intelligent technologies to complete this masterpiece consisting of 86,000 square meters of offices, meeting rooms, and commercial facilities above ground plus 19,000 square meters of underground garage and staff cafeteria. By renewing the city's capacity, Longfor Blue Engine Industrial Park can accommodate approximately 8,000 to 9,000 office workers.

During the renovation design and implementation in the past two years, Longfor fully respected the conditions of the buildings and avoided the use of additional materials consumption for the whole structure, reducing carbon emissions by about 42,632.09 tonnes; the project used prefabricated construction technology and green prefabricated building materials produced by Longfor. 75% of materials used were prefabricated, and the efficiency increased by 50% compared with the traditional construction approaches; at the same time, the latest smart building and Internet of Things system were employed to integrate and manage the building's energy consumption, optimize the use of energy, and create a green model with the concept of low carbon.


Atrium of Smart Headquarters

Green and energy-saving, for the sake of aesthetics and environmental protection

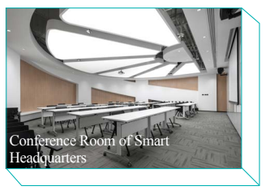
It integrates Longfor's unique concept of space, which effectively connects humans and space; Adopts new eco-friendly processes and materials; According to the simulative calculation, the energy consumption is expected to be 15.4% less than the average level of similar buildings in the industry.



Mother-and-Baby Room of Smart Headquarters

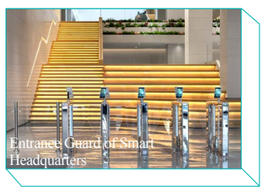
Care for employees and improve their satisfaction and comfort

The mother-and-baby rooms, tea and break rooms, shower room and telephone booth spread over working area; the health station ensures the physical and mental health and safety of employees; there is the digital staff restaurant; 35 intelligent interactive screens scattered at the main spatial nodes of the Intelligent Headquarters.


Conference Room of Smart Headquarters

Innovative custom, sparking the efficient thinking

A wide range of meetings rooms are set to satisfy various conference scenes; intensive and efficient open office area, etc.


Entrance Guard of Smart Headquarters

Easy work and life with technology

There are dual gateway intelligent access control; intelligent toilet identification is equipped with IoT intelligent detection devices; the self-service machines can effectively reduce the workload; the intelligent lockers can help employees reasonably plan the office space, etc.

We introduce the advanced concept which comes with the modern office ecology in the office spaces, hence we evoke a strong humanistic and scientific vitality for the buildings, which now become an industrial parks full of warm care and sustainable development.

Comparison of Longfor Blue Engine Prior to and After Transformation

The Longfor Blue Engine Industrial Park aims to promote city renewal with industry and to integrate the industry and city. This unique model has been proved in various cities. In addition to the Longfor Blue Engine Industrial Park in Beijing, Longfor has also explored and practiced in Shanghai, Hangzhou and other cities, for instance, the Danshui Riverside Science and Innovation Park of Shanghai Longfor Blue Engine Industrial Park adjacent to Shanghai Jiaotong University, and the Longfor Blue Engine Industrial Park in Binjiang District, Hangzhou has been upgraded into a science and innovation incubator.

Shanghai Longfor Danshui Riverside Smart Park Project

The Shanghai Longfor Blue Engine Danshui Riverside Science and Innovation Park was officially launched in Shanghai Neo Bay Entrepreneurship and Innovation Base in 2021. The project help upgrade regional industries, build a new model of industry and city, and power new driving forces of the city. During the project period, the Group started with attracting the customer traffic, focused on the multi-dimensional service capabilities, and upgraded the park from the aspects of upgrading facilities, meeting regional needs, driving regional development, and improving environmental protection and energy efficiency.

In terms of upgrading and transformation, catering to the overall needs of the park, we advocate the design concept of harmonious coexistence of the old and the new, retain industrial relics, improve the land utilization rate, upgrade the municipal facilities, and increase the energy efficiency in the park to meet the needs for the smart park and promote the sustainable development of the park.

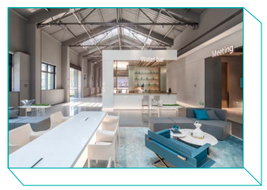
Upgrading the Park Environment

In view of the blocked traffic in the park and the disordered planning of pedestrian and vehicles and parking areas, we make overall planning for the traffic in the park and establish a node space, focusing on the functions of exhibition, leisure and activity space to meet the needs of activity.

In view of the lack of obvious guidance and signs and systematic greening in the park, we use greening characteristics to divide the park in the form of plate greening, and consider the needs of building facade display and privacy.

Improve the municipal facilities in the park

In view of the obsolete municipal facilities, exposed transformers and high-voltage wires and dilapidated supporting houses for facilities in the park, we transformed mature and systematic supporting houses for water, electricity, waste classification and security to meet the needs of customers for expanding capacity.



Enrich the park facilities

We are people-oriented and set up complex flexible spaces for meetings space sharing, rest scenario sharing and indoor activities, so as to meet the basic work needs of employees and improve the quality of work and life.

Improve the energy utilization of the park

In view of the original building's small windows, insufficient daylighting and the inability of high window to emit natural smoke, we optimize the window-wall ratio and adopt a rectangular and regular layout to improve the daylighting in the house and enable natural smoke exhaust and ventilation, so as to reduce energy consumption.

Because the original slope roof uses a single color steel panel and combines concrete purlin and wood board, the house has poor thermal insulation. Therefore, we adopt the integrated surface to make the external wall preserve heat and reduce the demand for heat supply.

In addition, Longfor Group analyzes the elements of enterprise development and carries out all-around transformation and upgrading from the perspective of brand communication, R&D and production and industry development, so as to empower the new ecology of the industry and increase the vitality around the park.

Image Identification

We divert passengers and freight at the entrance and exit and post visible corporate signs and building signs at the main entrance area of the building.

We combine the logo wall at the main entrance with the spiritual fortress to strengthen the communication, improve the image of the park in the street and display more corporate culture.

R&D and Production

In the face of scattered entrances, poor road access and serious private construction, we enlarge the turning radius of the main ring road of the park to ensure the unimpeded passage of medium and large trucks and meet the needs of unloading convenience.

In view of the lack of building plane entrances and exits, the common entrances and shared entrance and exit for pedestrians and goods, and the common internal space for storage and production, we plan the space to ensure that the first floor meets the production and operation needs of large equipment.

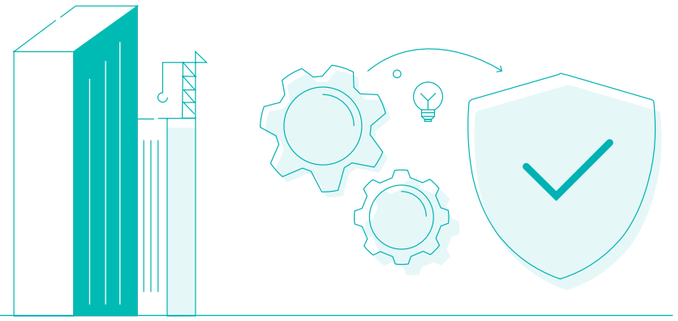
Industry Development

Targeting the problem of homogenized facility space, zero attractive features in the park, we implant the concept of linking industry and the future and create a smart investment space with a forward-looking and efficient position.

In view of the disordered entrance in the park and the diversity of building facades in the park, we build landmark buildings to improve the quality image of the park and meet the needs of industry visits, exchanges and publicity.

Premium Quality

Adhering to the spirit of craftsmanship, the Group is committed to providing consumers with quality products and services. We use innovative digital models applicable to Longfor Group to improve the service system, expand diversified services, and continue to improve product and service quality while safeguarding customers' privacy and security, in return for customers.



Refined Quality Control System

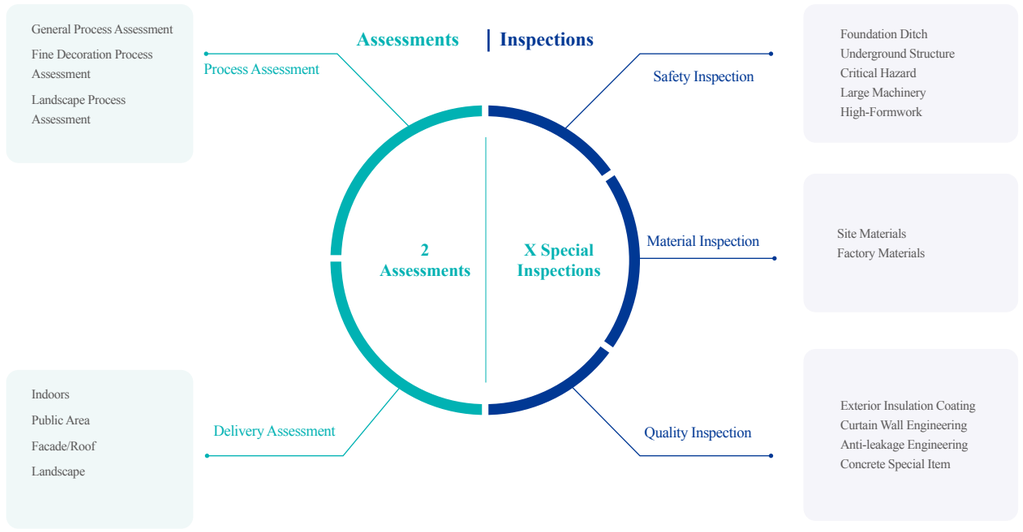
The Group strictly abides by the relevant laws, regulations, and standards such as the *Construction Law of the People's Republic of China*, the *Product Quality Law of the People's Republic of China*, the Regulation on the Quality Management of Construction Projects, and the Unified Standard for Construction Quality Acceptance of Building Engineering (GB50300-2013) and other relevant laws, regulations, and standards to carry out its business. In addition, the Group also has formulated internal systems according to its business characteristics for perfection, such as *Longfor Project Quality Management System, Longfor Rework Management System for Completed Housing Projects, Longfor Property Unit-Specific Inspection Management System, Longfor Regulations on Concrete Quality Management,* and *Longfor Project Quality Key Management Actions List.*

Specify Roles and Responsibilities

Longfor Group takes the "bottom line" and "high satisfaction" as its quality management goal and clarifies the scope and division of responsibilities of the construction department, which is the primary product department, as well as the regional departments and supervisory units, to provide guarantee for improving the overall project quality and high-quality delivery. On this basis, the Group also revised the *Management System of Third Party Inspection of Group Projects* and the *Rules of Reward and Punishment for Third Party Inspection of Group Projects* to better prevent systemic quality problems through third-party inspections of Group projects.

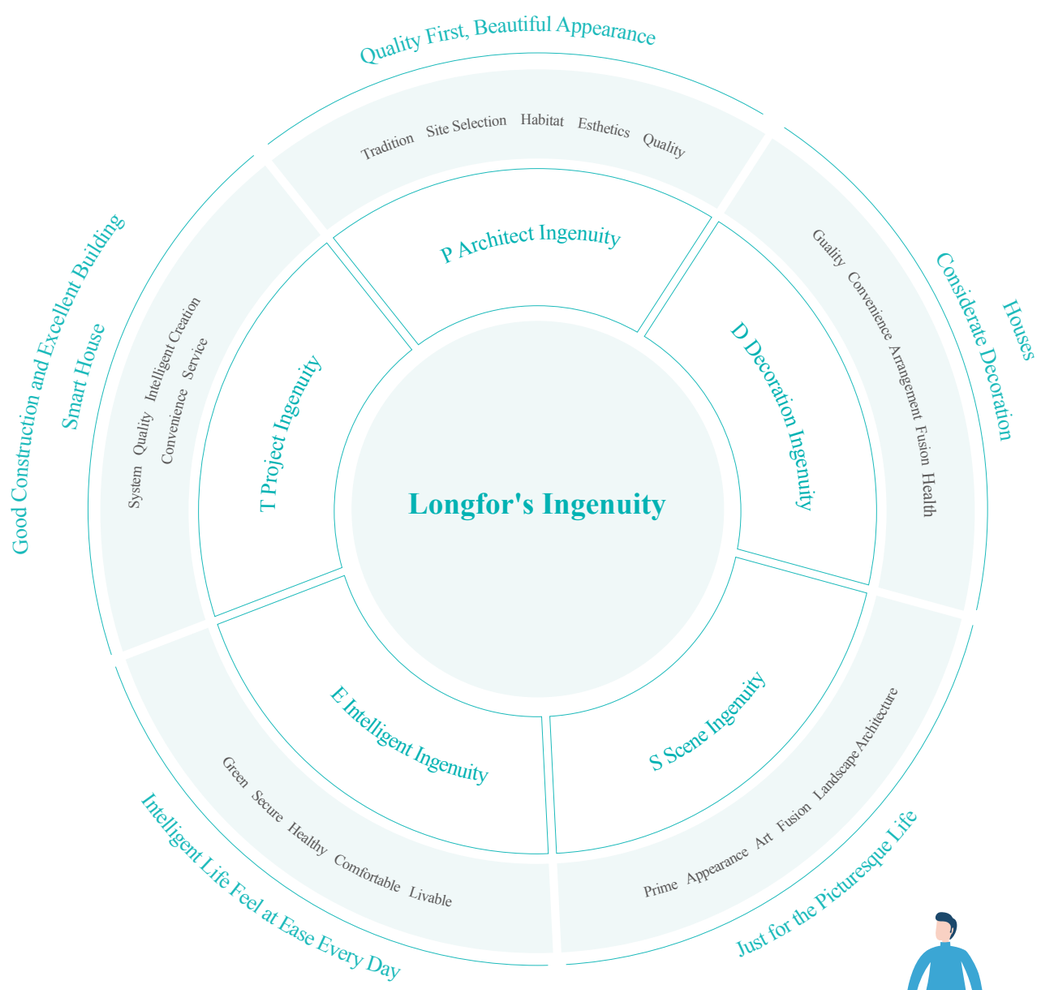
Comprehensive Inspection and Evaluation System

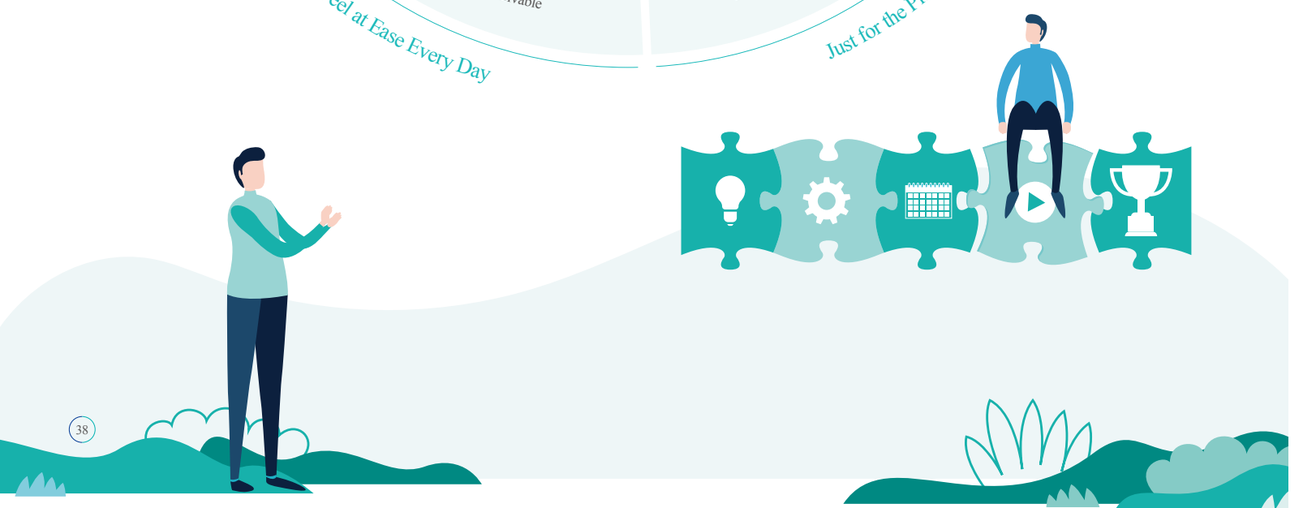
The primary function of comprehensive inspection and evaluation system is to secure the controllability of the project quality, safety, and caliber. We conduct a general inspection of project process assessment and special reviews to identify quality defect and security flaws. Thus, the Group's safety, quality, planning, technical, and construction management systems and related requirement documents can be executed to eliminate hidden hazards.



Longfor Community Gives You a Reassuring Home

Longfor Group's "Ingenuity" is the extension of "Being Kind" and where "Prime Home" starts. We expand ingenuity in architecture, decoration, scene, intelligence and construction and subdivide five types of special points for improvement respectively to enable more humanized, accurate and transparent real estate development, and go deep into the center of customer needs and constantly create better products and services.





Decoration Ingenuity - Considerate Decoration

Based on humanized consideration, Longfor Group sums up the five dimensions "fusion, arrangement, health, convenience and quality" from the real-life scene, and fully stands in customers' shoes. The Group has keen insight into the pain points in daily life, integrates the real needs of customers into the R&D and design, and leads the continuous improvement of decoration products.

Details to Care for Children's Growth

The safety of children has always been the most concern of parents. In view of this, we especially lay EPDM (Ethylene Propylene Diene Monomer) plastic pads in Long Xiaohu Park and the amusement facilities are equipped with anti-collision devices such as chamfers and fillets. In addition, the park is equipped with all-angle monitors, so that children can play at ease and parents can take their children with ease.

Longxiaohu Paradise at Longfor Yuanzhutai Project

High-Quality Service

High-quality service is where our professional edge lies. We have built a professional service network close to customers' needs to solve customers' problems efficiently. Based on the customer's product selection needs, we set the service configuration standards from "Safety Upgrade, Quality Upgrade, and Service Upgrade" to continuously meliorate the customer service system. In terms of the construction of the standardization system, Longfor Group has achieved ISO 14001:2015 Environmental Management System certification, ISO 9001:2015 Quality Management System certification, ISO 45001:2018 Occupational Health and Safety Management system certification.

Comprehensive Service System

According to the needs of different business types and customer groups, Longfor Group has formulated systems such as *Operational Guidelines for Customer Interviews*, *Management Measures for House Delivery Evaluation*, and *Grading Service Standards,* which are constantly updated and upgraded to make our service system more standardized and institutionalized.

In 2021, the group conducted research on customer segmentation and product selection strategy with high standard in order to further improve the service system. We through customer classification, product classification, service design three dimensions, to create the Longfor service system.

Classify products based on customer preferences to improve service matching

Through customer cognitive research, in-depth understanding of customer preferences, subdivide in combination with product characteristics, and improve service accuracy

Based on the matching of customer selection, add service design for different products to improve service satisfaction

Research on Customer Segmentation and Product Selection Strategy

While improving our service system, we also pay attention to the communication methods and channels with our customers. At present, we have multiple online channels for front-end business departments such as Call Center 400, U Xiangjia, and Mini Programs.

In 2021, we revised the *Real Estate Headquarters Customer Satisfaction Management System* to add complaint handling touch points and commercial business satisfaction assessment. In addition, we aim to calculate satisfaction scores based on customer value grading and weighting so that all departments of the Group can be spurred to improve product quality and services.

Total work orders on property development customer service platform in 2021

629,117

Contact satisfaction of engineering repair in 2021

96.62%

Complete rate of work orders in 2021

99.85%

Group satisfaction rate in 2021

92.30%

Longfor Group makes full use of digital tools to improve the customer service experience. The five products, namely intelligent order, Longfor U Xiangjia account, cloud delivery, comments and feedback and customer insight, help summarize and analyze business data, identify customer needs and enhance customer experience. The system can automatically distribute, urge, upgrade, and oversee orders, so the intelligent order circulates the customer reporting, and enables the execution personnel to timely respond to and address customer needs; the tool also aggregates the event reporting data from various business scenarios such as internal inspection, open site, delivery and daily lives, so that full-cycle data are stored to form a defect feedback mechanism benefiting the front office; the comments and feedback are available in all scene. The Longfor U Xiangjia account provides customers with a convenient online service. As an important channel for customer engagement, it enriches customer profiles and feeds back customers' real voices in real time; customer insight and product insight connects customer groups, products and feedback for defect analysis to comprehensively improve customer experience.

Cloud Delivery

Cloud delivery breaks the traditional set delivery on the site. Instead, it makes cloud processing possible without using paper, and even the delivery data is invisible in real time. On June 21, the product was popularized and used nationwide, and 181 batches of orders were delivered online throughout the year, with a cumulative online delivery rate of 83.5%. Owners can handle house delivery online anytime and anywhere in the one-stop service experience. The solution also frees owners from waiting long for centralized house collection, onerous travels for sporadic house collection, and pandemic impacts and house delivery in different places. The satisfaction with delivery increased by 6.3%.

Diversified Service

Longfor Group devotes itself to reaching a more comprehensive range of consumer groups with quality services. We endeavor to continuously empower the service field and build our diversified services with different perspectives through various ways such as community activities, digitalized security systems, and brand collaboration.

Longfor Paradise Walk—The Entrance to Happiness

The Group has been engaged in commercial property for more than 20 years and has developed two main product lines: "Paradise Walk", the urban shopping center, and "Starry Street", the community shopping center. By providing flexible and diverse commercial scenarios, we have met the needs of different customer groups in different regions. In addition, we have accumulated successful development and operation experience through years of operation and have established cooperative relationships with more than 5,000 well-known brands in China.

天街 Paradise Walk — Brand of regional shopping center targeting at middle-income emerging families

星悦荟 STARRY STREET — Brand of community shopping center

Launch of 2021 Paradise Walk Wonderful Season

2021 Paradise Walk Wonderful Season grandly launched in December 2021. This shopping carnival lasted until January 3, 2022 and 55 shopping malls in 13 cities collaborated to play the joyful music exclusive to Paradise Walk with the theme of "HPOINT Dreamer - DREAMING 2022 ".

As an independent and original IP activity of Longfor, "Paradise Walk Wonderful Season" has been held for five consecutive years since 2017. In this season, the New Year image of Long Xiaohu in white and gold colors made its debut and set the tone for the festival with the elements of the golden HPOINT and the Year of the Tiger zodiac. In addition, HPOINT Wishing Tree, Long Xiaohu Fantasy House, Long Xiaohu Dream Stage, Wish Gate, HPOINT Gashapon Machine, New Year Countdown, and other devices came to the Paradise Walk. All those fancy events were a nice place for consumers to hang out and countdown the New Year.

2021 Paradise Walk Happy Season

Longfor Goyoo—Makes a Better Rental Life Goyoo 冠寓

Goyoo accentuates the voice of young people and advocates a "de-isolated" rental ecology with the core of community and youth culture. We lead a new community life with "GOYOO Planet" and provide young customers with a "comfortable, safe, stylish, convenient, and communal" living experience, making the rental experience better.

Goyoo Carries out Various Activities

We aim to improve customer satisfaction and comfort. With the product philosophy of "5SLife", we regularly hold 6,000 diverse community activities, covering over 30 cities, more than 300 stores, and more than 200,000 Longmin.

Longfor Goyoo is committed to creating a safe and comfortable service for urban youth and guarantees customers' rental security through 3 sets of security systems.

Intelligent Identification System

Intelligent car management, intelligent face recognition access control, intelligent intercom, ladder control, visitor access, intelligent door lock, and other systems, truly guaranteeing security without dead ends by intelligent technology.

Goyoo Manager System

Online customer service are on standby 7*24 hours to solve unexpected problems for customers at any time.

Security Supervision System

Night security services, with intelligent CCTV covering all the corners and data return, to keep abreast of regional dynamics and emergencies.

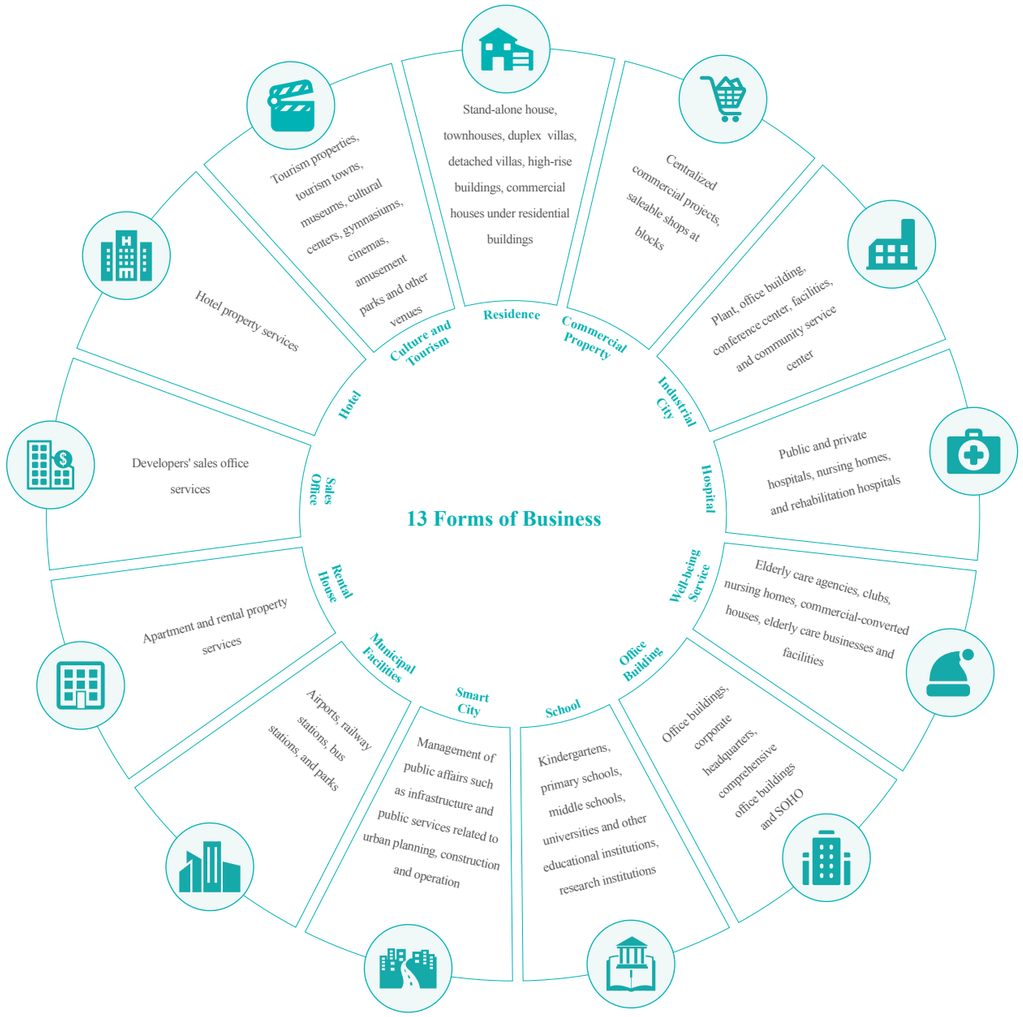
Under the guarantee of 3 sets of security systems, we set up community security pass solutions on the basis of different situations of each community. Furthermore, we provide security for customers with a series of digitalized measures: intelligent access control, intelligent car management, cloud intercom, intelligent intercom, etc.

Space Services for Urban Life

LONGFOR 龙湖智创生活

The Longfor-style happiness of "satisfaction + surprise" is the most iconic label of Longfor Space Service. Longfor Space Service is technology-driven from the customer's perspective. It provides a more secure, cozy, convenient, modernized, and intelligent living environment for owners and citizens with the help of technology and Internet means such as the Internet of Things, big data, and cloud computing.

The Group continues to innovate services and actively explore ways and means to break through the boundaries of traditional property services. So far, we have served 13 forms of business and are expanding intelligent and warm services to a broader urban space to make Longfor service leaner.



Living Space Management and Service

We published an All-Procedure Service Standard White Paper covering thousands of management standards for all procedures of 7 aspects.

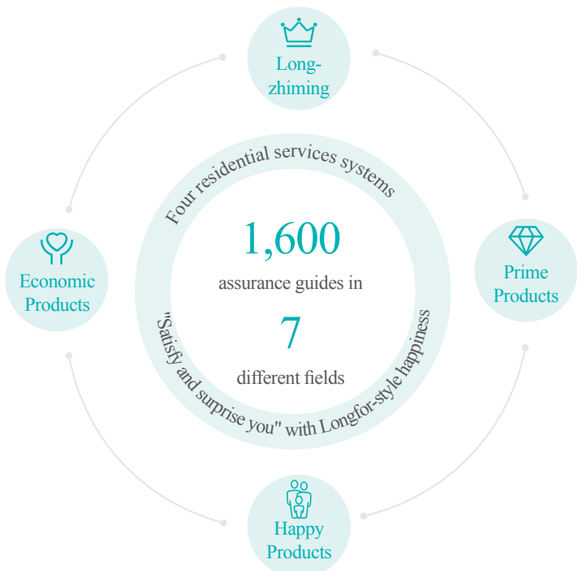
90% +

Customer Satisfaction Rate for 13 Consecutive Years

"Stair handrails, wooden benches, and other places in communities where there needs to be cleaned, the wiping direction should be unified; when wiping different places, the cloths of different materials should be used, such as towels, acrylic fibers, cotton cloths, etc.; after 11:00 p.m., the light in the community should be dimed down by 30%; the patrolling security should change to shoes with soft soles and wear earphones to minimize the affection on proprietor..."

——From *Longfor Intelligent Living Service Standard*

Longfor Intelligent Living delicately designed four residential services systems: Longzhiming, Prime Products, Happy Products and Economic Products, to reach more sectors with high-quality services.



Colorful Community with Wonderful Activities

In 2021, Longfor Group continued to carry out several Longfor-styled cultural activities, such as "Beauty Life Plan", "Xiaolongren Plan", and "Longmin Festival". Those activities are intended to cater to the needs of owners in different geographical communities and age groups across the country by considering daily routines and culture. They also enriched proprietors' life, provided various renovation services for the internal environment and external space in the communities, and enhanced the communication and contact between the Group and customers.

Beauty Life Plan:

"Beauty Life Plan" is our exclusive value-added service for proprietors, aiming to make their lives more comfortable and increase the value of their assets. It includes two particular parts, "Love Your Home, and Change the Look" and "Keep the Community Active and Beautiful". The former one aims to upgrade the proprietors' home, by providing services such as indoor cleaning, inspection and repair, disinfection and maintenance, etc., while the second one is committed to optimizing the ecological environment of the community and creating a more friendly outdoor interactive space for our residents. Millions of Longmin families from over 200 Longfor communities in 23 cities in China enjoyed exclusive value-added services from the Beauty Life Plan in 2021 which covered the largest area ever.

Xiaolongren Plan:

The Group organized exclusive activities for youngsters of communities, named the "Xiaolongren Plan". Through high-end educational nationwide and abroad resource, the Group cultivates the spirit of exploration and innovation for the young living in the Longfor community. In 2021, the "Xiaolongren Plan" held over 200 intriguing activities, attracting a total of over 400,000 participants from 40 cities.

Longmin Festival:

The "Longmin Festival" is an exclusive event for Longmins initiated by the Company through integrating resources from various channels, holding attractive and various activities, and providing a welcoming atmosphere and generous exclusive benefits. The festival creates space and opportunities for exchanges and accumulates reputation among Longfor communities. The 2021 Longmin Festival lasted for 28 days and covered the Longfor Group's communities, shopping malls, goyoo, housing agency, as well as elderly care service and industry-city integration businesses in 42 cities across China, attracting over 3.3 million Longmins.

Beauty Life Plan, Boosting the Happiness of Longmin

In 2021, the Beauty Life Plan has been launched for 10 years. It is still committed to creating a better life for Longmins. For example:

- The Beauty Life Plan maintains the public space in communities: on July 28, we solicited the opinions from all 326 owners in Chongqing Longfor Blue Lake Time Park and accordingly maintained the public space, such as improving the color of the wall and space setting, etc.
- New electric bicycle sheds in Chunjiang City, Xiamen: we renovated the bicycle sheds that have been used for many years to increase safety and improve the quality of the community in many Longfor communities in Xiamen. That renovation also solved the safety problem of electric bicycles stored in the building.

Playground Facilities Maintenance

Painting of Wooden Handrail

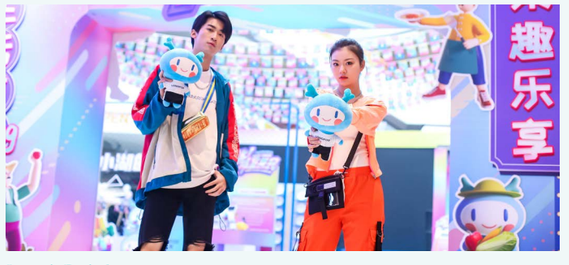
Xiaolongren Plan, Inspiring Children's Unlimited Potential

In 2021, the Longfor "Xiaolongren Plan" takes "looking for a future space builder" as the activity direction, focusing on guiding children to pay attention to urban planning, space design, space operation and other issues, while giving consideration to parent-child interaction and children's growth, and inspiring "Xiaolongren" to imagine and explore the world with rich practical activities.

Xiaolongren Plan in 2021

Longmin Festival, Participate in community activities with Longmins

As an annual event exclusive to Longmins, the 2021 Longmin Festival created a series of rich online and offline activities such as the "HPOINT Happy Day", "Chinese Restaurant for Longmins ", "Market for Longmins" and "Longfor Sunshine Farm", etc. By this, Longfor Group provided exclusive benefits for Longmins in its service scenarios, practiced "Longfor-style happiness", and delivered love and goodwill.



Longmin Festival

Commercial Space Management and Service

Driven by commercial asset management plus space service and targeted at value-added services for commercial assets, we provide full life cycle services for commercial spaces by using cutting-edge commercial concepts, precise market positioning, and cautious practice strategies. We focus on intelligent space management and scene-based commercial operation to help asset owners to maximize their commercial asset values.

Match the needs in different stages

Be a balanced service provider

- Consultation on Solutions
  Contribute to top-down strategy design
- Property Management
  Improve user experience from multiple dimensions
- Design and Research
  Create marketing paths
- Inspection Services
  Support in preparation of business opening
- Investment and Operation
  Strategic introduction of new business

Industrial and Municipal Space Management and Service

Based on years of service experience in property management, the space service channel of Longfor Group has experienced teams to provide full-life-cycle commercial space service for industrial parks and office users. Such services include early-stage intervention, checking and inspection, facility and device management, energy management, health and safety management, and so on, which match the needs of projects with different life cycles to realize the preservation and increment of asset value.

◇ Focusing on the multi-dimensional use of the space

Providing Longfor Integrated Facility Management (IFM) service for more enterprises

Chongqing Yuelai New Town Management Service

China Tianfu Agricultural Expo Park Management Services

China International Intelligent Industry Expo Management Services

Facing the complicated scenes in municipal management, Longfor, the first municipal service provider, realizes cross-systematic integration of applications and information sharing in municipal management via digital capabilities, such as CIM, GIS, and AIOT. We build new forms of management services for digital twin cities, promote the digitalization, virtualization, real-time reflection, and visualization of all municipal factors, to reflect the cities' real-time operation, empower core functions of municipal governance, such as municipal service, livelihood service, ecological living, smart transportation, smart government service, etc., to make the municipal services warmer and as specific as possible.

Beijing Xiaomi Industrial Park

Tianjin Zhongke Shuguang

Asset Value Preservation, Professional and Caring

Making full use of the advantages of communities, the space service channel of Longfor Group provides value-added service for property owners via self-operation and resource integration to create the clients' asset values, and joint development of employees, suppliers, and other companions.

Upgrade Master:

- Exclusive interior finishing/ furnishing service brand
- Six customized cores, which save time and energy and are mind-rest
- Maintenance and insurance by property management, which can respond swiftly

Longfor Home:

- One-stop home service
- Customized design, decoration, furniture, furnishing, appliances, gardening, and other professional services
- Selecting more than 1,000 quality home brands

Longfor Home Removal:

- One-stop high-quality house removal service
- Including move house business for family and enterprises as well as those in Japanese style
- Label typing, dismantlement and packing, protecting elevators, verification when moving out, carrying and loading, verification when moving in, carrying goods, installation of big objects

Longfor Housekeeping:

- One-stop high-quality housekeeping services brands
- Self-operating management and control, property owners can verify the cleaning results with white gloves
- Daily cleaning, thorough cleaning, post-construction cleaning, careful window cleaning, and other house-customized services

GoupTour:

- Mind-rest home-to-home tour service
- Focusing on special routes and special vehicles for tourist groups of property owners, semi-self-service tours to neighboring communities, and many other tourism products and services.

Senior In-Home Care:

- Pilot spots are built subsequently

Smart life with Convenience

Smart Operation

Little manager App (it supports online operation of basic business and value-added business, and is supported by self-driven digital interfaces.)

Smart video/ Property owners CRM/Working order platform/ Service providers' works

Overall operational plan/ Smart customer services/Charging management

Smart Brain

Operational observer/Digital twins/Data cube

Smart business analysis/ MDM major data/Digital figure of users

Smart Living

App & mini-program (for self-service business) for U-enjoy property owners

Community value-added services (Gannet Rental, Longfor Home, Upgrade Master, Longfor Housekeeping, Longfor House moving, Longfor Select, etc.)

Smart reception counter (for checking-out, certificate, access control, decoration, etc.)

Smart Space

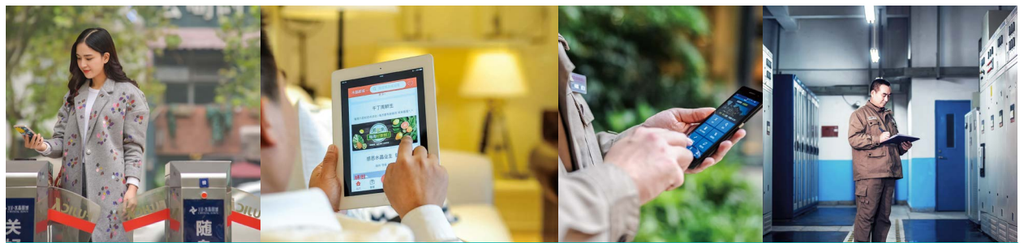
Facility management system/Elevator cloud

Energy management/Parking cloud

Remote building self-control system/ Black case of elevators

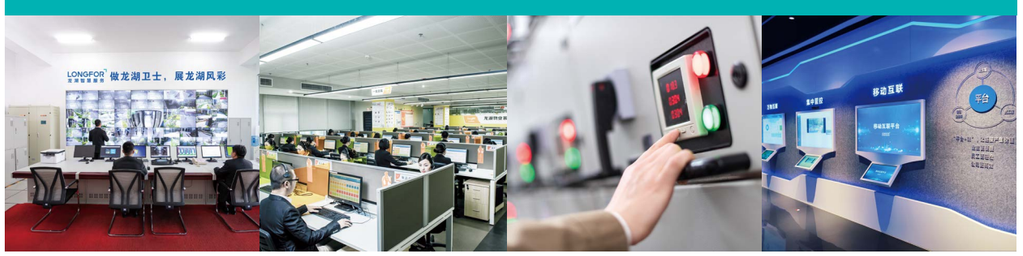
Smart Space Service Engine

By building four smart systems and more than 20 smart products, the space service channel of Longfor Group focuses on improving living-related details. Following the mode of "Insistence on craftsmanship + Technology support", Longfor-style happiness keeps upgrading to provide more intelligent and higher quality services for users to create a more convenient and better living style.



Smart Application

Millions of facilities with exclusive ID, millions of inspection maintenance and repair orders every year, over ten thousand callings every day to integration command platform with the first-attempt success rate exceeding 97%, 24-hour reporting and fee payment service for property owners without leaving the house, digital analysis screen providing five monitoring and early warning functions…



Gannet Brand-new Life Service Brand

In 2021, Gannet, Longfor Group's brand-new life service brand for housing agency service and housing decoration, was promoted as new business of the Group. The derivation from the demand of living is stimulating new growth momentum. Gannet is composed of Gannet housing agency and Gannet Decoration. The brand provides one-stop real estate brokerage businesses, overall diversified asset management schemes and an overall prefabricated house solutions featuring immediate decoration and moving in. Gannets grow with the community and will better serve the community.

Gannet Housing Agency

塘鹅租售

With the mission of "Intelligence Gathers a Better Life", Gannet housing agency aims to provide customers with one-stop full life cycle fixed asset management services. Its business mainly covers second-hand housing business, new housing business, asset management business, enabling business, commercial business and other services. It is committed to building a community service platform that provides customers with residential solutions, asset management and life services.

Longfor Housing Agency Community Service

Longfor Housing Agency Communities in Chongqing, Hangzhou, Beijing, and other cities bring warm-hearted and convenient services to friends and neighbors, such as charity medical consultation, and free haircuts. Over 100 services have been provided during the last weekend of each month.

Gannet Service Day Activities

Longfor Gate Day

From November to December 2021, Gannet housing agency held "Longfor Open Day" - inviting users to step into the life of Longmin and experience Longfor ecology and Longfor-style happiness, with a series of gifts for house visiting, referral, and red envelopes to create a wonderful feast for customers. More than 500,000 users participated in the event.

Number of Participants

500,000 +

"Longfor Gate Day" Events

Store Upgrade - Gannet Housing Agency X Migu Read

From August to December 2021, Gannet housing agency operated Long Xiaohu themed parent-child activities in several stores in Chongqing, Shanghai, Qingdao, and other cities, bringing joy to the communities. In September 2021, Gannet Housing Agency X Migu Little Bookstore officially launched in Jiangdong Paradise Walk, Hangzhou. The project successfully integrates housing agency business, shared office, reading and leisure, and children's entertainment. This effort also provides new ideas for integrating new services and spaces explored by Gannet housing agency. In November 2021, the second Little Bookstore co-branded by Gannet Housing Agency and Migu was opened in North China Gannet Wannian Huacheng store.

The project makes the space layout more open and the facilities safer and environmentally friendly, greatly improves the customer satisfaction and comfort, and opens up new ideas for the integration of new services and new space being explored by Gannet Housing Agency.

Gannet Housing Agency X Migu Reading Little Bookstore

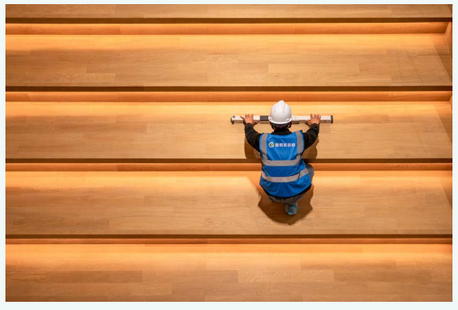
Gannet Decoration

塘鹅美装修

Longfor Group always regards the green and efficient house decoration featuring "immediate decoration and moving in" as an important part of the common development of all businesses. The Company is committed to providing customers with overall prefabricated decoration solutions and pursues to subvert the conventional decoration experience in a more convenient and healthy way, thus creating a smarter and better space for customers.

Smart Longfor Headquarters Gannet Decoration

In 2021, the interior decoration of our headquarters was fully undertaken by Gannet Decoration. In the 60,000-square-meter area where the Smart Longfor Headquarters has been built, 75% of decoration was conducted with prefabricated materials. The safe and reliable prefabricated materials are more environmentally-friendly than the national standard, and they are silencing and sound-absorbing. Besides, they can improve the air quality. Our staff can move in upon completion. The model of industrial production and prefabricated construction will not only reduces the time as a whole but also better ensures the process quality and effects.



Decorating Smart Longfor Headquarters

Try out Elderly and Medical Care and other Innovative Fields, Deeply Accompany the Growth of the City

Longfor Elderly Care Services, Keep the Beauty of Life and Serve the Future

ever spring 椿山万树

Longfor Group has actively laid out its elderly care business and established the "Ever Spring" brand to cater to the aging population in response to the government's call. We strictly comply with national and local policy norms such as the *Basic Specification of Service Quality for Senior Care Organization, Regulation on Nurses*, and *Standard of Service Quality of Elderly Institutions in Beijing*. By combining community elderly services and health care, we endeavor to improve our ability in home elderly care and health management and gradually launch the elderly medical and health care service business nationwide. In the summer of 2021, a rehabilitation center was added to the Chongqing Xinyi City's Ever Spring project and provided a series of professional services to rehabilitate chronic diseases and bodily functions for the elderly and people in the surrounding communities, which has received wide acclaim.

Considerate Services

Anti-fall Measures:
In order to protect the health of the elderly and prevent the physically or mentally disabled elderly from falling over the railings, the outer corridors of some projects are equipped with additional anti-fall measures.

Additional Anti-bed-fall Facilities:
In order to prevent accidents of the disabled elderly falling out of bed and to protect the health and safety of customers, additional alarm mattresses have been installed.

Reinforced Anti-slip Facilities:
Every project has increased the number of walkers to further ensure that the elderly can walk safely and reduce the risk of falls.

In addition to providing professional, warm, and high-quality elderly health care services, Longfor employs community care centers as service units to enhance the capacity of community elderly care services. As a result, the elderly are not disconnected from society and can have more opportunities to interact with the young people in the community. From time to time, medical workers and social workers from Longfor Group's elderly service projects will also visit the surrounding communities to carry out medical consultations and health and recreational activities for the elderly. Moreover, during holidays, young people from Longfor Group's Goyoo apartments and communities will also volunteer at the senior's apartments for various activities.

Health and Recreational Activities for the Elderly

Recreational activities are an indispensable part of the elderly service program. Therefore, we will make a weekly schedule with two or more activities for seniors to participate in each day.

The seniors spontaneously organize special clubs for self-entertainment, such as singing groups, chess and card groups, calligraphy and painting groups, etc.

Birthday parties are organized for the elderly every month to improve their happiness and pleasure.

Focus on Patient Experience with Professional Medical Care and Health Management

佑佑宝贝

Chongqing Youyou Baobei Hospital is Longfor Group's high-quality hospital for women and children. It is the medical consortium of the Children's Hospital Affiliated with Chongqing Medical University. The hospital takes the patient experience as the center and distinguishes itself from the public hospital with professional and advanced medical and health management to meet the high-quality and personalized medical service needs of patients.

Founded in October 2018, the hospital has established a pediatric medical center, child health care and early childhood center, maternal and infant care center and Internet hospital. Adhering to the concept of " based on patient experience", the hospital uses team-based medical treatment and multi-disciplinary diagnosis and treatment of complicated diseases to offer solutions to children's medicine and surgery, skin, eyes, oral cavity, ear, nose and throat, child care and other diseases and healthy growth services. In addition, it also carries out maternal and infant care and women's healthcare services. All of those compose safe, convenient, efficient and comfortable professional medical care and health management services.

The hospital practices the values of "reverent awe, customer care, teamwork and innovation" and advocates value-based medicine. It is committed to becoming a trusted and reliable women's and children's medical center with an international perspective.

Pediatric Medical Center

Maternal and Infant Care Center

Child Health Care and Early Childhood Center

Internet Hospital

Amusement Park like Operating Room

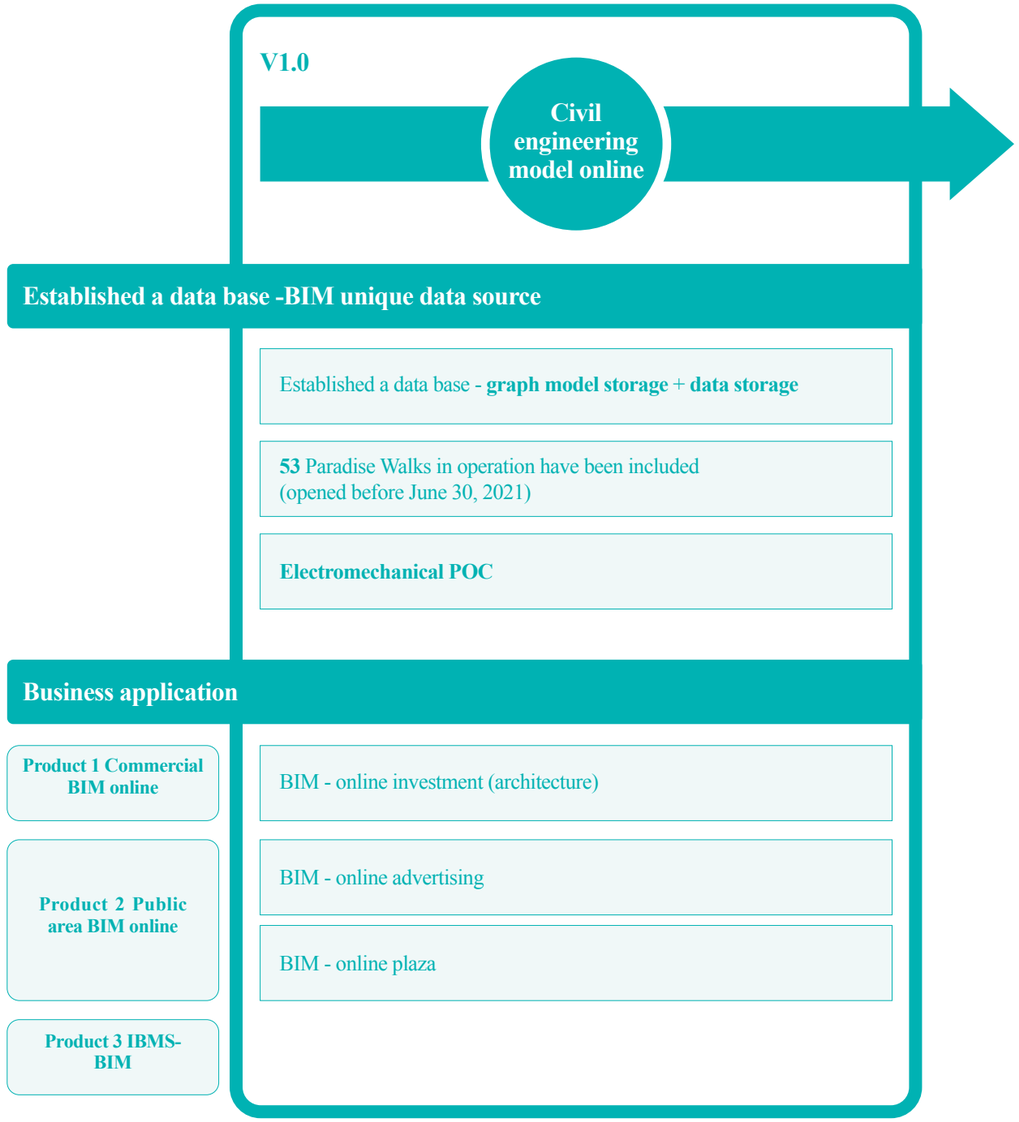
Medical and Nursing Level Maternal and Child Care Services

Intelligent Operation

Longfor Group has formed a digital technology team consisting of thousands of elites to achieve business innovation, cost reduction, and efficiency. High-end technologies such as the Industrial Internet, Internet of Things, Artificial Intelligence, and Big Data cover the Company's internal and external management scenarios. More importantly, it lays the technical foundation for Longfor Group's "Space as a Service" strategy.

BIM

Longfor Group establishes a project information management system on the basis of BIM application and enhances the intelligence, efficiency, and convenience of products and services with the technical means of innovation and technology. BIM gives proper advice on the pipeline routing and overall layout of the preliminary drawings and construction blueprints via the establishment of a three-dimensional model to improve the efficiency of the design phase and avoid possible construction errors and omissions.

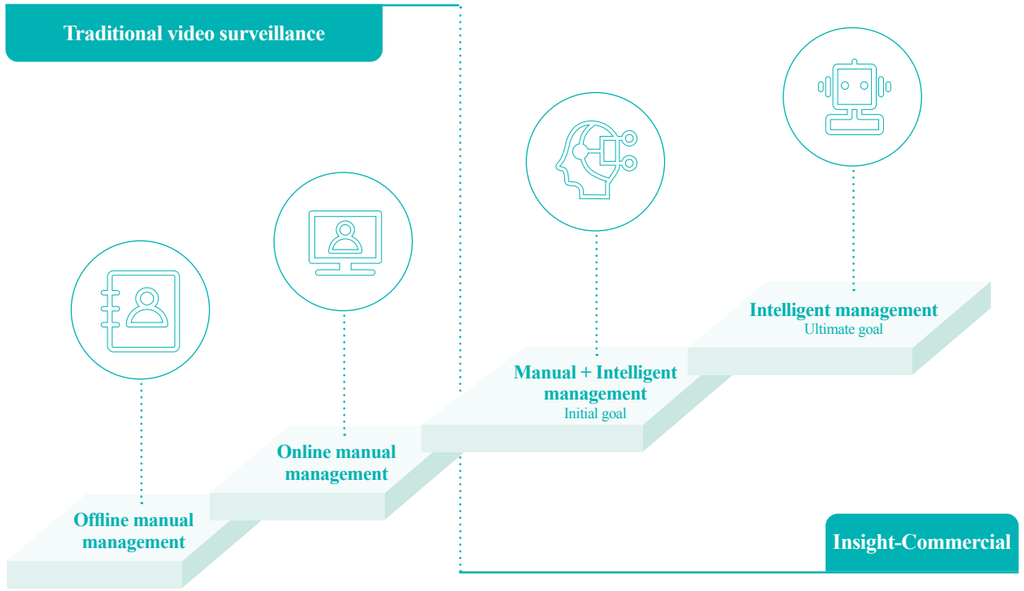


In 2021,
the project level application
rate of BIM technology

83%

The building level application
rate of BIM technology

77%



Smart Management

Information Screen

To connect the intelligent interaction contacts between customers and Paradise Walk and eliminate the drawbacks of traditional signs, billboards, and light boxes, Longfor Group's commercial properties launched the IoT products information screen, including guide screen intelligent interaction and advertising screen marketing diversion. This product increases customers' offline touchpoint and improves their experience.

Intelligent Vision

To solve the problems haunting the traditional CCTV, such as tremendous workload, low efficiency, long cycle, high error rate, and high labor costs, the Group developed the Intelligent Vision for management scenarios. The product has integrated computer vision technology and gradually uses AI intelligence to replace part of the manual input. As a result, it can achieve intelligent management and precise control upon maturity.

Longfor Intelligent Building Management System 2.0

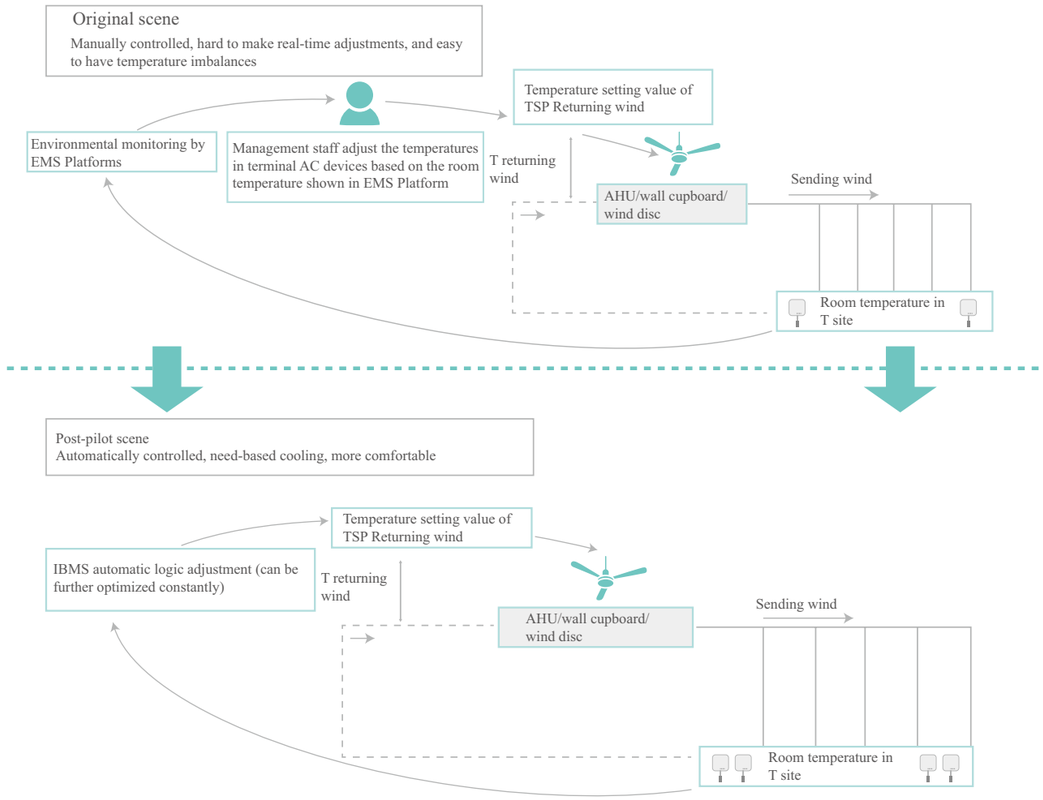
Longfor Intelligent Building Management System (IBMS) is an intelligent building management platform product that deeply assimilates the traditional control technology, enterprise-level system integration technology, and the latest Internet of Things (IoT) and cloud technology to improve building operation efficiency, reduce operating costs, and increase customer satisfaction. To improve IBMS, we launched IBMS version 2.0 in September 2021. The product achieves automatic instead of manual inspection through piloting 7 content verification relying on technical means to achieve automatic implementation of operating strategies timely alarming of abnormal conditions. Thus, we improve the stability of equipment operation and reduce energy waste while enhancing human efficiency in equipment management.

No.	Item Implemented	Pilot Projects
1	Temperature Detection in the Mall	Lijia Paradise Walk, Chongqing Jinchen Paradise Walk, Chengdu
2	Air Conditioning Water Pressure Tank	Chang'an Paradise Walk, Beijing
3	Pressure Monitoring	Lijia Paradise Walk, Chongqing
4	Flagship Store Refrigeration Mainframe	Lijia Paradise Walk, Chongqing
5	Indoor and Outdoor Illumination Environment Monitoring	Lijia Paradise Walk, Chongqing
6	Fire Pumps	Lijia Paradise Walk, Chongqing
7	Supply Bus Bar and Plug Box Connector Temperature Monitoring	Lijia Paradise Walk, Chongqing

IBMS2.0 being piloted in Lijia Paradise Walk, Chongqing

In 2021, Longfor Group piloted IBMS2.0 in Lijia Paradise Walk, taking project management staff and regional and group engineering management staff as targeted clients. Focusing on using scenes of facilities management, safety management, quality management, optimization of empowering designs, and the management data collection and analysis, Lijia Project specifically analyzes the current status and disadvantages of projects and products to improve the performance of projects and products.

IBMS2.0 was tested on seven functions. Via pilot testing, we tested many indicators, including technology-based automatic operation strategy, timely alarm of abnormal situations, improvement of stability of operational facilities, replacement of personnel inspection with automatic inspection, reduction of energy wasting, and so on, as well as to improve the efficiency of facility management at the same time.



Comparison of using scenes before and after pilot

Picture of Site Testing

The temperature in the shopping mall can automatically adjust the temperature set value of the air conditioning terminal

We realize needs-based cooling via monitoring real-time somatosensory temperature to avoid complaints and improve the environment quality.

Connecting the interior brightness with the exterior brightness —— on-the-spot test/adding test on sun-proven board control

Timetable and brightness are automatically controlled at the same time. The lights are turned on depending on the actual brightness needs, which is an improvement of environmental quality and energy saving.

Monitoring of maintenance and repair of firefighting pumps

With this function, the plants can maintain and repair products by themselves, but there would be no need to organize special staff to follow up, which reduces labor consumption. Such monitoring guarantees the digital management and control of maintenance and repair quality and avoids untimely maintenance and repair, improves the effectiveness of fire fighting equipment.

Monitoring of power distribution and connector temperature

We use wireless temperature sensors and wifi to collect real-time temperature to timely send alert reminders, to make the operation safer, and replace personnel inspection.

Adding alarm function to AC pressure tank

By comparing the difference in pressure before and after the condenser and evaporator, the pressure balance can be automatically checked, and the blockage can be spotted in real-time, making the system safer.

Monitoring pressures of pipelines in frozen pumps and cooling machines

Such monitor enables timely alarm on the blockage of filters, condensers, and evaporators, which could prevent the increase of energy consumption due to the blockage and prevent the system suspension from affecting the cooling operation.

Connecting refrigeration machines to major shops —— change of scene

By monitoring the operation status and breakdown of water chillers, we can proactively spot the broken facilities. Especially, in monitoring, if the evaporator temperature in water chillers is close to the upper limit, the management staff can be reminded to maintain and repair it in time to guarantee the life expectancy of the facility.

In the future, Chongqing Lijia Paradise Walk will continue to combine digital measures to optimize various use scenes, empower targeted clients, and improve the management efficiency, and safety and stability of facilities.

Privacy and Security

While digital development is expanding, Longfor Group keeps raising its attention to customer information security and privacy protection. From multiple dimensions such as information security, data security, and system security, we clarify the personnel, organization, process, and standard specification related to information security management to guarantee the security of customers' data privacy in all aspects and fully protect customers' right to know.

Client Privacy

The Group strictly abides by the *Civil Code of the People's Republic of China*, the *Cybersecurity Law of the People's Republic of China*, the *Measures for the Administration of Regulatory Data Security (Exposure Draft),* the *Provisions on the Cyber Protection of Children's Personal Information, Personal Information Security Specification* (GB/T35273-2020), and other laws, regulations, and standards relevant to privacy protection. The Group also formulates internal systems based on its realities, including the *Group Data Security Management System*, the *Group Staff Information Security Code of Conduct*, the *Group Sensitive Document Leakage Prevention Guidelines*, the *Group USB Flash Disk Copy Prohibition Operation Guidelines*, the *Headquarter Customer Data Management Measures*, the *Data Security Management System*, the *Security Audit Management Measures*, the *Official Assistance Matters Information Notification Specification*, the *Regulations on Precautions Regarding Employees' Disclosure of Information to the Media and the External Concerning Issues of Confidentiality*, the *Algorithm Management Measures*, and the *IoT Security Management Specification.* Moreover, we also sign a privacy policy with our customers to ensure the security of their information from the system side and the product side.

System Side:

The storage and transmission of customer data should meet the Group's security requirements to ensure the safety and reliability of sensitive data; and penalties are imposed for failure to meet such requirements.

Product Side:

For customer data security control, the functional pages should display data with minimum data permissions after desensitization. The desensitization path can be queried in real time in the product database. The preview of file-type content should be watermarked, and the export function should keep a persistent and detailed operation log.

Some of the business departments protect the privacy of their customers as follows:

Property Marketing Department Customer Privacy Protection Measures

We utilize weekly meetings and morning meetings to enhance the awareness of customer sensitive information protection and relevant compliance. We guide employees to consciously comply with laws and regulations, and increase the spontaneity of preventing the risk of customer information leakage cases.

We strictly control the whole process of digital product planning, design, R&D, testing and acceptance, implement personal information security control rules to access and exit of all stages, and perform personal sensitive information protection measures well.

Elderly Health Care Business Department Customer Privacy Protection Measures

We systematically manage the digital information of customers. We also establish a position responsibility system for paper records and have them stored in archives, eliminating the exposure of information.

As for the health changes of the elderly, we form a dual-track mechanism of regular monthly rating communication and irregular communication of special changes with family members, and close the circle with information notification letters to avoid the risks caused by information discrepancy.

1 2 3 4

Security Innovation Department Customer Privacy Protection Measures

We establish a data leakage prevention system to manage the company's assets, effectively help business interruption and prevent the loss of the company's core data.

Operation Department Customer Privacy Protection Measures

We require that the storage and transmission of customer data should meet the Group's security requirements to ensure the safety and reliability of sensitive customer data. We also impose penalties for failure to meet such requirements.

Protecting Customers' Right to Know

We conduct fair and responsible marketing and maintain the fair, impartial and transparent information to protect customers' right to know. In terms of real estate sales, we require all business segments to be transparent:

On-site Information Release

- Five certificates
- All adverse factors of the project
- All houses for sale
- The promotion and discount activities in the case field
- The price of houses registered in the Housing Administration Bureau
- Policies and interest rates of our cooperative banks
- The delivery standards of houses for sale

During Sales

When the customers visit the site, the real estate consultant guides them to the publicity area and introduces the project planning and surrounding facilities in detail, so that the customers can understand the content.

During Contract Signing

The contract terms are transparent, and the contract signing personnel should fully understand the adverse factors and terms in the contract to interpret the contents to customers professionally and skillfully.

In addition, the Group creates a mystery onsite inspection mechanism and urges regional companies to implement and check the practical effect.

Customer Complaint Handling

The Group has formulated multiple customer complaint management measures, for instance, the *Longfor Major Group Lawsuits and Major Complaints Management Measures*, the *Longfor Property Management Complaint Management Procedures*, the *Longfor Guidelines for Handling Commercial Real Estate Complaints*, the *Real Estate Headquarters Customer Complaint Management System*, the *Goyoo 400 Hotline Customer Service Notification Operation Standards*, the *Group Goyoo Public Opinion and Customer Litigation Risk Management Standards*, and the *Group Goyoo Guidelines for Handling Crisis Events*. Each business segment builds targeted management mechanisms to deal with customer complaints and reduce the complaint rate at the source. Through multiple online customer complaint channels, such as U Xiangjia account, service quality supervision hotline - 350, the Group's official website, tip-off email and U Xiangjia App, we deeply study the content of customer complaints and identify and solve problems in time.

The Group summarizes the experience of previous years and collects the opinions and suggestions from functional departments, the group has formulated and improved the sonar early warning mechanism to quickly respond to customer complaints and improve the efficiency of complaint handling. In each region, we assign dedicated personnel for property service and property development and issue sonar alarms accordingly based on different types and frequency of complaints. We also set strict time limits to reply to the customers to ensure that their voices are heard faster just at the time when they make the complaints.

Longfor Goyoo Actively Responded to Customer Complaints and Improved the Quality of Service

In 2021, Longfor Goyoo sorted out all kinds of complaints, made a case briefing, analyzing the causes of complaints, and then reached conclusions and made improvements on the basis of case content, analysis and tips.

- In response to customer complaints about the substandard sound insulation in the store on December 9, 2021, the store patiently placated the customers and explained the problem to him. They also summarized the disadvantages of abrasive handling and delayed follow-up to further improve the service.
- A tenant complained that the heating temperature of the central air conditioner in the room could not meet his needs for living, and required the operation officer to increase the heating temperature. In order to satisfy his demand, the store, together with the regional director, transformed the central air conditioning as he required, and also communicated with relevant tenants one by one.
- A tenant give a feedback that the house was not clean as he expected and the wireless network didn't work well. The store visited the tenant three times in succession to make the apology, cleaned the house again. The network was also accessible later that day. The efforts were fully acknowledged by the tenant.

Creating a Responsible Industry Chain to Achieve Win-win with the Industry

03

Longfor Group is committed to building a responsible supply chain. The Group constantly standardizes and improves its procurement standards and processes, and champions green procurement, thereby reducing the environmental, social, and safety risks of the supply chain. In addition, we prompt our partners to pursue sustainable development and fulfill corporate social responsibility while delving into industry standards and technical issues, aiming at shared growth with our partners.

ESG topics

Supply Chain Management

Intellectual Property Protection

Industry Development

SDGs topics

Supply Chain Management

As a continuous effort to improve our supplier management scheme, we have developed internal systems such as the *Longfor Group Tender Management Principles 2021 V3.0, Longfor Group Construction Materials and Equipment Supplier Management Measures 2021 V1.0, Longfor Group Supply Chain Function Assessment Methods 2021 V1.0, Longfor Group Cost Management System 2021 V15.0*, and *Longfor Group Construction Materials and Equipment Procurement and Supply Management Methods 2021 V1.0*. We built a management system that covers the entire life cycle of supplier, from pooling, selection, evaluation, grading to withdrawal. As of December 31, 2021, the Group had 123,653 suppliers.

Number of suppliers by region

Mainland China	Hong Kong, Macao and Taiwan	Overseas
123,133	46	474

In 2021

Contracted centralized procurement suppliers of materials and equipment

277

Strategic suppliers

33

Excellent suppliers

110

By December 31, 2021

The percentage of suppliers obtained ISO 9001 and ISO 14001

90%+

Supplier Management Scheme

In March 2021, Longfor Group held the supplier quality management launch meeting, which reinforced requirements of labor protection, identification of hazard sources, use of new energy, and discharge of pollutants, especially the inspection of raw materials - suppliers must not only ensure that the final products meet relevant environmental standards, but also conform to the discharge requirements of formaldehyde and VOC during the production process. In addition, Longfor Group held 68 sharing sessions on energy conservation and emissions reduction, environmental friendliness, occupational health, and continuous innovation to engage suppliers. Through the management of upstream suppliers, our supplier factory management score rose from 82.1 points in 2020 to 86.9 points. It was evident that our lean management efforts drove the entire industry chain in a more eco-friendly direction.

Longfor Group requires all suppliers, including contractors, to sign the *Agreement on Integrity in Cooperation* and strictly abide by integrity clauses in the *Code of Longfor Business Conduct*, ensuring that both Longfor Group and its suppliers commit to integrity and contribute to a fair environment. In 2021, we updated the *Agreement on Integrity in Cooperation* with a signing rate of 100%.

Furthermore, continuous efforts have been made to optimize our supply chain information management system. In 2021, we launched two applications and 32 functional modules to our supplier management system. The applications were designed for supplier management and enterprise management while the modules covered enterprise management, supplier personnel management, evaluation tasks, risk management, resource check, etc. In addition, we actively updated the cost management system and bidding order system to support business analysis and improve supply chain efficiency.

As of December 31, 2021, the total number of training sessions on supplier quality management was

841

Supplier Lifecycle Management System

Stage	Description
Supplier Qualification	▪ In 2021, to comprehensively optimize our supplier selection, corporation, training and retention system, we set out the certification requirements of suppliers in the supplier qualification stage. The environmental protection philosophy, climate and environmental impact from production, sustainability progress, and internal environmental education of suppliers are evaluated to better profile their environmental behavior. In 2021, we screened a total of 16,676 suppliers by certification standards (such as labor code, product and service, quality and safety, and other aspects). ▪ We prioritize to pick suppliers who have set out clear sustainability values, received sustainability certificates or awards, adopted sustainability systems or quality management systems, and taken environmental factors into consideration, so that we can ensure our procurement suppliers can meet specific environmental protection standards.
Supplier Evaluation	▪ We integrate delivery evaluation and maintenance and repair evaluation into supplier contract performance assessment and supplier rating, thereby assessing the product quality and service capabilities of suppliers from the perspective of supplier lifecycle management. We conduct semi-annual and annual assessments and ratings of suppliers. Suppliers scoring lower than 60 will lose their contracts, while excellent suppliers will be rewarded. Unqualified suppliers will be resolutely weeded out.
Supplier Risk Management	▪ We focus on checking the production safety licenses, green building product certifications, environmentally friendly building materials certifications, governance management system certifications, as well as other system certification documents. In addition, we rigorously examine the environmental performance (detoxification of wastewater, waste gas, and scrap) and production safety management systems of the factories of our suppliers to minimize the potential ESG risks in our supply chain. We prioritize suppliers with a good ESG performance and providing green products. ▪ To control the ESG risks in our supply chain, we assign supply chain risk prevention and control tasks to relevant departments and managers. We inspect and engage third-party inspection providers to determine the quality, health, and environmental risks of the raw materials provided by key suppliers. We have formulated rubrics to rate the ESG risks of our suppliers and enable classified management. ▪ We draw on unannounced inspections to examine the ESG risks of suppliers in cooperation. Our inspections include the use of environmentally friendly raw materials, personal protection for staff, identification of hazard sources, discharge compliance, child labor, production management, and quality control, among others. If any problems are detected in the unannounced inspections, suppliers will be required to complete rectifications with a time limit, pay fines, and develop measures to prevent the recurrence of such problems. ▪ We encourage suppliers to actively participate in environmental protection activities to reduce the environmental impact of delivered products.
Supplier Cancellation	▪ We gradually weed out suppliers with relatively backward technology, equipment, and capacity to speed up the upgrading of our supply chain.

Green Procurement

To promote a green supply chain, Longfor Group selects environmentally friendly suppliers, encourages the engagement of contractors and subcontractors with third-party quality management system certifications (such as ISO 9001), and increases the use of eco-friendly products. The following measures have been carried out.

- Incorporate sustainable procurement standards such as material recyclability, local procurement, low-emission products, and use of renewable materials in procurement requirements;
- Reduce the use of natural veneer, and use artificial veneer products for steel-wood exterior doors and interior doors;
- Examine whether a supplier has green building material certification and whether its factories are equipped with energy-saving equipment and emission control equipment in the supplier qualification pre-audit stage and take them as important eligibility requirements for bidding;
- Aluminum alloy profiles must be chromium-free passivated to prohibit chromium ions and enable manufacturers to achieve clean production with new materials. Passivated chromium-free materials ensure the environmental compliance of final products and protect the human body from chromium;
- Purchase materials made from renewable resources as much as possible, such as gypsum plaster;
- Green building material ratings are added as a new requirement of interior wall painting materials. Requirements for content of formaldehyde, VOC, heavy metals, etc. are heightened to protect the health and safety of proprietors. The new requirements aim at driving the green and sustainable development of upstream suppliers.

In 2021, to improve the overall sustainability and environmental protection standards of the supply chain, Longfor Group developed the *Green Procurement Policy*, which includes the following respects.

- Improve design, operations, and processes to enhance the recycling of materials used in our operations and reduce unnecessary material purchases to minimize our environmental footprints;
- Practice sustainable procurement, select materials that are harmless to the human body and more energy-efficient, and have low environmental impacts;
- As to rebuilding and renovation projects, disclose the health and environmental data of the projects, advocate the use of low-VOC, low-lead building materials, and give priority to wood materials certified by the Forest Stewardship Council or same-class materials;
- Factor in the carbon emissions and environmental impacts of material production and transportation and give priority to locally produced raw materials during project development and construction;
- Develop group-wide sustainable procurement principles with reference to ISO 20400 sustainable procurement standards.

The Group also looks at the charitable efforts of our suppliers, in hopes to drive upstream and downstream partners to carry out the third distribution, support disaster recovery, fund education, and fulfill their corporate social responsibility for the earlier realization of common prosperity.

Industry Development

Longfor Group makes active contributions to the real estate ecosystem. We have continued our research into frontier fields, joined several standard organizations and industry alliances, and participated in the setting of standards to promote improvements in technology and management in the sector. In addition, we have established a sound intellectual property rights protection mechanism to avoid the risk of infringement.

Intellectual Property Rights Protection

In strict accordance with laws and regulations such as the *Trademark Law of the People's Republic of China, Copyright Law of the People's Republic of China*, and *Patent Law of the People's Republic of China*, we developed internal administrative rules such as the *Guidelines on Patent Classification of Longfor Group* and *Guidelines on Patent Agency Assessment of Longfor Group* to strengthen our management of intellectual property rights such as patents, copyrights, and trademarks. In addition, we fully respect the intellectual property rights of others, champion fair competition, prohibit unfair competition, and make every effort to protect the legitimate rights and interests of ourselves as well as other parties.

In 2021, we made comprehensive efforts to promote the authorized use of pictures, music, software, and fonts. We established a reporting system to protect the intellectual property rights of our well-known trademarks. Seven fake Longfor Paradise Walk projects were cracked down. In addition, we promoted the high-tech enterprise recognition of our entities, and a total of 7 enterprises have been recognized as high-tech enterprises, of which 2 have been recognized in 2021.

During the reporting period, the Group filed 262 patent applications, representing a significant year-on-year increase. Our number of copyright applications increased slightly, while the number of trademark applications remained the same at the 2020 level. Our proportion of patent and software copyright grants to applications was in a leading position in the industry.

Number of Patent and Software Copyright Applications and Grants of Longfor Group

Setting of Industry Standards

Longfor Group actively carries out industry-university-research collaborations and exchanges. We have joined industry association alliances and participated in the setting of industry standards, thereby promoting the common progress of the industry. In 2021, we participated in the following research projects and the setting of the following industry standards.

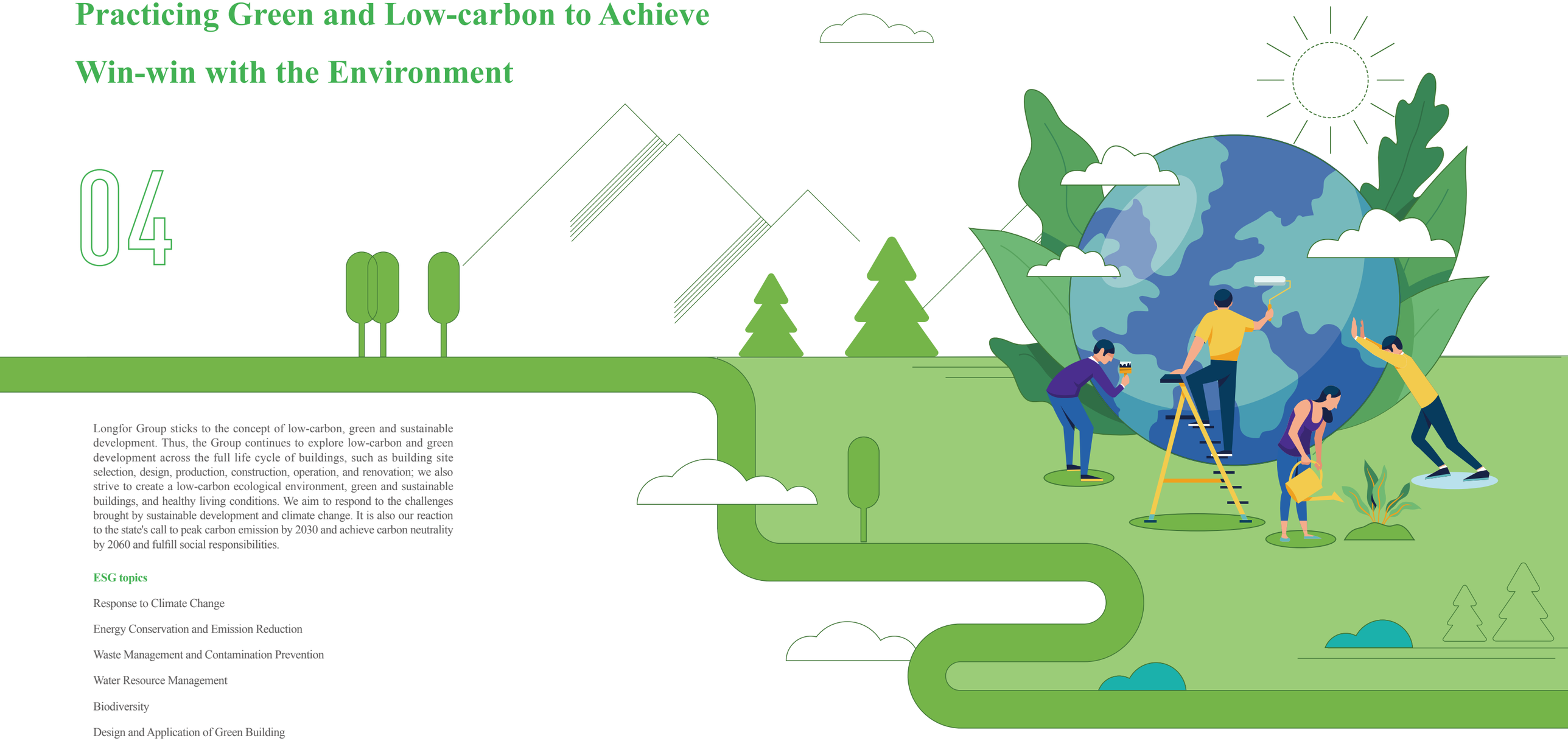
- Longfor has participated in the *Comprehensive Performance Evaluation Standards for Apartments for Long-term Rent* of the Ministry of Housing and Urban-Rural Development (MOHURD) of the People's Republic of China as chief compilation entity, providing advice to the Notice on the Applicable Standards for Centralized Rental Housing of the MOHURD.
- We collaborated with the National Energy Conservation Center of the National Development and Reform Commission (NDRC) and Technology Development Center of the MOHURD in the *Application of Renewable Energy in Ultra-low Energy Consumption Buildings and Construction Standards in Different Climate Zones* research project.

We noticed, in our quality check, that GB/T 8814-2017 *Unplasticized Polyvinyl Chloride (PVC-U) Profiles for the Doors and Windows* included irrational Vicat Softening Temperature indicators for laminated and co-extruded decorative profiles, which makes it difficult to take accurate measurements. Therefore, we submitted our professional advice to the standard-setting entity to help upgrade industry standards.

In addition, we have actively participated in policy discussion sessions organized by the MOHURD, the People's Bank of China, the Counselor's Office of the State Council, and the Development Research Center of the State Council, offering constructive advises for healthy and stable development of the industry and the market.

Practicing Green and Low-carbon to Achieve Win-win with the Environment

04



Longfor Group sticks to the concept of low-carbon, green and sustainable development. Thus, the Group continues to explore low-carbon and green development across the full life cycle of buildings, such as building site selection, design, production, construction, operation, and renovation; we also strive to create a low-carbon ecological environment, green and sustainable buildings, and healthy living conditions. We aim to respond to the challenges brought by sustainable development and climate change. It is also our reaction to the state's call to peak carbon emission by 2030 and achieve carbon neutrality by 2060 and fulfill social responsibilities.

ESG topics

Response to Climate Change

Energy Conservation and Emission Reduction

Waste Management and Contamination Prevention

Water Resource Management

Biodiversity

Design and Application of Green Building

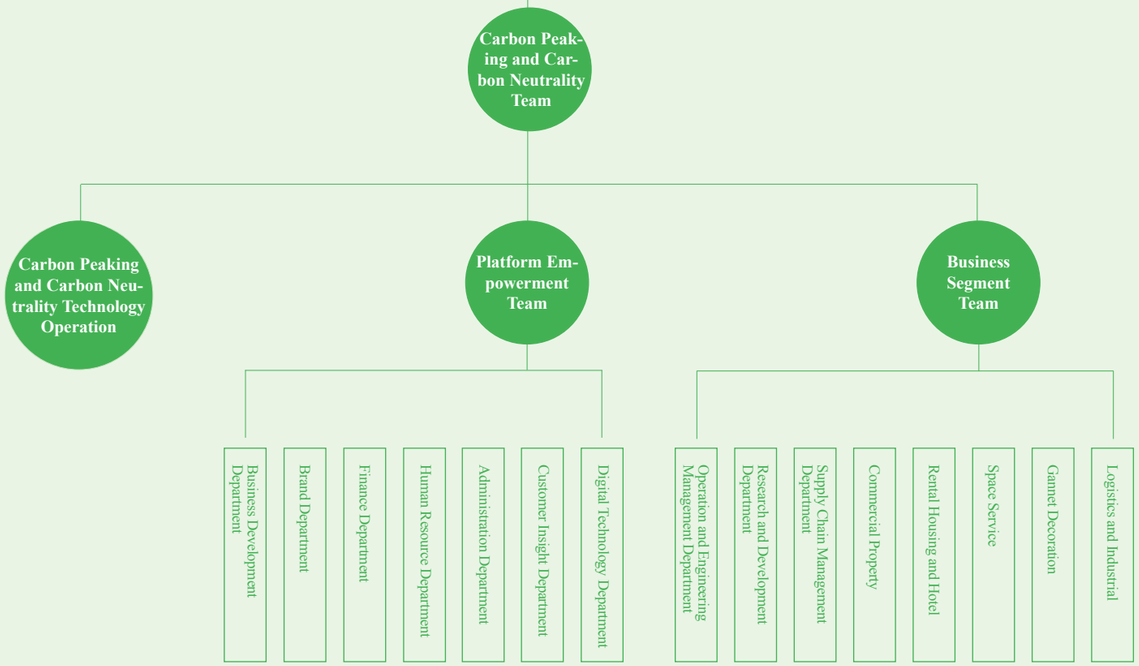
SDGs topics

Topic

Promoting the Carbon Peaking and Carbon Neutrality Strategy to Deal with Climate Change

President Xi Jinping made a solemn announcement at the United Nations General Assembly on September 22, 2020, concerning the strategic planning on easing climate change by the Chinese government: China planned to achieve carbon peaking by 2030 and carbon neutrality by 2060. According to the data from the China Association of Building Energy Efficiency[2], CABEE, the whole-process carbon emission by buildings across our nation accounted for over 50% of the total carbon emission nationwide. In terms of the proportion, the carbon emission by building materials, including steel, cement and aluminum materials, etc., accounted for 28.3%, the carbon emission during the operation of urban buildings, public buildings, and agricultural buildings accounted for 21.9%, and that during the construction accounted for 1%. Obviously, the building industry remains one of the major sources of carbon emissions. And the real estate industry needs to be transformed and upgraded in a low-carbon manner to help achieve the national goal of carbon peaking and carbon neutrality.

Longfor Group attaches great importance to the target of carbon neutrality set by China. It formed the specific Carbon Peaking and Carbon Neutrality Team to take charge of and promote the planning and implementation of related tasks. The Team was responsible for the planning and reporting with overall decision-making by the executives of Longfor Group. Besides, this Team has three divisions including a carbon peaking and carbon neutrality technology operation team, a platform empowerment team, and a business segment team. They worked with each other to support the related work.



Organizational Structure of Carbon Peaking and Carbon Neutrality Team

Organizational Planning	We closely followed the national policies and industry trends, evaluated the carbon peaking goal and carbon neutrality plan, analyzed the macro scenarios and top-bottom goals, and simulated the top-bottom path to determine the carbon emission reduction and carbon neutrality plan and action plan; meanwhile, we improved the environmental system and policy, formulated and issued the *Climate Change Response Policy* in 2021 to deal with the impact of climate change on enterprises. At the same time, in the future, we will prepare management policies on normalized climate and environment work, and regularly track and review the target plan and implementation path, so as to adapt to the optimal action path and target improvement at all times.
Information Examination	We examined and sorted out the Group-wide carbon emission sources and current situation and clarified the statistical criteria and produced unified outputs. We synchronized them with the newly established general account of the Group's carbon emission data, which helped analyze how much energy efficiency remains to be improved, established an internal carbon emission management system, and systematically managed the Group's overall carbon emission and energy consumption.
Target Setting	By 2030, the carbon emissions intensity per unit area of the Group will be reduced by 15%; Guided by the national 14th Five-Year plan, we will do our best to improve energy efficiency and reduce energy consumption.
Technical Research	For new buildings, we explored and applied low-carbon, green and energy-saving technologies across the full life cycle. For current buildings, we examined the energy and potential carbon reduction. We selected projects for pilots, concluded the carbon saving path through pilot practice, and promote and apply it in all projects. At the same time, we held arguments on the distributed photovoltaic power station and building integrated photovoltaic system (BIPV), studied the implementation scheme and plan the application strategy. We also searched water-saving and reuse schemes, improve water efficiency and reduce water intensity through systematic research on sponge city and reclaimed water.
Scenario Building	We built a low-carbon brand of Longfor Group throughout project development and construction, management and operation, administration, and cultural concept; on such basis, we pursued low-carbon development, fulfilled social responsibility, and contributed to low-carbon transformation.
Development with External Trends	We followed up the national and industrial trends, and used the existing industry-university-research channels to learn new technologies, new materials, and new applications among external parties; we also reasonably developed and used new business based on existing business.

Longfor Fund in Tsinghua University Contributes to Talent Training and Cutting-edge Technology

On December 10, 2021, Longfor Foundation announced to donate to Tsinghua University Education Foundation to establish Longfor Fund in Tsinghua University. The special fund will help foster innovation and creativity among students from Tsinghua University, incentivize high-caller talents, introduce innovative talents and explore strategic cutting-edge technologies on carbon neutrality.

Keenly aware of the possible opportunities and challenges due to climate change, Longfor Group has been actively carrying out the climate risk identification and response, in a bid to improve its governance performance in terms of climate-related topics, and actively responds to the carbon peaking and carbon neutrality goals.

[2] https://www.aisoutu.com/a/1355301

In 2021, Longfor Group, referring to the framework by Task Force on Climate-Related Financial Disclosure (TCFD), proactively identified and analyzed physical risks and transition risks and formulated corresponding climate risk management methods and response measures to comprehensively improve the Company's ability to adapt to climate change. The present identified risks pertaining to climate change are as follows:

Risk of Climate Change

Type of Risk	Transition risk				Physical Risk
Specific Risk	Risk of Policy and Regulation	Technology Risk	Market Risk	Reputation Risk	Acute Risk
Risk Description	The government adopts more aggressive strategies and roadmap concerning energy saving and carbon reduction: The Ministry of Housing and Urban-Rural Development approved the *General Specifications for Building Energy Conservation and Renewable Energy Utilization* (GB 55015-2021) as the national standard. Also, it set the carbon emission calculation of buildings as the mandatory requirement which would be operated from April 1, 2022; *Action Plan for Carbon Peaking Before 2030* issued by the State Council explicitly proposed requirements including "accelerate the building energy efficiency" and "accelerate the optimization of building energy structure"; If Longfor Group fails to disclose the environmental information accordingly in line with related laws and regulations, the Group may face compliance risks as a result.	The increase in the trend and requirement of green buildings and technological cost: Against the background of the national target of "carbon neutrality by 2060", our country keeps increasing the requirement of green and low-carbon technologies with low energy consumption and nearly zero energy consumption. Meanwhile, different provinces and municipalities successively introduce the proportion requirement regarding green building certificates and the ratio is on the rise; Sichuan Provincial Department of Housing and Urban-rural Development, Sichuan Provincial Development and Reform Commission, Sichuan Provincial Economic and Information Department, Science & Technology Department of Sichuan Province, Department of Human Resources and Social Security of Sichuan Province and Chengdu Branch of People's Bank of China introduced *Work Plan on Accelerating the Transformation of the Construction Industry Development Mode and Promoting the Development of a Strong Building Province*. According to the work plan, green buildings will achieve the scale development by 2025 and the green buildings will account for 100% of all newly built civil buildings in urban areas; Shanghai Municipal People's Government issued the *Opinions on the Implementation of Speeding up the Planning and Construction of New Town in Shanghai During the 14th Five-year Plan*. According to this plan, 100% of the newly built buildings in new towns should conform to the green building standards. Public buildings invested by the government and all large-scale public buildings should conform to the green building standards of at least the second-star levels; If Longfor Group fails to promptly study and apply the new technologies regarding green buildings and actively increase the certificate level and coverage ratio of green buildings, it may lead to the compliance risks for the Group and also raise the extra building costs of technology research and development, design and development.	Investors have greater demands in terms of green investment: On one hand, investors pay more attention to environmental performance such as that of building energy-saving and emission reduction and also the proportion of green buildings; On the other hand, investors care about the results of ESG-related ratings, such as MSCI and GRESB; If Longfor Group fails to promptly keep abreast with the energy-saving and emission reduction trend in the field of construction and actively improve the environmental performance of the Group, it may result in the worry about the sustainable development of business by investors and even a loss of confidence in the business development, which will also affect the shares and financing. Influence on the cost and supply of raw materials: It may lead to the cost increase of raw materials, thus causing a profit reduction for the Group.	The shift of low-carbon consumption preference of customers: With the shift of the public's preference for low-carbon consumption, if Longfor Group fails to effectively reduce carbon emissions during production and operation, customers will directly reduce their demand for Longfor's related products and services, leading to a decline in operating revenue.	Influence of the extreme weather: Typhoons, extreme rainfall and other extreme weather cause construction shutdown/delays and result in cost increases; extreme weather may also destroy assets such as land, leading to the increase in asset cost and maintenance cost.
Risk Response	We continuously tracked policies and regulations to learn and study the implementation requirements, strengthened communication with regulatory departments and stakeholders, promoted the strict implementation of policies and regulations, and disclosed information more completely; Use an energy management system to keep promoting energy saving and emission reduction and conduct fine management of energy. Besides, we manage the long-term target of building energy limitation and carbon emission.	The industry-university-research cooperation model helped us to establish the R&D channel of green building technology, and promote the R&D of new materials and technologies. In addition, we innovated low-carbon and green construction schemes, and built up related construction skills and systems. We gradually planned and set up the supply chain system for low-carbon sustainable buildings such as green buildings and ultra-low energy buildings, so as to appropriately control the procurement cost of green building technology; We promoted the pilot application of new sustainable development technologies such as low-carbon green technologies, improved the green building certification levels, and expanded them to more buildings.	We strengthened communication with investors and other stakeholders to respond to the demands of all stakeholders, and improved the quality of disclosing the Group's environmental performance to obtain higher ratings; We constantly explored new technologies and applications, and improve product competitiveness around the full life cycle concept of low-carbon, green and healthy buildings; We planned and established the supply chain system to make the procurement cost of green building technology more appropriate.	Pay attention to the needs of low-carbon, green, and energy-saving products in the market so as to meet customers' demands in time; Strengthen the communication with customers and actively showcase the corporate image of low-carbon development, environmental protection as well as energy-saving and emission reduction; Implement sustainable management for tenants, upstream and downstream suppliers.	Incorporate suppliers' capability of responding to the influence of climate change into the evaluation of project bidding; During project design, take the influence on the business operation by extreme weather into full consideration and prevent the project construction in related areas and strive to reduce the loss brought by potential risks; Make contingency plans dealing with extreme weather (such as typhoons and floods) and actively carry out the emergency drill to improve the capability of security and emergency response; adopt sponge city design, set up permeable pavement and sunken greenbelt, and improve the infiltration efficiency of rainwater, so as to minimize the impact of the storm on the Company's business operations.

Meanwhile, the Group sticks to the policies concerning the low-carbon transformation of our country and seizes opportunities amid climate change, in order to keep improving the core competence of the company. The following shows the identified opportunities amid climate change:

Topic

Opportunities amid Climate Change

National Policy Support/Subsidy

Opportunity Description

Incentive policies regarding green building:

The standard of financial subsidy policies in different provinces and municipalities is mainly based on the compositions such as building area, project type, and project limit. At present, nine provinces (municipalities) have identified the financial subsidy standard ranging from RMB10/m^2 to RMB60/m^2.

Response

Continue to follow and study the policy and subsidy regarding green building and positively obtain the sign of national or provincial, municipal green building operation.

Adaptability

Opportunity Description

Greater resilience to climate change:

Against the backdrop of the global temperature increase, the Group carries out positive energy conservation and emission reduction, including measures of energy conservation and emission reduction in the office area, the use of a large number of clean energy, reducing carbon emissions. Meanwhile, the Group has made contingency plans for extreme weather, in a bid to promote the adaptability of the Group in terms of climate change risk during transformation and entity risk and ensure its operational stability and continuity.

Response

Expand the application of energy-saving technology and clean energy, and continuously increase the proportion and maintain the advantage of energy-saving rate on the basis that the residential energy-saving rate meets the requirements of 65% energy-saving design standard of residential buildings;

Regularly monitor abnormal climate and extreme weather conditions, formulate targeted emergency plans for extreme weather, carry out corresponding emergency drills, and ensure the stability of personnel and business operations;

Integrate extreme climate scenarios into architectural design to improve the climate tolerance of buildings.

Longfor Group planned to carry out climate risk evaluation which included asset, operation, project investment, acquisition, etc. We intended to add the evaluation process regarding climate change-related risks to newly acquired projects, so as to ensure the projects to be acquired are in accordance with the sustainable development norm and the sustainable development philosophy of the Group.

Green Building

The Group called for the green, low-carbon, and healthy building concept and continued to focus on the green building construction, aiming to promote and lead the development of green buildings. Centering on the life cycle of green design and green operation, we strive to improve the management system and practice and guarantee a friendly environment, and community ranging from site selection, design, construction and operation, thus building a natural and harmonious living environment.

Green and Low-carbon Concepts

- During project location selection and preparation, the Group assesses the local environment and surrounding ecosystem of the project site and reasonably avoids environmentally sensitive areas;
- In terms of product design, the Group ensured the coordination between the product design and climate along with the environment. It aimed to improve the environmental protection function of the products and fully take advantage of the natural resources for the purpose of saving resources and energy, and reducing the impact on the biological diversity and the ecological system of using products;
- During the project construction, the Group advanced the green and proper construction and took part in the ecological restoration near the project in line with high standards and strict requirements. The group also adopted an ecological compensation mechanism to protect the biological diversity around the project;
- During the project operation and office, the Group took active measures to increase the efficiency in utilizing resources and energy and decrease the emission of pollutants.

Transit-Oriented Development (TOD)[3] Complex Project Development

Longfor Group incorporates low carbon, green and health into the design, and combines the basic principles of TOD design, including the preference for walking, bicycle network, dense streets, public transportation, multi-functional community, land development and travel by bus, short-distance traffic, standard roads and parking, and the design concepts of low-carbon city, ecological city, and healthy city to create a sound and green TOD project.

Sitting

Centered by the rail transit stations, within their reaching, we develop high-density and compact residential and office space around the commercial complex to realize the balance of living, shopping and office, and create a convenient living community within the walking distance;

Design

We design and plan to guide users to walk, cycle and travel by public transportation instead of driving, and create low-carbon and healthy TOD projects in line with green space system, green building and sustainable infrastructure;

Construction

We have the responsibility to supervise the environmental work of contractors. The Group iteratively updated and released the *Project Quality Management Policy of Longfor Group-2021 Edition*, and supplemented and clarified the use of the *Longfor Group Safety and Civilized Construction Management Standardization Atlas*, which required further inspection and management requirements for green construction progress such as dust-prevention facilities, sewage treatment, garbage transportation, water-saving, and energy-saving;

Operation

The new intelligent operation and maintenance system deeply combines traditional control technology, enterprise-level system integration technology, the latest Internet of Things (IoT), and cloud technology, providing various applications of intelligent energy, intelligent transportation, environmental monitoring, regular operation and maintenance, it also provides an expert system based on big data analysis, while monitoring and controlling carbon emission;

Renovation

We implement the concept of carbon reduction in TOD, ensure low consumption in the design, review, implementation, and operation stages to minimize the cost throughout the product life cycle.

[3] Transit-oriented development, a public transport oriented development mode.

Longfor's TOD Complex Projects

Longfor Shanghai Minhang Blue Engine - Green Building Two-Star, Gold Certification of Well

- The indoor air change met the US ASHRAE standards and improved indoor comfort level;
- Set up anti-glare measures;
- Set up indoor direct drinking water system;
- Adopted high-performance internal and external building structures, and ensured the noise levels in indoor offices and meeting areas below 35dB and 25dB.

Hangzhou Fengshouhu Program - Green Building Three-Star

- Set up a rainwater harvesting system;
- Indoor CO_2 monitoring system connected with air change;
- Set up the indoor transitional-season ventilation system;
- Set up a soil moisture sensor and a water-saving irrigation system.

Chengdu Shuxin Program - Green Building Three-Star

- As much as 60% of building materials had labels of green building materials;
- The thermal performance of the envelope structure increased by 5% on the energy-saving design standard;
- Set up a rainwater harvesting system;
- Set up the water reclaiming system.

Green Building Planning and Certifications

Under the *Assessment Standard for Green Building* as well as other national and industry standards, Longfor Group views the climate in the places where the building stands and the energy-saving type and level of building as a basis for its green building planning, thus maximizing natural ventilation and daylighting. Besides, with a wide application of energy-saving technologies and clean energy, the energy-saving ratio of its residence stands at 65%, a figure that meets the standard of the residential building. In addition, Longfor Group is committed to reaching the highest standard of green building by focusing on such details as land, materials, and indoor environmental quality.

Promises and Goals

Since 2021, **100%** of the new buildings of Longfor need to meet the national standard of green building. High-level certificates, including the two- and three-star levels of national green building, LEED, and WELL, are encouraged.

Achievement

In 2021, **100%** of the new buildings of Longfor Group have met the national standard of green building.

In 2021

The percentage of new projects using solar energy was

29.4%

The percentage of new projects using air energy was

14.6%

Longfor Group has been playing an active role in advancing the innovation and development of green building technologies. In 2021, the Group was awarded four patents, making great contributions to the sustainable development of the real estate industry and ecological protection.

Patent Title

- *Passive houses: the structure of thermal insulation of the outer wall*
- *Passive houses: the structure of the veranda fence*
- *Passive houses: the structure of through-the-wall pipelines*
- *Passive houses: the structure of external windows*

Patent Content

- The thermal insulation is set on the outer wall, including at least two heat-preserving layers, made of separate heat-preserving modules. The layers are fixed to the wall with plastic anchor bolts, made of metal nails and plastic casings. The gaps between modules are evenly distributed on the layer, thus making the connection between layers more reliable and enhancing the function of preserving heat. Besides, plastic anchor bolts are fixed to the wall with metal nails to make it stable, while plastic casings will reduce the area of thermal bridges and therefore enhance the function of preserving heat.
- The statement of the veranda fence includes a floor slab, and there is a gap between the inside of the slab and the outer wall. And there is a bridge stretching internally and connecting with the outer wall in the inner slab. The first heat-preserving layer is put between the slab and the outer wall, and the second layer is designed to wrap the outer, upper, and lower part of the floor slab. The floor slab includes the main slab stretching horizontally, and the main slab will stretch upward. The outer slab includes the stretching slab. In this scheme, the floor slab itself is disconnected from the outer wall, and only the inner connecting bridge of the floor slab is connected with the outer wall, thus greatly reducing the contact area with the outer wall, reducing the area of thermal bridges, and improving the thermal insulation performance. In the meantime, the first thermal insulation layer is filled in the gap between the floor slab and the outer wall to further improve thermal insulation performance.
- The through-the-wall pipeline includes a sleeve embedded in the wall and a pipeline inserted into the sleeve, and the first thermal insulation layer is filled between the sleeve and the pipeline. Given that the first thermal insulation layer isolates the pipeline from the casing and the wall, the area of thermal bridges will be reduced. And the thermal insulation performance of the building is improved; the outer side of the wall is provided with external wall thermal insulation, and the outer end of the pipeline protrudes. The wall is insulated through the outer wall, the outer wall is insulated with an annular step surrounding the pipe, and an expansion sealing tape is filled between the outer wall of the annular step and the pipe. In the meantime, the outer wall is insulated. The expansion sealing belt is set between the outer wall and the pipeline to further increase the air-tightness and ensure thermal insulation performance.
- The structure of external windows comprises an external window and an installation part, the outer window is installed on the outer side of an outer wall through the installation part, and the window frame of the outer window is separated from the outer wall; the inner wall of the mounting portion is fixed to the outside of the outer wall, the mounting portion faces the sidewall of the outer window and is used for fixing the window frame of the outer window; The installation part includes a plurality of angle irons, and a heat insulation gasket is arranged between the angle irons and the outer wall of the outer wall. In this scheme, the outer window is suspended outside the outer wall, and the window frame is not in contact with the outer wall, which greatly reduces the contact area between the outer window and the outer wall, and reduces the area of thermal bridges, which is conducive to improving the thermal insulation performance. Therefore, there is no need to rely on reducing the window area to ensure thermal insulation performance.

The Group enthusiastically pushes forward such certifications as LEED, WELL, BREEAM, FITWEL, and China's green building standards, thus starting the architectural design and operation by referring to the highest standard and the best practice of the certification system.

In 2021

The number of projects obtained green building certifications

34

GFA of green certified projects

4.3 million square meters

In 2021

GFA percentage of projects that meets the standard of green building

96.7%

As of the end of 2021

The total number of projects that meet the standard of green building

499

Total GFA that meets the standard of green building

over 90 million square meters

Green Building Awards Won by Longfor*

The Top10 of China Green Real Estate Index in 2021 (Private Enterprise)

NO.2

The Top10 of China Green Real Estate Index in 2021 (Residential)

NO.6

The Top10 of China Green Real Estate Index in 2021 (Commercial)

NO.3

The Top30 of China Green Real Estate Index in 2021

NO.6

* Award issuing organization: The Investment Association of China, Green Ranking.

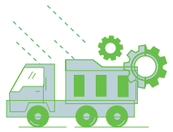
Projects Awarded China Green Building Certifications in 2021

City	Project Name	Level	Type
Hefei	Tianhe Hi-Tech District: Plot 3-1	★★★	Pre-certification of design
Hefei	Tianhe Hi-Tech District: Plot 3-2	★★★	Pre-certification of design
Shanghai	Fengxian Paradise Walk (office)	★★★	Design
Shanghai	Fengxian Paradise Walk (commercial)	★★★	Design
Qingdao	The Light Year	★★★	Design
Beijing	Yizhuang Paradise Walk	★★	Design
Shanghai	Tianju 04-02 (commercial)	★★	Design
Shanghai	Chunjiang Central: Plot 06A-03A	★★	Design
Shanghai	Chunjiang Central: Plot 07B-02 (Building 3-8)	★★	Design
Shanghai	Chunjiang Central: Plot 07B-02 (Building 1)	★★	Design
Shanghai	Glorious Mansion: Plot 10A-03A	★★	Design
Shanghai	Glorious Mansion: Plot 13A-03A	★★	Design
Shanghai	Chunjiang Tianyue 35A-05A	★★	Design
Shanghai	Starry Mansion (Building 11)	★★	Design
Suzhou	Dongwu Paradise Walk	★★	Design
Changzhou	North Paradise Walk	★★	Design
Changzhou	Starry Mansion	★★	Design
Wuxi	Bojindao	★★	Design
Changzhou	Jinglin Longfor Mansion	★★	Design
Tianjin	Glorious Mansion	★★	Design
Yantai	Chunjiang Yueming	★★	Design
Chongqing	Chunshan: Phase 2, Group 2	★★	Design
Chongqing	Chunshan: Phase 2, Group 3	★★	Design
Chongqing	Jinglin Jiuxu: Plot F126-1	★★	Design
Chongqing	Jinglin Jiuxu: Plot F127-1	★★	Design
Chongqing	Changtan Mansion: Plot H76/01 and H77/01	★★	Design
Chongqing	Changtan Mansion: Plot H58-1	★★	Design
Chongqing	Xichen Mansion: Plot 2	★★	Design
Chongqing	Xichen Mansion: Plot 1, Group 4	★★	Design
Chongqing	Yuhu Yihao: Plot A40-4/05	★★	Design
Chongqing	Yuhu Yihao: Plot A40-1	★★	Design
Chongqing	Yuhu Yihao: Plot A37-4/05	★★	Design
Chongqing	Hilly Island: Plot 2-7	★★	Design
Shanghai	Starry Mansion (Building 1-10)	★	Design

Green Construction

The Group has issued *Longfor's Management Regulations for Project Safety-2021 Edition* and *Longfor's Atlas of Standardized Management for Safe and Civilized Construction*. To build a clean, neat, comfortable, and safe construction environment, we have taken the ecology and the need of nearby communities into account and do everything we can to minimize the impact we generate on air, water, and land by using materials, water, energy, and land economically and scientifically. At the same time, each project responds to the national call for green construction, actively creates the construction standardization star site.

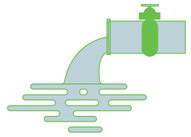
Measures Concerning Green Construction



Dust Control

- Equipment, designed to wash vehicles, is installed next to the gate of the construction site. All the vehicles driven out of the site should be washed;
- The washing trench is equipped with third-level sedimentation basins;
- Cleaners and watering carts are responsible for keeping the road clean and controlling dust.

- Set up a three-stage sedimentation tank next to the temporary toilets in the site. The sewage will be discharged after sedimentation.



Sewage Treatment

Garbage Transportation

- Domestic waste is stored in categories, and construction waste is transported by residue company. Enclosed garbage trucks should be employed to minimize dust and prevent air pollution;
- Standardized garbage-sorting cans to be put in the business-office zone, with specific cleaners.

- Control the water consumption, and set the sprayers that are opened and closed at fixed times on the outer wall and the floor cantilever layer;
- Groundwater may be used in projects that entail precipitation;
- Rainwater collection systems should be installed;
- Adopt water-saving and energy-saving daily necessities and on-site lighting.

Water and Energy Conservation

Prefabricated Construction

The Group has been actively following the new direction of construction industrialization promoted by the government, attaching great importance to prefabrication and minimizing the consumption of energy and materials during construction process. As of the end of 2021, prefabrication had been applied in 84 pilot projects, covering the residence, apartments, malls, hotels, and offices.

Technologies Concerning Prefabrication

Design of System Integration

- Standardized design
- Collaboration between multiple specialized fields
- Collaboration of the whole industrial chain

Standardized Components and Parts

- Dimension standardization
- Integrated components
- Certificated production quality
- Promotion of green building materials

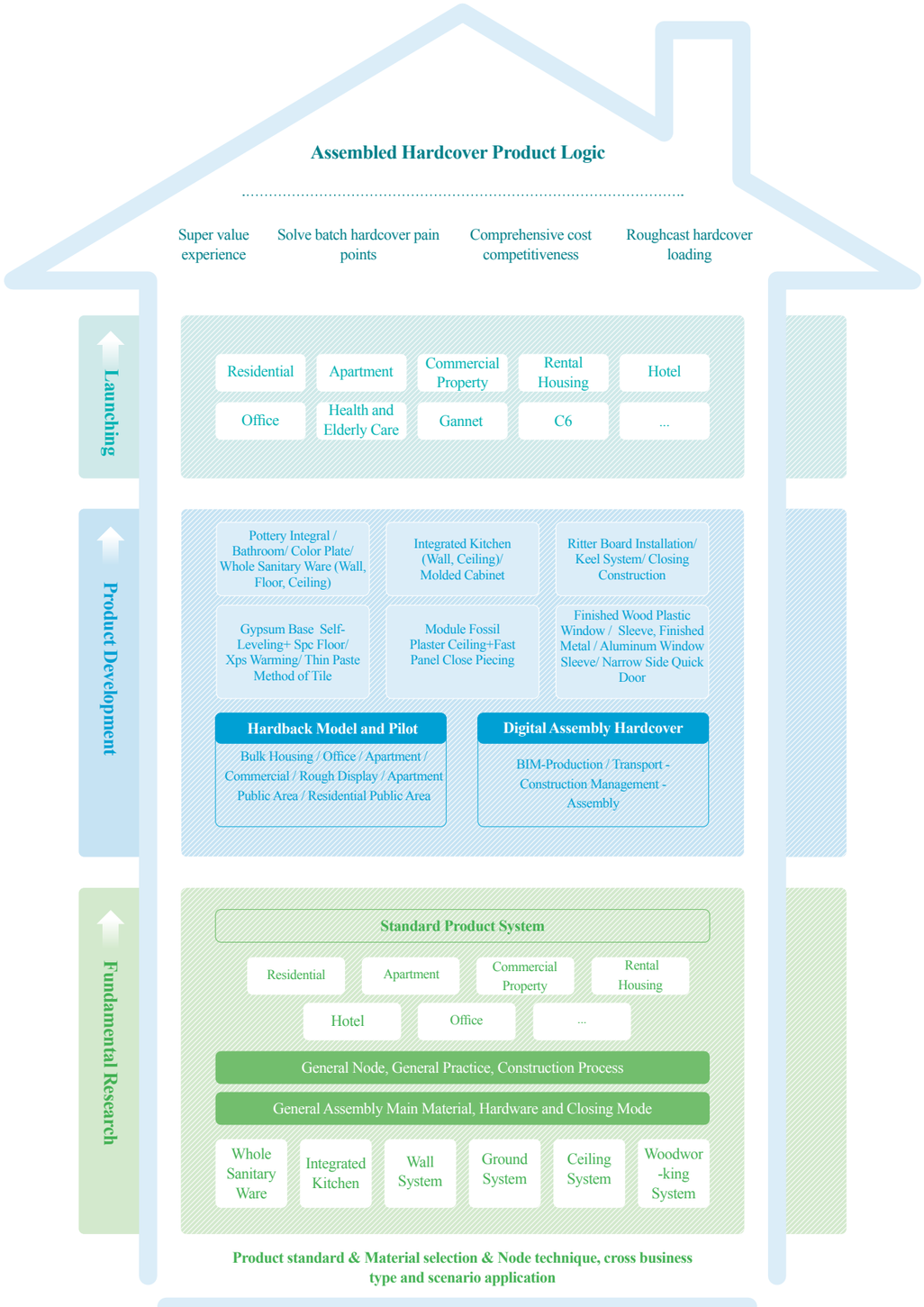
Refined Construction

- Development of the steel structure
- Promotion of PC (Precast Concrete)
- Prefabricated decoration
- Alternation of moves

Information Technology

- To promote BIM technology
- To promote IoT technology
- To promote big data technology
- To promote intelligent building

Assembled Hardcover of Longfor Qingdao Glorious Mansion Project



Prefabricated Product System

Prefabricated Building Projects

North-east China	Dalian: Tianlang, Shunshan Fu, and Tangning ONE Shenyang: Star Glamor, Tianju, and Elegant Mansion Changchun:Yuanchuang Xue Tang Mansion, Chengxi Cloud Valley, and Qingyunque
Jinan	Shunshan Fu
Changsha	Bojindao
Chongqing	Longfor 1st Avenue, Bay City, Star Glamor, Science Mansion, Kangtian Luchen, Shangqian, Meilin Meiyuan and Bright City
Xi'an and Zhengzhou	Jinglin Jiuxu, Longfor Faerie, Tianju, Qihu Mansion
Hainan and Guangxi	Sanya Sapphire Time
Guangzhou and Foshan	Longfor Times Mansion
Wuhan	Sanqiancheng, Longfor Central, and Mansion
Yantai and Weihai	Puti Bay Zichen
Shenzhen and Hong Kong	Yantian Tianlang

Assembled Hardcover of Shijiazhuang Jiuli Qingchuan Project

Green and Low-carbon Operation

The Group has been observing *the Environmental Protection Law of PRC*, *Environment Impact Assessment Act of PRC, Energy Conservation Law of PRC*, and *Water Pollution Prevention and Control of PRC*, implementing energy-saving and emissions-cutting concepts, referring to the national, regional and industrial energy conservation and emission reduction plans and targets in the 14th Five-Year plan, enhancing the management of energy efficiency, water resources, and waste, promoting green renting, thus improving the utilization efficiency of energy and resources. Based on the *Guiding Opinions Regarding Coordinating the Delimitation and Implementation of Three Control Lines in National Spatial Planning*, we actively follow up on the latest adjustments of the ecological protection red line, the permanent prime cropland, and the urban development boundary, thus making all the projects of Longfor legal and rational. During the reporting period, incidents never occur in Longfor that have an adverse impact on the environment and natural resources, with all the environmental laws and regulations observed strictly.

The Group has formulated *Environmental Policy*, which covers such topics as green building, green procurement, the management of water resources, energy, and waste, the control of greenhouse gas emissions, climate change, and the involvement of other interested parties. Therefore, those policies are universally applicable among all the departments and business units of Longfor, all those business units that Longfor has the right to control, and relevant partners along the industrial chain.

Energy Conservation and Emission Reduction

The Group's Space Service segment has formulated *the Energy Management System of Longfor's Smart Service* and Elderly Care segment has formulated *the Guidelines for the Operation Manual of the Group Chunshan Wanshu* for the elderly care business, to clarify the energy consumption optimization plan. Each business unit needs to further formulate energy-saving operation specifications and annual energy-saving and consumption-reducing plans in accordance with the above systems. The Group regularly monitors the energy consumption data in production and operation, promotes the use of clean and renewable energy in daily operations, and conducts efficient energy management from the source. In 2021, the Group has invested a total of RMB14 million in energy-saving renovation projects.

During the reporting period

The total amount of greenhouse gas emissions produced by the Group was [4]

640,108.91

tonnes of carbon dioxide equivalent (tCO_2e)

Greenhouse gas emission density

0.02865

(tCO_2e/ revenue of RMB10,000)

Scope 1 greenhouse gas emissions

26,522.60 tCO_2e

Scope 2 greenhouse gas emissions

613,586.31 tCO_2e

The Group's Energy Consumption in 2021[5]

Types of Energy	Administration Offices	Business Opration					
		Projects under Construction	Residential Property Service	Commercial Operation	Rental Housing	Elderly Care	Urbanization Projects & Logistics
Purchased Electricity (kWh)	8,914,162.00	67,482,600.00	341,920,340.26	329,066,243.42	25,619,350.17	2,489,354.81	14,511,344.08
Petrol (L)	31,804.00	-	13,755.14	-	-	-	-
Diesel (L)	2,277.02	-	170,449.00	-	-	-	50.00
Natural Gas (m^3)	122,800.00	-	148,897.00	8,505,781.82	2,730,000.00	301,340.34	608,667.00

Comprehensive Energy Consumption (tce)	112,437.48	Energy Consumption Density (tce/ revenue of RMB10,000)	0.0050

[4] The greenhouse gas emission is indicated in CO_2 equivalent. The power emission factor is converted following 2019 *Baseline Emission Factors for Regional Power Grids in China for CDM and CCER projects* issued by the Ministry of Ecology and Environment of the People's Republic of China.

[5] In the reporting period, we adjusted the environmental data collection method. According to the calculation method based on the definition of operational control (referring to *The Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard* by World Resources Institute (WRI)), in the chapter "Green Operation" in this report, the environmental data covers the above-mentioned listed entities. Under operational control, the data related to energy, water, and waste of the Group does not include data of the general contractor. Some environmental data in this report is distinguishable from the data in past years, because in 2021, the environmental data collection method is more comprehensive, the measurement and calculation methods are more scientific (the data used is from actual measurement), and the amount of business grew a lot. Such differences are within reasonable explanation. All statistical ranges are based on the project operation developed by Longfor Group.

[6] The comprehensive energy consumption is calculated according to the conversions of various energy into standard coal following GBT2589-2020 *General Rules for Calculation of the Comprehensive Energy Consumption*.

In response to the *Working Guidance for Carbon Dioxide Peaking and Carbon Neutrality in Full and Faithful Implementation of The New Development Philosophy*, Longfor has been advancing the upgrading of energy-saving products, the fine-tuning of equipment and facilities, to reduce emissions and conserve energy. The Group's commercial property has been exploring smart environmental protection systems, searching for the data value, establishing an operation and maintenance data model, realizing the automation of equipment management among Paradise Walks and the modularization of equipment operation strategies, promoting multidimensional alarm and the smart operation strategy of central air-conditioning, increasing the number of equipment warnings, and reducing equipment failure rate, thus cutting the annual consumption of electricity, water, and gas.

In 2021, the intelligent building management platform has completed more than 200 logical alarms for energy conservation and cost reduction. In the meantime, the linkage of alarms automatically sets the air-conditioner temperature setting based on the user's body temperature, improving quality and conserving energy. In addition, the Group has realized online KPI assessment of indicators in key equipment technical, daily operation management, IBMS, fire alarm management, and energy & environmental quality, thus making the management more accurate and building the model of an intelligent cooling station through expert experience. The model guides the front-line employees to use the cooling station scientifically and reduces the energy consumption of the cooling station.

The department of Elderly Care is using natural gas and solar power to heat, thus cutting the emission of greenhouse gas and the use of fossil fuels.

The department of Space Service has built an RBA intelligent system for a virtual internet of things, thus realizing the management of energy consumption powered by AI. Such energy-saving systems as RBA and EMS will automatically optimize operation strategies and improve the efficiency of facilities. Besides, we introduced new energy-saving illumination technologies that feature better illumination, longer service life, and induction switches, thus optimizing our illumination system.

Power supply and distribution

Monitor the temperature, output voltage / current / electric quantity / load rate / power factor and distribution circuit status of transformer's core in real time

Alternator

Monitor the on-off of the host, operation frequency, output power / current / voltage, operation hours and faults, as well as the voltage and water level of power storage tank in real time

Fire control

Monitor fire power supply on-off / manual and automatic status / faults, pipeline pressure, water level in water tank, fire alarm of fire engine, isolation, and fault in return circuit, linkage in the circuit of equipment, etc in real time

Elevator

Monitor the floors where the elevator are located, lifting up or down, door-open / door-close, automatic operation/ maintenance, various faults and elevator emergency-call button in real time

Water supply

Monitor water supply and power supply / on-off / manual operation and automatic operation status / faults, pipeline pressure, water level of water tank and other information in real time

Drainage

Monitor power supply of drainage pump, on-off / manual operation and automatic operation status / faults, water level in pump pit and other information in real time

Equipment room environment

Monitor temperature, humidity, water volume, fire, etc in real time; link the control of lighting, air conditioning, ventilation and other equipment

Metering

Automatically collect public water supply, electricity, etc

Community environment

Monitor wind speed, rainfall, soil temperature, humidity and fertility in real time

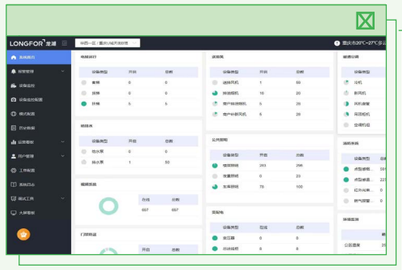
The Monitoring Scope of RBA Virtual IoT System

A Smart Platform Adopted in Longfor Chongqing U-City Paradise Walk, Energy Conservation with Emission Reduction

The energy conservation and emission reduction of Longfor U-City Paradise Walk are reached through administrative and technological moves:

- To optimize the operation strategies: After September 2017, when the Block B opened for operation, the business hours are adjusted to the needs of the operation.
- The Application of the EMS Platform: With the application of the EMS Platform in April 2018, an equilibrium was maintained in the power supply system through the data reading of electric power utilization (balance error within 2%).
- The Application of IBMS Platform: With the application of the IBMS in June 2019, the offline schedule was recorded in the system, thus improving the accuracy of equipment management.
- Customer Traffic Monitoring System: Taking customer traffic and operation needs into account, we can adjust the use of lights, air conditioning, and elevators in real-time.
- Water Consumption Control: We monitor customer traffic and the water use in toilets every month, thus adjusting bathroom equipment that uses excessive water.

The Application of EMS

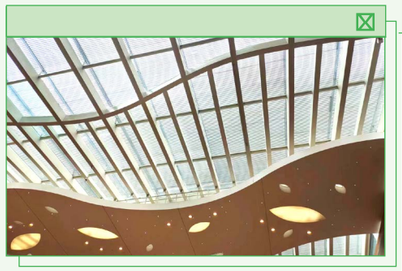


The Application of IBMS

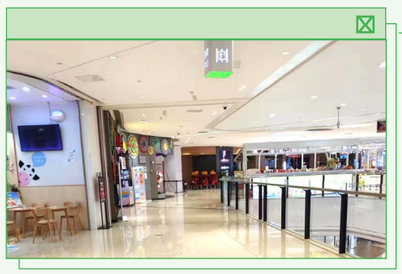
Besides, the energy-saving system has been improving in Longfor U-City Paradise Walk through the upgrade of energy-saving technologies. The moves are as follows:

- To upgrade the frequency conversion: Frequency conversion technologies have been applied in the cooling water pump and air conditioners of Longfor U-City Paradise Walk, to adjust the energy consumption according to the water volume of the air conditioners.
- To apply a protection-from-light system: The installed blinds will be rolled up or put down according to seasons and temperatures, to cut the energy consumption of air conditioning.
- To upgrade the technology of sponge ball cleaning: As of October 2019, devices designed to clean sponge balls are installed in all the air conditioners, thus sorting out the problem of scale. Therefore, the efficiency of heat exchange in the main engine of air conditioners has been improved, with energy consumption cut.
- To upgrade interior illumination: 3,500 old energy-consuming lights (70W) were replaced with energy-saving LED lamps (28W) in 2020. That move cuts the energy consumption while ensuring the quality of illumination.

Through a set of energy-saving moves and the application of intelligent systems, the amount of energy consumption in Longfor U-City Paradise Walk drops, and the effect of energy conservation and emission reduction is remarkable.



Protection-from-light System



The Upgrade of Interior Illumination

Optimization of the frequency conversion of air conditioners' water pumps in Longfor Chengdu North Paradise Walk

Through the trial of frequency conversion, the best adjustment of frequency is selected, thus conserving energy and increasing the service life of pump electric machines by adjusting the load of the main machines. From 2020 to 2021, the optimized strategies, saved 4% of energy in heating and ventilation and 9.4% in water pumps.

Longfor Chengdu North Paradise Walk

Introduction of new energy-saving boiler in Longfor Chongqing Time Paradise Walk

Based on national policies on emission reduction, we have investigated and researched the application of boilers, thus introducing a new energy-saving boiler in Longfor Chongqing Time Paradise Walk, a move conducive to low-carbon operation, energy conservation, and emission reduction. This new-type boiler, reflecting the development of boiler technologies in the future, saved 21.13% of energy on a yearly basis and RMB82,000 for natural gas consumption. That will be technologically helpful for energy conservation in the future.

Longfor was accelerating the low-carbon renovation of boilers and finished debugging and installation in only one week. We turned to the authorities before the implementation and applied for the *Air Pollution Prevention and Control Fund Utilization Plan in 2021*, gaining a government subsidy valued at RMB206,100.

Longfor Chongqing Time Paradise Walk

Green Office

We developed *Longfor Group Green Office Management System* and established a long-term mechanism for energy conservation and emission reduction to foster green office habits for employees as a way to improve the efficiency of energy utilization.

Water Utilization

- Total water consumption was checked, counted, and reviewed by engineers monthly;
- Water-saving devices were installed for the faucet on the bathroom vanity to enhance the daily maintenance and management of water equipment and timely handled the water drip and leakage to reduce the waste of water;
- Warm tips were posted on the bathroom, shower room, and pantry to remind employees to foster a good habit of saving water and turn off the tap before leaving;
- Actively took measures to create the condition for the secondary use and recycling of water.

Power Utilization

- Rationally adjusted the time and temperature of air conditioners and lighting in various areas;
- Replaced and used high-efficient lighting as much as possible and gradually phased out the incandescent bulbs;
- Reminded employees to use computers, printers, and other electrical equipment reasonably.

Office Supplies

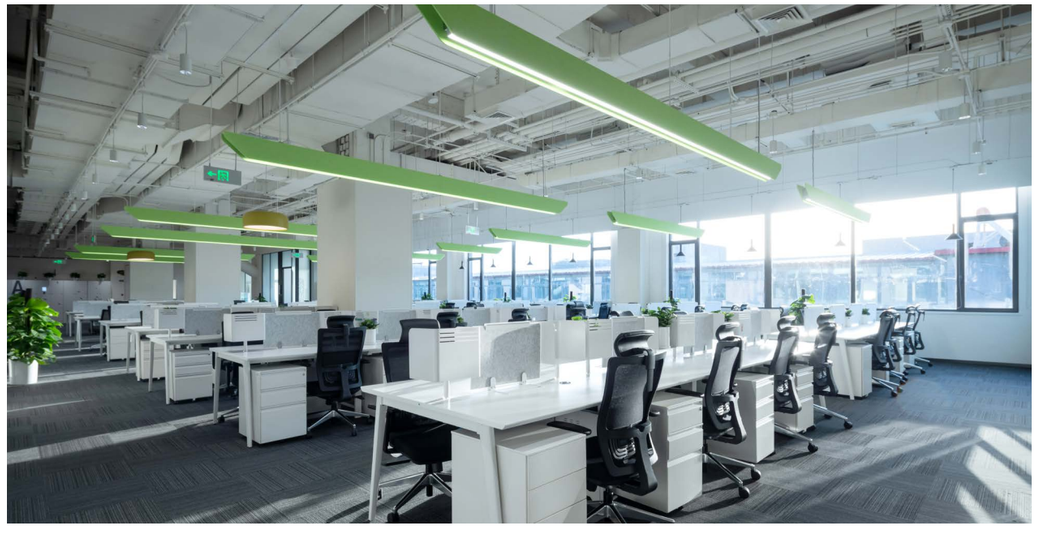
- Accelerated the paperless office, promoted electronic documents and emails for work, revised documents electronically, and made use of e-signature;
- Recommended double-sided utilization of papers except for confidential materials and materials for clients;
- Office supplies were managed by a specially assigned person with a strict management system.

Equipment and Materials Management

- Enhanced the management of instruments to improve their utilization and efficiency;
- Strictly controlled the use of consumables;
- Regular maintenance for office equipment was made to extend its lifetime and elevate its efficiency.

We have achieved excellent results in the green office.

Categories	Measures	Results
Power Conservation	Renovated the lighting loop on public office areas to use basic lighting during nighttime and holidays for energy saving.	An average of 156 kWh was saved daily.
	For private office area, combining patrol and mornitor to timely turn off lights for energy saving.	5% of electricity in office areas was saved.
	Lights for underground parking were renovated as induction lighting.	An average of 87 kWh was saved daily.
Low-carbon Commuting	20 shuttle buses operated at Blue Engine Industrial Park with three lines from the office building to the subway station, a total of 106 departures daily, providing convenience for employees. Public transport was encouraged to implement the concept of low-carbon commuting.	More than 450,000 commuters took the shuttle bus in 2021 with more than 2,700 person /day.
Resource Recycling	Cancelled the supply of paper cups for internal meetings and reduced the display of paper cups in the pantry.	7,256 cups/week was reduced to 2,156 cups/week with a decrease of 70%.
	Implementation of the replacement of old whiteboard markers.	297 pieces/week was reduced to 201 pieces/week with a decrease of 32%.
	21 battery recycling points were set up.	270 AAA batteries were recycled, and 89 AA batteries were recycled.



Water Resources Management

We strictly followed *the Reuse of Urban Recycling Water -Water Quality Standard for Urban Miscellaneous Use (GB/T18920), the Reuse of Urban Recycling Water -Water Quality Standard for Scenic Environment Use (GB/T18921)*, and other related requirements and attached importance to water-saving for full process operation and resource recycling to continuously enhance the management of water-saving as a way to improve the efficiency.

Water Management

- Strictly monitored the water utilization at office areas and operation projects, and control the total annual water consumption of commercial property and decompose the water consumption for various business processes;
- Regularly checked and repaired water facilities and pipelines to reduce waste due to water drip and leakage;
- Reminded employees to turn off taps for water-saving timely by putting up posters of "water conservation".

Water-saving Transformation

- Installed different water-saving devices, for example, induction taps and variable frequency pump to adjust water supply based on its actual consumption;
- Installed float make-up valve to automatically shut down water refill through float pressure to avoid water waste;
- Based on the concept of Sponge City to conduct related design for water-saving and recycling;
- Added and perfected automatic irrigation system to reduce water consumption for greening.

Recycling

- Cleaning water was used for landscape water system and watering the green;
- Vigorously promoted rainwater storage tanks to make full use of rainwater for indoor toilet flushing, road flushing, and green watering.

We adopted sprinkler irrigation to replace traditional pipelines for irrigation to avoid surface runoff and deep seepage losses through sprinkler water control and uniformity and improve its efficiency. Generally speaking, 30%-50% of sprinkler irrigation water could be saved compared with flood irrigation to realize the water efficiency of 85%. Total cost of RMB52,025.7 has been saved between 2017 and 2018 for 5 projects, Longfor Chunjiang Land, Longfor Rose and Ginkgo Villa, Longfor Chunjiang Central, Longfor Chianti Rivage and Longfor Mingjingtai, which have adopted micro-sprinkler irrigation, helping us realize the effective water resources saving.

Sprinkler Irrigation

Water Resources Utilization of the Group in 2021[7]

	Administration Offices	Business Operation					
		Projects under Construction	Residential Property Service	Commercial Operation	Rental Housing	Elderly Care	Urbanization Projects &Logistics
Water Consumption (m^3)	446,550.00	1,560,666.67	17,294,850.00	3,546,154.00	32,900.00	61,251.05	96,578.50
Total Water Consumption (m^3)	23,038,950.22						
Water Consumption Density (m^3/ revenue of RMB10,000)	1.03						

Waste Management

We strictly followed the regulations of *the Prevention and Control of Environmental Pollution by Solid Wastes* and *National Hazardous Waste List* to conduct reduction, harmless disposal, and resource utilization for solid wastes. During the reporting period, the Group's discharge of waste gases, waste water and industrial residue all met the national treatment standard.

Waste Water

All wastes are domestic sewerage, which is unified and collected to municipal sewage pipelines for centralized treatment.

Waste Gas

Smoke and waste gas during operation are mainly from catering. Regarding this type of emission, automatic monitoring is implemented at the discharge outlet with two-stage fume purifiers to effectively reduce waste gas emission, complying with emission regulations.

Solid Wastes

Solid wastes mainly include paper, office supplies, computers, and consumables within the project areas.

For hazardous wastes including ink cartridges, and waste lamps during operation, we strictly followed the local regulations of the projects and cooperated with suppliers and qualified third-party for harmless treatment and recycling.

We also followed the *Administrative Measures for the Prevention and Control of Environmental Pollution by Electronic Waste* to properly handle the electronic waste including computer accessories and used batteries in a classified and centralized manner.

We actively responded to garbage sorting rolled out by the government and formulated *Manual Book for Waste Control and Management* to regulate the classification and treatment of solid wastes for commercial properties as a way to ensure the treatment of wastes safely and orderly. Meanwhile, we actively developed publicity of garbage sorting to adopt a classification model based on the actual situation and the following measures have been taken:

- Cancelled disposable tableware and avoided providing disposable chopsticks to reduce waste and protect the ecological environment.
- Promoted garbage sorting, especially for special management of paper for resources recycling and reuse.
- The community actively linked with the tenement to conduct a garbage sorting campaign to foster a good habit of garbage sorting.

[7] Please refer to Note 5 for explanation on water consumption.

Longfor Group is committed to the city's solid waste sorting. Longfor Space Service in Northwest of China drove the standardized operation of centralized garbage drop-off area through multiple channels and the specific measure taken were as follows:

Strengthen Supervision	▪ Built leading group for garbage sorting with clear responsibility and division of work; ▪ Set up a supervision position for garbage sorting to guide owners for sorting; ▪ Organized volunteers within the community for promotion to improve people's awareness of sorting.
Full-time Video Surveillance Supervision	▪ Made use of monitoring to conduct psychological supervision for residents; ▪ Exposed violators who have not dropped off garbage timely or orderly several times and supervised owners do not throw garbage; ▪ Reserve evidence and transfer to law enforcement for treatment when necessary.
Strict Law Enforcement	▪ Developed community activities and led representatives to visit garbage demonstration drop-off area to strengthen the awareness of owners for garbage sorting; ▪ The punishment made for any misbehaviors without garbage sorting timely based on *Regulations on Garbage Sorting and Disposal*.

Garbage Sorting Supervision and Publicity

Shenyang Longfor Space Service has been rated as "2021 Shenyang Municipal Solid Waste Sorting Model Property Service Company" among the selection of advanced models for municipal solid waste classification.

Longfor Space Service (Northeast of China) Received Honors

2021 Shenyang Municipal Solid Waste Sorting Model Property Service Company

Shenyang Longfor Space Service

Major Solid Waste Generated by the Group in 2021 [8]

Types of Solid Wastes		Administration Offices	Business Operation					
			Projects under Construction	Residential Property Service	Commercial Operation	Rental Housing	Elderly Care	Urbanization Projects &Logistics
Non-hazardous Wastes	Office Papers (kg)	126,776	64,457	15,309	208,455	3,947	1,264	69,485
	Household Waste (tonnes)	1,050	819	829,840	0	100	129	130
	Earthwork/Muck/Decoration/ Building/Demolition Garbage (tonnes)	27	0	5,609,563	0	2,100	2	0
	Others (tonnes)[9]	11	0	151,335	601	0	7	6
	Total Discharge of Non-hazardous Waste (tonnes)	6,596,210						
	Discharge Density of Non-hazardous Waste (tonnes/ revenue of RMB10,000)	0.30						
Hazardous Wastes	Toner and Drum Cartridge (kg)	245	1,266	774	392	2,248	19	62
	Waste Lamps/Bulbs (kg)	65	0	143,986	112	1,495	2	36
	Others (tonnes)[10]	0	0	1,725	1	16	1	0
	Total Amount of Hazardous Waste Discharge (tonnes)	1,894						
	Discharge Density of Hazardous Waste (tonnes/revenue of RMB10,000)	0.000085						

[8] Please refer to Note 5 for explanation on waste disposal.

[9] Including office furniture, gardening wastes, metal, glasses, and batteries.

[10] Including wasted computers, grease trap waste, plastics, and wasted oil.

Green Leases

The Group actively explored green lease modes and made an agreement with the tenement through lease contracts. We even proposed a series of action initiatives of environmental protection-related obligations and public relations matters to tenants and worked with them to protect our green earth together. Contracting parties committed that environmental management is integrated into daily operation, including:

- The obligation of green environmental protection to clearly distinguish between recyclable and non-recyclable waste for daily waste;
- Conducted cleaning and classification for kitchen wastes recycling;
- Used of energy-saving lamps, zone configuration power switch and promoted the concept of energy conservation;
- Actively participated in activities related to greening and ecological improvement.

Rental Housing "Goyoo" has already signed *the Goyoo Household Convention* with tenants for water and electricity saving initiatives and posted *Energy Saving Tips* on the public areas to improve the energy-saving awareness of tenants, rationally use lamps and lanterns and foster a habit of saving water. In 2021, 146,000 tenants have been signed Household Convention with Goyoo to constantly promote green environmental protection and sustainable development.

Regarding commercial building users, we actively promoted green and sustainable leases and formulated guidance for sustainable decoration.

Ecological Environmental Protection

As a member of a global community of life, we are highly recognising the importance of a healthy ecological natural system for a stable climate, human wellbeing, and sustainable development. In this connection, we developed the *Biodiversity Framework* to ensure a shared version of living in harmony with nature.

Ecological Evaluation	· During the business development stage, we fully considered land functions and national and local laws and regulations, and policy requirements to evaluate the environmental situation, and adaptation of natural resources for the local community. Project development was implemented based on the principle of minimal ecological damage and controllability and actively engaged in ecological restoration and reconstruction. · Construction and development were conducted based on national and local laws and regulations, and policy requirements to comprehensively understand the background of project site selection and define the special plot boundary related to historical and cultural sites, ecological reserves, ecological land, cultivated land and related laws, and regulations. · Before the project construction and development, site surveys and inspections were conducted with local governments to develop an environmental impact assessment and ensure 100% reaching the standard.
Threat Reduction	· Construction methods with smaller impacts on the surrounding environment during construction are adopted to reduce the change and damage to the original environment of the site and avoid the secondary pollution to soil, water and atmosphere while restoring the ecosystem. · Evaluated the impact of construction and operation on ecological species and only conducted projects with controllable effect and took measures to recover the living environment for native flora and fauna based on the actual situation and meet the ecological requirements of flora and fauna for the local community.
Managed and Shared Knowledge	· Enhanced the protection of traditional knowledge to understand more about traditional knowledge on the contribution to the protection and sustainable use of biodiversity. · Facilitated the scientific education and knowledge of biodiversity.
Promotion, Recognition and Understanding	· Learned and understood more about the value of biodiversity including related knowledge, value, and methods of indigenous peoples and local communities; · Promoted and built platforms and partners with media and civil society to share the successful news and lessons learned regarding the action of biodiversity.

Contents of *Biodiversity Framework*

We evaluated and supervised the environmental risk during business operation and took corresponding control measures to protect the surrounding environment and natural resources.

1 Planning and Site Selection Stage	2 Preliminary Preparation Stage	3 Development and Construction Stage
Comprehensively understood project selection and land background and followed the development laws and regulations of Law of *Land Administration, Nature Reserve Ordinance*, and *Urban and Rural Planning Law* and strictly protected redline of natural reserves, farmland, and cultural reserves.	Coordinated with environmental protection regulator to conduct an environmental impact assessment and identify the adverse factors including geological issues of the new project. The construction projects have reached 100 % of the environmental impact assessment standard; Evaluated the potential impact of construction development and operation on ecological species to select the controllable project.	Project construction development was implemented based on the principle of minimal ecological damage and controllability. Developed community communication and ecological compensation according to law, and actively participated in ecological restoration to meet the ecological requirements of flora and fauna for the local community.

Longfor Yantai Puti Bay project made use of aquatic plant to improve water quality

As the main water system of the project was artificially built and it is vulnerable to algal blooms even though there is an edge water system for cycling. To maintain the self-renewal of the water system, we have put into a large number of koi and grass carp and planted aquatic plants including water plants lotus, water lily, calamus, and reeds to improve the ecological system. Fish poop can provide nutrients for aquatic plants and aquatic plant roots can filter impurities and consume the nutrients of planktonic algae to reduce water algae as a way to form a good ecological balance with visual effects.

Modified Ecosystem

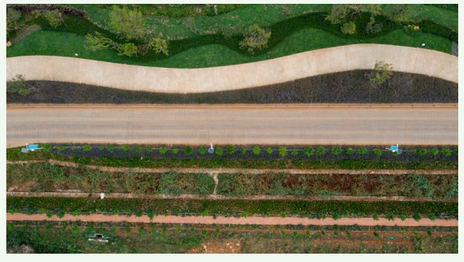
Longfor Group conducted ecological governance at the watercourse of Fuxian Lake

To preserve the ecological environment at the southern bank of Fuxian Lake, Longfor Group tailored a specialized plan according to the flooding and waterlogging in the rainy and flood season and implemented ecological governance projects to improve the local natural environment.

Longfor Group invited ecologists and hydrologists who carried out research suitable for this location in the rainy and flood season under the principle of preserving the local ecological environment. They performed research and formulated plans from the perspective of flood discharge and drainage, water purification, and ecological improvement. The Group introduced the following measures:

- In the rainy and flood season, we diverted some floodwater to minimize the flood-induced secondary disasters. In the dry season, we let the water accumulate. We employed the concept of "underwater ecological forest" and allowed the water in the watercourse to purify itself with the daily manual maintenance and monitoring;
- By properly combining aquatic plants of different kinds, a layered community structure was formed in the riverway. Meanwhile, we put in a certain amount of native aquatic animals to improve the food chain of the ecosystem. We also added micro-organisms and benthic fauna to develop a stable aquatic ecosystem similar to the original one;
- We utilized green, environmentally friendly water storage facilities to infiltrate and filter rainwater to retain more water and improve the utilization of water resources.

Over the years, thanks to Longfor's arduous efforts to recover and improve the local ecological environment, a 370-meter-long and 11-meter-wide eco-riverway has been in place. We have achieved remarkable progress in riverway ecological governance by addressing flood and waterlogging problems which struck this location three years ago.



Before and After the Ecological Governance

We are committed to the study of sponge cities to build an ecological environment with harmonious coexistence between humans and nature. In 2016, we took Chongqing as the pilot city to build sponge city and started to promote sponge residential and communities as a way to the rainwater storage and retention capacity of buildings and communities. Sponge buildings could bring great ecological value, which include:

Reduce the pressure of municipal pipelines through reduction of peak flow with detention and storage

Filtrate and purify the rainwater to reduce pollution

Collect rainwater to mitigate the shortage of water resources

Improve the environment of the community to elevate biodiversity

Improve the microclimate environment

Longfor Gaobeidian Railway City implemented the ecological concept of Sponge City

At Longfor Gaobeidian Railway City, under the concept of landscape paintings, we conducted the application of an ecological rainwater system through the development of filtration, retention, storage, purification, and utilization to integrate the concept of sponge city into the whole community as a way to realize the sustainable circulation of rainwater and add ecological materials and clean energy for use.

Our design team integrated the concept of sponge city into the whole community as a way to realize the sustainable circulation of rainwater and make use of rainwater to create a rainwater garden. We adopted organic materials for the pavement of the ground in a scientific way to speed rainwater penetration with the advantage of energy-saving and consumption reduction. An ecological grass ditch was designed in the middle of the site to collect, transport, and discharge rainwater, having a certain effect on rainwater purification.

In addition, Longfor Group creatively conducted the readable design of ecological display and education by installing a real-time interaction screen for introducing the sponge city system, temperature, humidity, and PM2.5 data of the whole community, greatly elevated the interactive experience of the community.

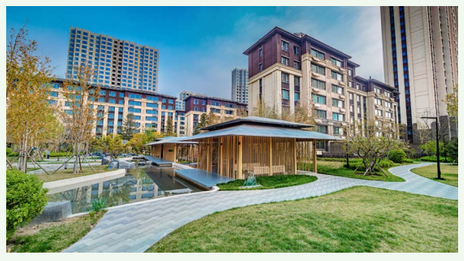
Longfor Gaobeidian Railway City

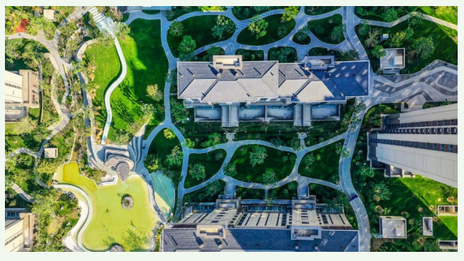
The annual carbon emission is reduced by

10,421.14 tonnes

On the basis of the national energy-saving standard of 75%, the project of energy saving was

69%

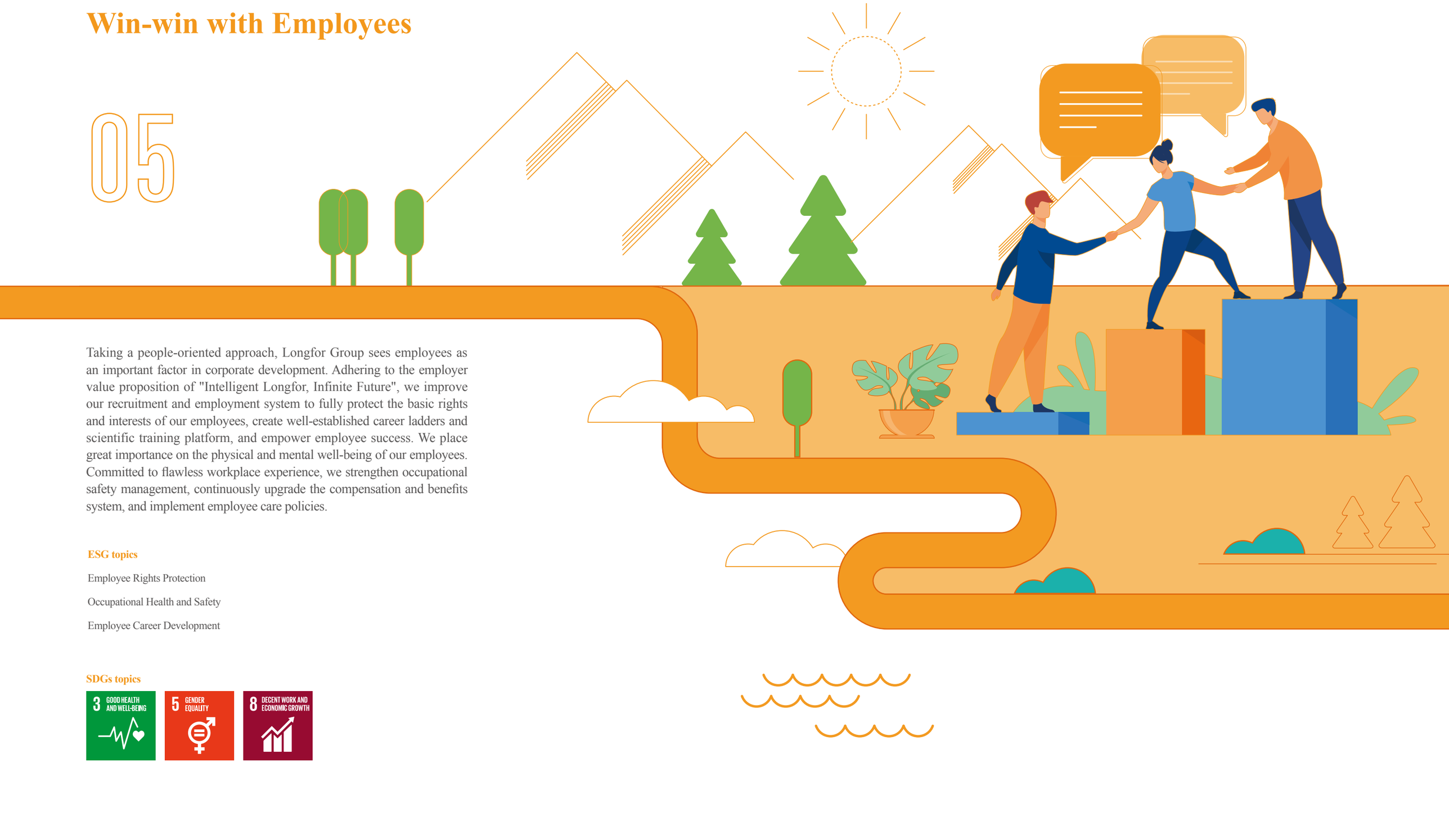




Longfor Gaobeidian Railway City

Human Orientation to Achieve Win-win with Employees

05



Taking a people-oriented approach, Longfor Group sees employees as an important factor in corporate development. Adhering to the employer value proposition of "Intelligent Longfor, Infinite Future", we improve our recruitment and employment system to fully protect the basic rights and interests of our employees, create well-established career ladders and scientific training platform, and empower employee success. We place great importance on the physical and mental well-being of our employees. Committed to flawless workplace experience, we strengthen occupational safety management, continuously upgrade the compensation and benefits system, and implement employee care policies.

ESG topics

Employee Rights Protection

Occupational Health and Safety

Employee Career Development

SDGs topics

Employment

Longfor Group adheres to legally compliant and equal employment. In strict accordance with the *Labor Law of the People's Republic of China*, *Labor Contract Law of the People's Republic of China* and other applicable laws and regulations, we developed the *Longfor Group Talent Recommendation Management Measures, Longfor Group Recruitment Channel Management Guidelines, Recruitment Manual* and other rules and regulations to regulate our recruitment efforts.

We resolutely oppose and prohibit any discrimination based on gender, ethnicity, region, belief, sexual orientation, among others. Longfor Group is a firm supporter of the standards and requirements of respecting and protecting human rights advocated by the *Universal Declaration of Human Rights* and the *UN Global Compact*. We ensure the basic human rights of employees are well respected and prevent human rights violations. Longfor Group adheres to equal pay for equal work for male and female employees and prohibits any form of discrimination at work. We encourage employees to report to the human resources department in the event of unequal treatment. The reported issues will be independently investigated by the internal audit department, and the management is responsible for follow-up and handling such issues, so as to protect the legitimate rights and interests of employees.

In 2021, Longfor Group was honored as Preferred Brand of China's Real Estate Employers for College Students.

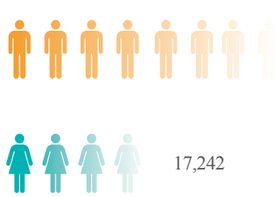
By December 31, 2021

Total number of employees

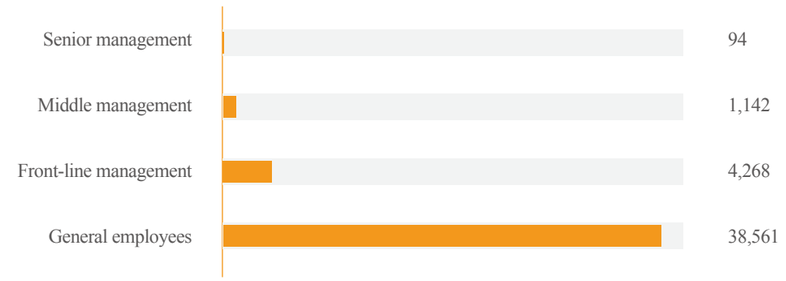
44,065

Longfor Group prohibits the use of child labor and forced labor. In 2021, we further strengthened recruitment management and the publicity of recruitment systems and requirements. It is prohibited to recruit individuals under 18 years old as regular employees. In addition, we ensured that all interns and dispatched workers were over 16 years old through the Bee Pie software.

Number of employees by gender

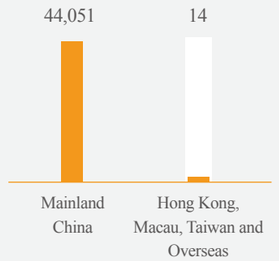


Number of employees by position



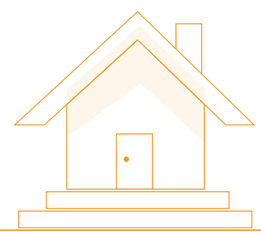
Number of employees by age

Number of employees by region



In 2021, the turnover rate of Longfor Group is as follows:

By Business Line	Turnover Rate
Real Estate Segment	22%
Other Segments	36%



Human Resources Development

Longfor Group focuses on employee development and is committed to supporting employees to maximize their self-worth. We have developed a complete career development system to support employees' personal development, design their promotion paths, and expand their career ladder. We have a scientific training system that tailors training plans to the needs of employees, helping them to grow into professionals as soon as possible.

Career Ladders

Longfor Group fully ensures equal opportunity in promotion for all employees. We have formulated rules and regulations such as the *Administrative Measures for Employee Seniority and Job Levels and Rules of Longfor Group Flowing Water Program 2021 Edition* to regulate promotion standards and promotion ladders. We have established a strong employee assessment system as the basis of promotion decisions. In 2021, Longfor Group launched "Cloud Assessment", a new employment assessment tool for more than 40,000 employees in all business segments. The tool provides six core functions, namely, performance review, promotion, interview, 360 evaluation, mutual evaluation, and one-on-one meeting. The tool integrates paper-based assessment efforts in a unified platform and profiles employees in a more comprehensive manner. It provides a thorough and objective basis for the assessment, development, transfer, and promotion of employees.

In 2021

Total number of employees in "Talent Flowing Water Program"

4,976

with an increase of

37%

year over year

We comprehensively assess the performance and potential of our employees to match the experience and abilities requirements to their posts. We thoroughly evaluate employee performance to make more fair and transparent promotion decisions. In 2021, we further upgraded our employee development and promotion system on the basis of the original, give an overhaul to the promotion interview mechanism, and developed online promotion interview tools. These efforts standardized the management of promotion processes, applied data-based management of promotion interview assessment, and supported employee promotion in all aspects.

Paying close attention to the diversified development of our employees, we launched the "Talent Flowing Water Mechanism" to encourage employees to take cross-regional, cross-business arm, and cross-functionality. Employees apply for new posts in the Talent Flowing Water Marketplace system, sit for interviews, and take transfers upon successful interviews. The Group will sustain the salary, benefits, and bonuses of Talent Flowing Water Program participants and award subsidiaries or business segments with excellent talent output contributions. In 2021, 4,976 employees participated in the Talent Flowing Water Program, registering a year-on-year increase of 37%.

Feedback of Talent Flowing Water Program Employees

Employee Training

Longfor Group is committed to fostering future-ready talents at all levels in all business segments. We have established a systematic and comprehensive training scheme and a variety of training directions and development plans to match different job levels and scenarios. To cultivate strong talents and teams, access to learning and development is ensured for employees at all levels. The training content includes the company's daily operation, health and safety, career development and other specific projects, and the employee coverage rate is 100%.

In 2021, Longfor Group demonstrated productive training efforts.

Total number of trainees

47,875

Total online training duration

1,660,996

hours

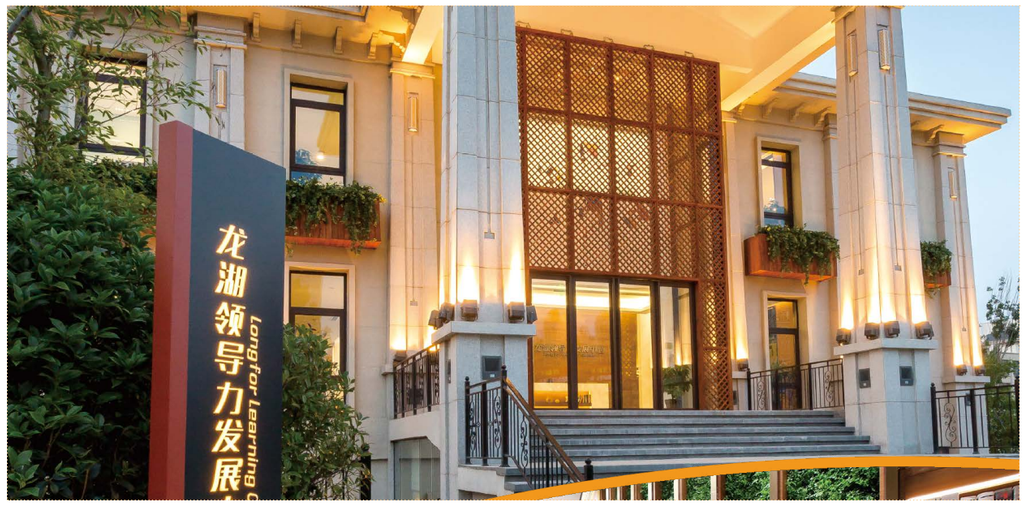
Total offline training duration

306,132.6

hours

Proportion and Duration of Employee Training in 2021 of Longfor Group

Training	By category		Percentage of trained employees	Hours of training per employee
Online training	By gender	Male	60.11%	35.98
		Female	39.89%	34.19
	By job level	Senior management	0.19%	7.74
		Middle management	2.30%	27.43
		General employees	97.51%	35.61
Offline training	By gender	Male	61.07%	7.28
		Female	38.93%	5.04
	By job level	Senior management	0.40%	28.44
		Middle management	3.56%	19.77
		General employees	96.04%	6.39



Longfor Learning Center

In 2021

Face-to-face leadership training sessions

83

Total number of trainees

2,004

Longfor Group has a comprehensive leadership development system in place for senior managers, which provides continuous training on strategic management, organizational management, innovation management, personal leadership and awareness. We organized unified training for newly appointed regional general managers so that they can quickly understand their core responsibilities and management requirements. In 2021, we carried out a number of exchange events for regional general managers to learn from each other, where they summarized their own best practice regarding key topics such as strategy, investment, business layout, product strength, and human resources management and shared their cases with each other. The events allowed senior managers to teach and learn from each other, thereby rapidly improving their management capabilities.

In 2021, to further enhance the leadership skills of managers at all levels, the Group organized 83 face-to-face training sessions, covering 2,004 employees.

Innovative Thinking Camp to stimulate creativity in managers

Longfor Group attaches great importance to strategic thinking and innovative thinking of managers. In 2021, we launched a three-month "Innovative Thinking Camp" starting on September 10, 2021 and closing on December 28, 2021. The project was a combination of online and face-to-face training. It broadened the horizons of participants and fostered their innovative thinking by encouraging them to complete innovative tasks, which highly enhanced their team management skills. The project benefitted a total of 96 middle managers.

Innovative Thinking Camp Activity Silhouette

Over the years, we have taken active steps to create a strong campus recruitment brand and improve our training scheme for new graduates. We have cultivated a number of top-performing talents through the Longfor Management Trainee Program (MT Program) and Longfor Bloom Program, who have made outstanding contributions on their posts.

By the end of 2021

Batches of the management trainees

17

Longfor Management Trainee Program

Longfor started the MT Program in 2004. Over the years, adhere to the philosophy of elite recruitment, we have been handpicking elites from prestigious universities in China and abroad as future middle and senior managers. The MT program enables graduates from top universities to grow and accumulate experience at a robust pace.

In 2021

Talents in the Bloom Program

833

Longfor Bloom Program

Dedicated to new graduates, Longfor Bloom Program is designed to train sales professionals with cross-industry, cross-sectorial skills for the Group. In 2021, the Group integrated the Bloom Brand, integrated channels and systems in talent cultivation, and trained a large number of cross channel composite sales talents for Longfor group.

Longfor Group places emphasis on cultivating the professional competencies of employees. Professional training has been carried out at each business segment. We have developed more than 400 learning maps to suit different positions. Our system automatically assigns learning plans to new employees at the time of onboarding. Moreover, we have independently developed more than 6,000 online courses. In 2021, we carried out more than 1,700 live streaming sessions to improve the professional competencies of our employees in an all-round way.

Professional Competency Training by Business Segment in 2021

Property Development:

In 2021, 144 newly appointed project managers received a total of 3,456 hours of training; a total of 2,730 hours of training regarding project operation strategy engaged 340 staff.

Commercial Investment:

The Group organized 11 training camps for hard-core staff in business opening. The training clarifies the important tasks and milestones in the business opening, and identifies the direction for team work; Each functional department sorted our 236 professional courses, and 17,348 people completed their training and continuously improved their professionalism.

Rental Housing:

The Goyoo Academy carried out 126 live streaming courses and face-to-face projects such as "Project Fei Long Project" to continuously select top-performers and strengthen their professional competencies.

Space Service:

The "Space Service: Quality Control Elite Camp" was organized to consolidate the fundamental skills of quality control engineers. The online sessions covered 3,381 employees and has benefitted 12,081 person-times so far.

Housing Agency Service:

The Group's online learning, including 514 courses, is available to all employees with an overall roadmap for asset advisers; 38 cultural thematic activities were held offline for 772 employees, which untied and stabilized team members, and established a positive work atmosphere. In addition, 12 sessions of "Leading Talent Camp" were held for 449 employees, which increased hard-core staff' performance by inspiring them.

DT&AIOT:

The Longfor "Hackathon and Coding Competition" organized 10 competitions, engaging 2,500 participants, and 20 outstanding submissions was selected. The coding events stimulated the innovative thinking of our employees.

In 2021

Total number of employees in "newly appointed project managers training"

144

Professional courses in commercial investment

236

"Cultural thematic activities" in housing agency service

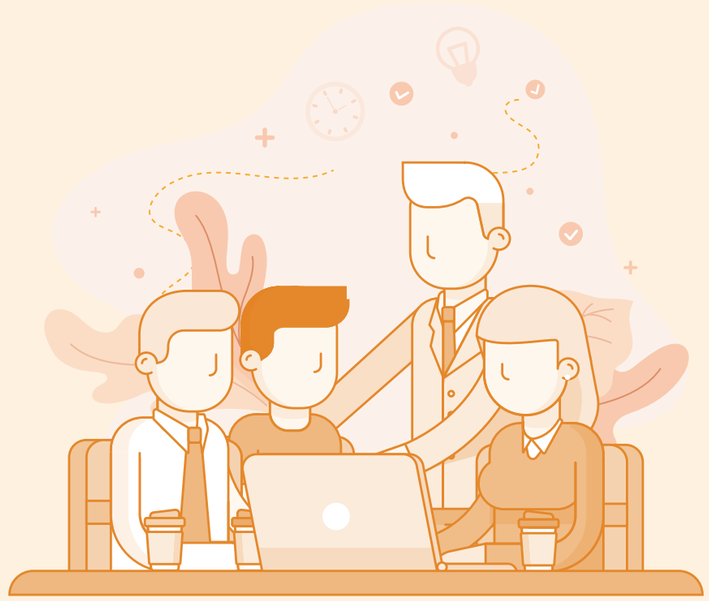
38

Training of the Longfor Bloom Program

Employee Incentive

Longfor group attached importance to the value dedication of every employee. We have developed and enacted a talent incentive policy to reward outstanding employees. Recognizing and motivating excellent employees not only continuously improves the performance level of all employees, but also promotes the achievement of organizational performance objectives.

In 2021, we revised and enacted the *Longfor Group "Power of Role Models" Instant Incentives Management Measures 2021 Edition* to reward model employees, especially teams and individuals that made outstanding contribution to the delivery of Objective-Key Results (OKR) and showed fidelity to our corporate values. Furthermore, we encourage regional branches to develop their own instant incentive policies in addition to the Group's policies. These incentives have played an effective role in promoting entrepreneurship, continuously improving organizational ability and building the core competitiveness of the organization. At the same time, they have also effectively set an example around employees and promote upward force.



Employee Benefits

Longfor Group provides employees with a heart-warming workplace experience. We listen to the voices of employees, cares for and supports employees in difficulty, and provides employees with a well-established compensation and benefits system. We attach great importance to the physical and mental well-being of our employees and are committed to improving employees' sense of happiness and content by helping them maintain work-life balance.

Cultural Construction

In 2021

Total number of employees in "culture thermometer"

134,019

Employee engagement score in 2021

83 %

To promote cultural construction, we uphold "one mission, four core values, and ten principles" as our direction and driving force. We developed a lightweight online tool named "culture thermometer" for managers and employees to evaluate organizational culture as a self-check mechanism. In 2021, a total of 134,019 employees participated in the "culture thermometer" tool, while "integrity, entrepreneurship, and openness to change" became the key words in our corporate culture.

Longfor Group adheres to business diversification and innovation. As a mission-driven group that thrives on entrepreneurial spirit, we embed our corporate culture in all business segments and functions and encourage them to practice the entrepreneurial spirit in their own ways, thereby enriching our corporate culture. In addition, we have set out a series of cultural construction measures characteristic of Longfor Group on "communication and promotion", "implementation and inheritance", and "self-reflection and inspiration".

As we continue employee communication, we listen to the voices of employees to understand what they need. "Longfor BBS" was established as an internal forum for employees to make comments and suggestions on equal ground. We encourage employees to offer constructive comments based on facts and give feedback in an unbiased manner. In 2021, we launched an annual employee engagement and satisfaction survey, which enabled us to keep abreast of employees' honest opinions and help them address their problems. According to the survey, which covered 100% of our employees, Longfor Group scored 83% in employee engagement and 80% in employee satisfaction, leading the real estate sector in all dimensions.

Compensation and Benefits

In 2021

"One million hospitalization medical insurance plan" for employees' family members, with a maximum amount of

RMB 1 million

Longfor Group employs a merit pay system. We provide employees with diversified, competitive compensation and comprehensive benefits to improve employee satisfaction.

Vacation Benefits

We have formulated rules and regulations such as *the Group Staff Attendance Holiday Management Measures* to ensure employees' entitlement to their annual leave, sick leave, marriage leave, personal leave, maternity leave and other holidays;

Annual Physical Examination

Longfor Group provides one-stop physical examination service for employees each year. The service is also available to the family members of our employees at a discounted price;

Commercial Insurance

We continue to improve our commercial insurance plans and select premium-quality lifetime critical illness insurance and senior cancer insurance products for our employees. In 2021, to better meet the needs of our employees, we offered the "one million coverage hospitalization insurance plan" as an elective option for the family members of our employees. The plan provides an insurance coverage of up to RMB 1 million and covers traditional out-of-pocket medicines and imported medicines. In addition, we draw on our Mutual Aid Fund and commercial insurance plans to support employees living in poverty due to critical illnesses in their immediate family members or major accidents in their lives, backing them up and helping them overcome difficulties.

In 2021

Telephone and face-to-face counseling sessions

335 ppl

Online and face-to-face lectures

13

Psychological Counseling

Professional counselors are engaged to support our employees and their families in stress at work, emotional management, career planning, marriage, and parent-child relationship in online and face-to-face formats as part of our Employee Assistance Program (EAP). We also provide lectures on psychological well-being that are tailored to the characteristics and needs of regional branches, supporting organizational development and reform from a psychological perspective.

Long Service Rewards

In 2021, Longfor Group granted long service rewards to employees that have been with the Group for 10 years and 20 years in appreciation of their dedication over the years.

In addition, our benefits cover holiday gifts, paid sick days, green channel for critical disease, discount on house purchase, among others. We empower employees to select benefits that suit their needs.

Da Tong Yuan Employee Care Program

In November 2021, Longfor Group launched the "Da Tong Yuan Employee Care Program" exclusively available to our employees. The insurance plan aims to support employees and their families to overcome hard times when they suffer from any diseases or accidents. The plan is available to regular employees and dispatched workers at Longfor Group and Longfor's ecosystem enterprises. Employees may apply for the insurance within 10 calendar days after the middle of the year, the end of the year, or the date of employment confirmation. At a monthly premium of RMB25, the plan provides each employee and his/her spouse and children with a cumulative coverage of RMB3 million. The plan serves as a powerful supplement to the social security system, effectively protecting our employees and their families from the burden of medical expenses.

Da Tong Yuan Employee Care Program

Employee Engagement Activities

Longfor Group believes in "work-life balance" and carries out a variety of employee engagement activities to this end. For example, we organized the "Women's Day Festival", Rice Dumpling Competition, Spring Festival Couplets Celebration to celebrate holidays with employees. In the middle of each year, we organize team building activities for employees to enjoy themselves and get along better.

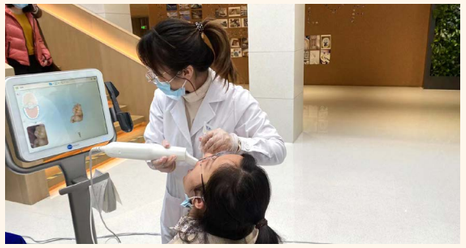
Staff Activity Scene

Special Activities on International Women's Day (March 8) to Protect Woman's Health

As International Women's Day was around the corner, Longfor Group held a series of activities such as "Health Market" and "Health Care Lecture". Those activities are rooted in female employees' actual needs and designed for women's physical and mental health, to make the festival more worthwhile.

Health Market

A mouth scanner, the advanced oral technology, was prepared for female employees for teeth check-ups at the site and produced the report in five minutes. The Qianliyan-Yingyan, an AI-based fundus medical screening system, also helped detect retinal-related chronic diseases for them at the early stage and they even could turn to the doctor to interpret the results. We have also arranged health consultations on common female health issues, cosmetics, and childcare to timely detect and treat potential health hazards, answer their questions, and improve their happiness and satisfaction at work and in life.



Oral Health Check-Ups

Health Care Lecture

The activity provides comprehensive lectures on "weight management", "thyroid screening", and "cervical &breast cancer screening" to help female employees protect their health and safety with medical knowledge and lead a better life.

On-site Health Lecture

Group Photo at the Activities

Longfor Group has been caring for female employees and strives to offer more benefits for them in the future. The Group practically creates a warm work atmosphere.

Longfor Puti Lecture Hall

In 2021, Longfor Yantai Leadership Development Center held a Longfor Puti Lecture Hall in different sessions. Each session shared different themes of knowledge and examples at work and in life to employees to empower their professional ability and comfortable life, creating a Longfor-styled dynamic work environment. We cared for every female employee and Longfor Puti Lecture Hall also carried out exclusive care activities to help every female employee become a better person.

The 63rd session - Longfor Puti Lecture Hall

On January 23, 2021, Haihang, a celebrated makeup artist and international stylist, identified and stressed their charm in terms of makeup, hairstyle, and dressing style to help female employees create new appearances in the new year.

Created New Appearances for Employees in the New Year

The 67th session - Longfor Puti Lecture Hall

On June 5, 2021, Mr. Gong Zhenyun, a senior wardrobe manager and senior space planner, shared the easy sorting and tidying technique suitable for Chinese families. She also practiced the skills of tidying household items such as clothes, bedding, shoes, and bags to teach how to create a clean and refreshing living space.

Shared Tidying Techniques in the Lecture Hall

Safety and Health

The Group always puts the employees' safety and health as the top priority, and continues to improve the safety management structure and policies. Meanwhile, in order to strengthen project's safety operation management and construction safety management, the Group has carried out various safety hazards investigation, safety management and construction workers safety awareness trainings to eliminate the hidden dangers to ensure the safety and health of all employees.

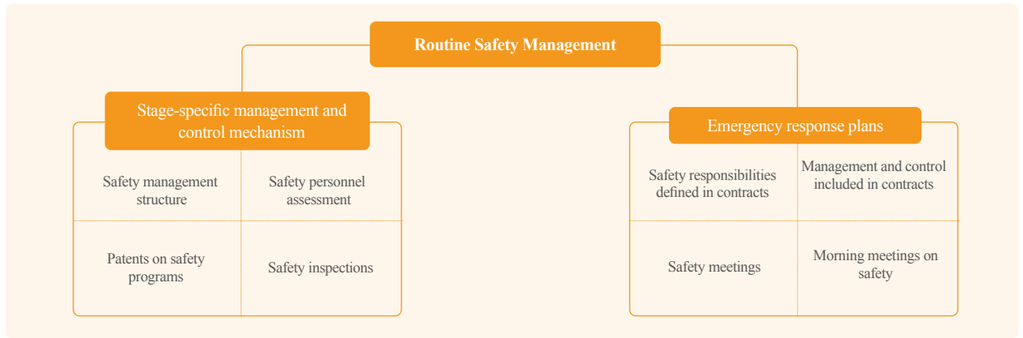
Safe Production Management

The Group always adheres to "safety first" as the core, strictly abides by the *Work Safety Law of the People's Republic of China*, *Construction Law of the People's Republic of China*, and the *Administrative Regulations on the Work Safety of Construction Projects*, and continues to improve the safety production management system. We set up safety management positions at both Group level and regional companies to clarify the subjects of safety responsibility and supervise the implementation of daily safety management measures.

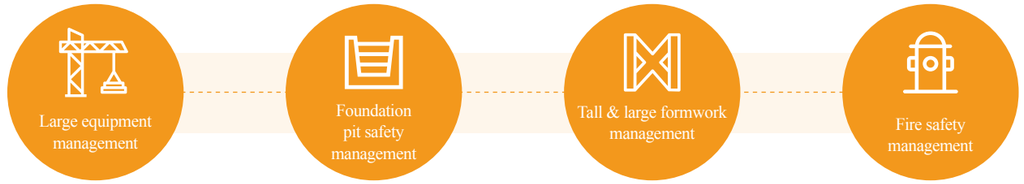
As of December 31, 2021, no serious injuries or above and safety production accident occurred in the Group throughout the year, and the number of work-related deaths and serious injuries was 0,and the lost days due to work injury is 0.

We continue to optimize the safety management structure and promote the construction of our safety management system. Guided by the goal of "obtaining high satisfaction while keeping the bottom line", each regional company with more than 3 projects under construction or a construction area of over 500,000 m^2 was staffed with at least one professional and full-time safety management personnel in 2021, further improving the safety control of the Group and regional companies.

The Group developed a three-level safety management system, namely Group-level, regional company-level, and project-level. To ensure construction compliance, construction staff need to receive training and passes the assessment, construction projects are examined at acceptance with compliance with rules and regulations strictly enforced, and evaluation is conducted after completion. We developed internal rules and regulations such as the *Longfor Group Construction Safety Management Measures for Projects Under Construction, Longfor Group Safe and Civilized Construction Management Standardization Atlas*, and *Longfor Group Engineering Safety Management System* to clarify management requirements and responsibilities in details and standardize management behaviors.



Major Hazard Management



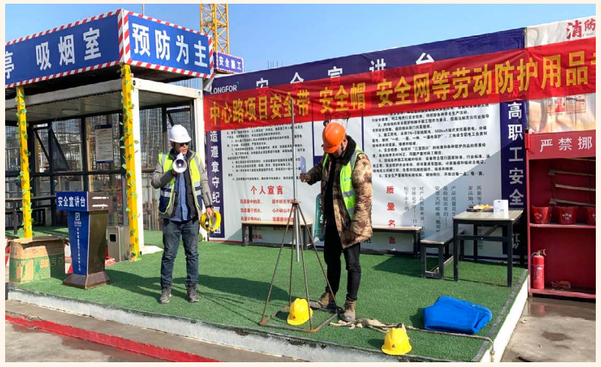
The Group has established a "Star and Punishment" mechanism and clarified punishment rules for non-compliance behaviors in safety management to encourage regional companies improve their on-site safety standards. Projects triggering 3 or more major safety risks in a single construction phase will be shut down and those triggering one or two major risks must be rectified in specified time by the engineering departments and points should be deducted in their safety management assessment. Meanwhile, we propose various management systems and measures from multiple perspectives to further improve the safety management workflow.

Personal accountability	Assign dedicated safety officers and incorporate their responsibilities into the management behavior management scheme throughout the project life cycle.
Contract management	Clearly define safety management standards and requirements in the contract for the implementation of the Standardization Atlas.
Safety education	Provide safety education during morning meetings; promote the safety self-examination routine and morning meeting on safety to all projects.
Safety meeting	Every month, each regional company holds management meetings to report the safety construction situation and monthly safety specific meeting
Safety inspection	Upgrade third-party safety inspection with updated inspection items and clearly defined key risk factors.
Management of major hazard sources	Clarify the four risk management standards and principles, include tall & large formwork, fire safety, and deep foundation pit management requirements into the existing system.
Main responsibility management	Prioritize main responsibility risk management, develop management checklists, increase safety inspections frequency, ensure talent reserve, etc.
Red-line items management	Optimize and adjust 9 red-line items, clarify the content of management, and incorporate all red-line items into the reward and punishment program.

Ensure Safe Construction

The Group carried out multiple safety inspections in 2021 to ensure safe construction and prevent risks of incidents. We examined all on-site equipment including tower cranes and construction hoists in accordance with the *Safety Standards for Lifting Devices and Equipment*, checked all hidden dangers and proposed proper suggestions for rectification. We also informed relevant regional companies for rectification in time and followed up on the rectification results. The safety inspection results were announced within the Group on a monthly basis.

The safety helmet rectification plan of Fuzhou Company



On-site Inspection on Helmets

In December 2021, Fuzhou company held inspection and rectification on the safety helmet wearing of employees in each project, focusing on the quality and use of helmets. The protection function of helmets was tested on site and the results were reported to the WeChat group every day. Inspectors criticized and taught those who did not wear helmets as required and replaced unqualified helmets with newly-purchased ones. We will also strengthen our safety management on helmets in the future.

The Group keeps raising construction workers' awareness of safe construction by organizing safety empowerment trainings and activities like "Hundred Days of Safe Construction", "Safety Production Month" and "Fire Fighting Month". We further promote the implementation of the main responsibility of safety production at all levels, comprehensively improved employees' safe operation competence, emphasized the management and control of safety risks, enhanced the safety management of units at all levels and effectively prevented various incidents.

Special activities of "Hundred Days of Safe Construction" organized by regional companies

In November 2021, regional companies of Longfor Group carried out special activities themed as "Hundred Days of Safe Construction" to achieve the goal of "obtaining high satisfaction while keeping the bottom line" based on their actual business status. The companies aimed to eliminate hidden dangers, prevent incidents and control safety risks through the activities, which focused on topics such as hazard inspection and management, safety empowerment training and hazardous operation reporting. We put emphasis on the management and control of large equipment, foundation pit safety, high formwork, high-altitude construction and firefighting during the activities and checked all red-line items to strengthen risk management and control in the construction process.

Activity of "Hundred Days of Safe Construction" at Changsha Company

Starred construction site created by Jing Lin Longfor Mansion Project

To guarantee safety in all construction procedures, Jing Lin Longfor Mansion Project created safety production responsibility scheme and appointed the project manager to be the chief responsible person for safe production. Meanwhile, we signed safety management agreements with the general contractor, contracting companies, project departments and sub-contractors, which provide safety management with regulations and responsible people.

- Formalized safety channels: Coupler-type steel tubes and double-layered protective sheds are used in entrance safety channels and living areas. On the top of protective sheds, there are reliable double-layered protections, preventing people from hurting due to materials falling.
- Pre-fabricated formalized fences: Formalized protective railings are installed on the edges of foundation pits and along the roads; and pre-fabricated formalized fittings are installed along stairs.
- Formalized protection doors for elevator wells: Multiple layers of pre-fabricated formalized protection doors, which are made of square tubes, were used to guard elevator wells.
- Dust control: PM2.5 dust control testers are installed on construction sites with a flushing tank with automatic vehicle sensors and a special person being appointed to record the flushing of vehicles driving in and out. On the roadside, circular-connected atomization dust sprayers are set, and on the tower cranes, the de-dust systems (remote-control sprayers) are installed.
- Rear service and firefighting: Firefighting pump room and explanation platform for safety technologies and quality techniques are set, to fully guarantee the firefighting safety on the construction site.

Formalized Safety Channels

Pre-fabricated Elevator Protective Shed

Formalized Firefighting Pump Room

Explanation Platform for Safety Technologies and Quality Techniques

Longfor Group makes full use of its advantages of technologies and keeps exploring the safety practices of smart construction and smart sites. We fully upgraded the automatic monitoring system for deep foundation pits in 2021, which could monitor 21 items, including 14 required and 7 optional ones, and allowed us to identify risks in real-time with high data accuracy. It avoided the pain points of data forgery and untimely reporting of risks, and greatly improved our overall security management level and the reliability of data management.

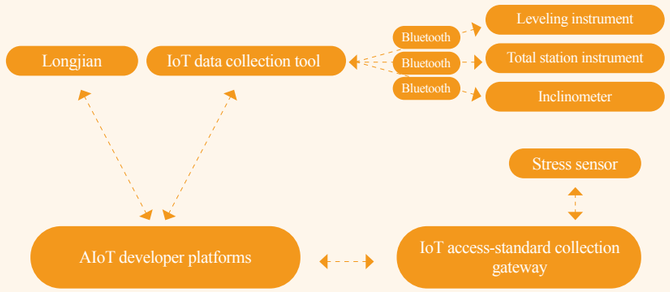
The POC pilot project for automatic monitoring of deep foundation pits launched by Wuhan Binjiang Paradise Walk

The automated collection terminal solution

We conducted tests on the settlement of the top of the enclosure piles and the crown beam, the horizontal displacement of the deep layers of the enclosure piles, and the settlement of the water level at the periphery of the foundation pit. The monitoring data collected automatically and manually was compared to reduce risks and minimize loss.

The App + Bluetooth solution

In order to verify the reliability and accuracy of the new technology, we applied the IOT tool to test the monitoring data (horizontal and vertical displacement) of the total station instrument, leveling instrument, and inclinometer collected through Bluetooth.



The Verification Process

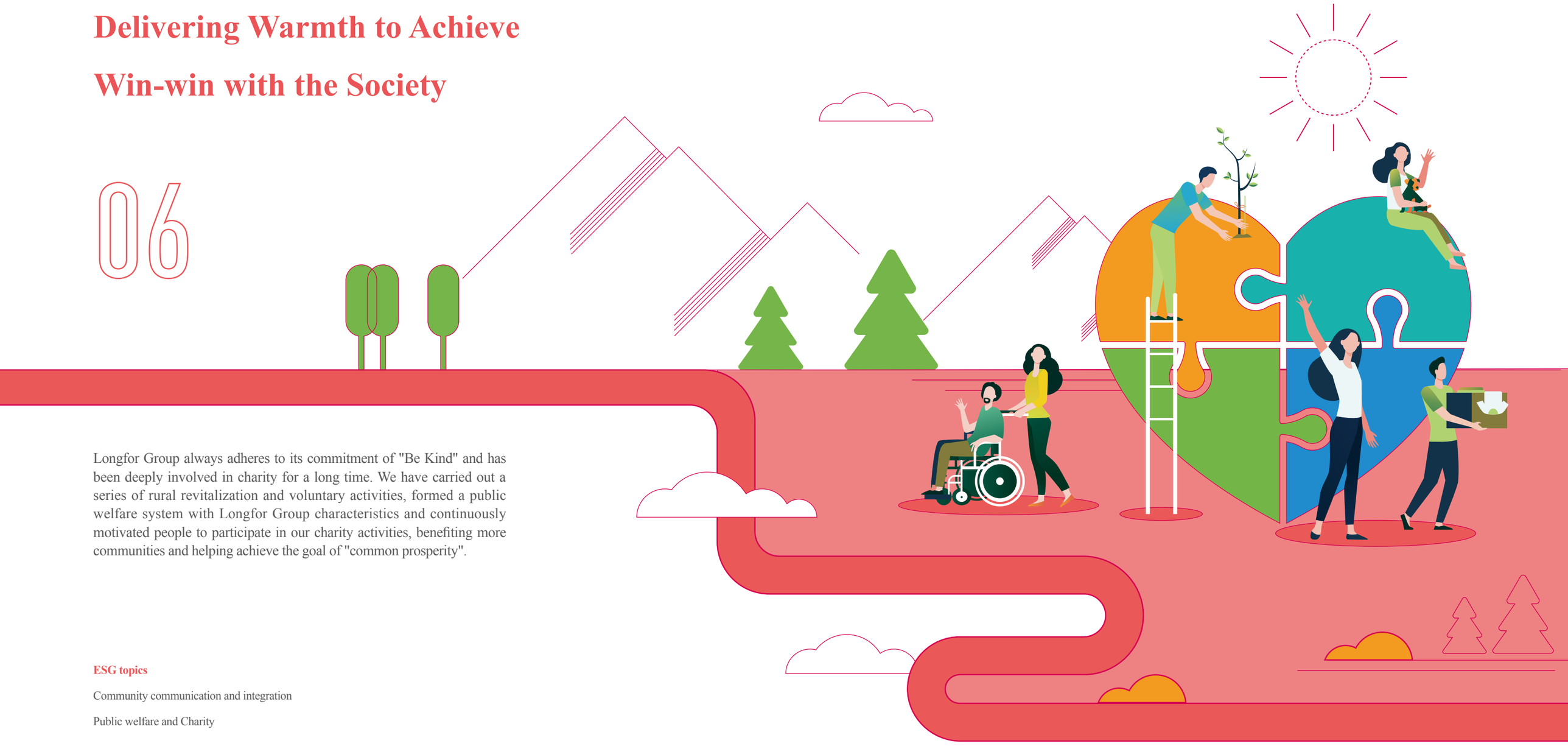
We launch automatic monitoring of tower cranes, use sensors to collect tower crane operation data, hook visibility, and real-name management of operations in real time to get timely warning and reporting of risks, and evaluate tower crane use to standardize operation behavior to enhance safety. The Group also empowers safe construction with AI and big data and detects whether employees are wearing helmets and reflective clothing through CV (Computational Vision). We have established an intelligent hardware team and developed a smart helmet, the first smart hardware of Longfor, which will try to monitor the health conditions of construction workers to ensure safety all the time.

The Smart Helmet of Longfor

The Group attaches great importance to and spares no efforts to guarantee its employees' health and strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, Occupational Health and Safety Management System Certification* and other laws and regulations. We have established a targeted employee health and safety management system and successfully obtained Occupational Health and Safety Management System Certification (OHSAS 18001). For people involved in engineering construction, the Group provides them with personal safety protection equipment and labor protection equipment that meet national standards for occupational disease prevention. In addition, the Group creates a healthy working environment for those working in offices by adjusting the best indoor temperature, ventilation system, air quality and lighting. During the epidemic, we tried our best to do all kinds of protection work to ensure the health and safety of everyone in Longfor Group. The Group purchased masks, infrared temperature guns, and other materials at the earliest time and dispatched them to front-line positions on time. We also installed thermal scanners at the office building entrance and disinfected and sterilized all workplaces to guarantee the life security and health of all employees.

Delivering Warmth to Achieve Win-win with the Society

06



Longfor Group always adheres to its commitment of "Be Kind" and has been deeply involved in charity for a long time. We have carried out a series of rural revitalization and voluntary activities, formed a public welfare system with Longfor Group characteristics and continuously motivated people to participate in our charity activities, benefiting more communities and helping achieve the goal of "common prosperity".

ESG topics

Community communication and integration

Public welfare and Charity

SDGs topics

Longfor Foundation

In 2021, Longfor and founder donated

RMB 416 million

Welfare and charity activities

9,000 hours

Values

Build up upon conscience, cohesion, continuity and altruism

Vision

Charity is simple and can be experienced

Mission

Lighten up lives and brighten up the spaces for a moment

With the vision of "Charity is simple and can be experienced", Longfor Foundation will attract and motivate more employees, customers, partners and warm-hearted people to involve in public welfare activities through its influence and practice and promote the development of public welfare undertakings of China.

Longfor kept an eye on the pain points of the society, delivered positive values and motivated the society to participate in public welfare activities regarding rural revitalization, protection against Covid-19 and disaster relief, receiving wide recognition from the society.

Philanthropy Times

Best Charity Model in China of 2021 by China Philanthropy Times

China Benefit Company

Outstanding Enterprise Award for Public Welfare and Charity

The Highest Government Prize in Chinese Philanthropy

The 11th China Charity Award

Longfor Group was honored as "Enterprise of Kindness of 2021"

On December 16, 2021, Longfor Group won the honor of "Enterprise of Kindness of 2021" at the awarding ceremony for Enterprises of Kindness held by Jiemian News of Shanghai United Media Group.

The award was initiated by Jiemian News in 2016 and has received attention from over 1,000 enterprises over the past five years and made a difference in public welfare and corporate social responsibility. Based on the four dimensions of sustainability, effectiveness, participation and influence, with corporate social responsibility as the core, Jiemian News looks for representative companies and cases of kindness and encourages companies to solve social problems with business models. Longfor Group was given this honor for it had been adhering to the culture of "Being Kind" in line with the concept of this award and it had been kind to the customers, environment, employees and the society, and spreading positive values.

Award Ceremony of "Enterprise of Kindness of 2021"

Rural Revitalization

Longfor Group proactively responds to the national rural revitalization strategy and utilizes its own industrial advantages, conducts in-depth cooperation with social organizations, governments, schools and other institutions, and carries out systematic projects in various fields such as children's health, education, and entrepreneurship.

The Xinya Project

As a reserve force for rural revitalization, the healthcare of rural children is one of the long-term priorities of Longfor Group. In order to improve the medical services and ensure the healthy growth of children in rural areas, Longfor Foundation launched the Xinya Project (referring to flourishing buds in Chinese) in March 2021, which tried to find systematic solutions to five core problems in children's healthcare, especially for those in less developed areas. Let children "early detect and treat, and can be treated without leaving the province".

Free healthcare services	• Offering free physical examination and major diseases screening for children in less-developed areas; • Inviting experts to check children's health and solve difficult cases; • Holding healthcare education activities.
Assistance for major diseases	• Offering medical assistance to those with major diseases such as congenital heart disease, cardiovascular diseases, tumors and so on.
Cooperation with advanced hospitals	• Jointly offering medical resources with 3A hospitals.
Training for primary pediatricians	• Offering short-term lectures and job-shadowing opportunities to grass-roots pediatricians to local health.
Volunteer activities	• Organizing volunteers to visit families with ill children and offer help.

In 2021

Training sessions to medical staff

200 ppl

Assistance children with major diseases

250 +

As of December 31, 2021, Longfor Foundation, together with Ai You Foundation, has provided healthcare services and health knowledge education to nearly 6,000 children, training sessions to 200 grass-roots, and assistance over 250 children with major diseases, covering Chongqing, Henan, Yunnan, Qinghai, Shenzhen, Zhejiang, Shanghai and Jilin province, etc.

Major Disease Screening Event for Children in the Southwest China

The Public Welfare Project for Children's Healthcare in Chongqing officially launched

In March 2021, the "Public Welfare Project for Children's Healthcare in Chongqing", initiated by Longfor Foundation, Ai You Foundation and Children's Hospital of Chongqing Medical University, was officially launched to help seriously ill children get treated effectively. Since the launching of the project, Longfor Foundation has provided free healthcare services to children in urban areas in Chongqing and offered medical assistance to children with serious illnesses in poor families. Besides, we also offered professional training sessions for grass-roots pediatricians in six counties in Chongqing to help children get early diagnosis and treatment within the city.

Children's Free Clinic Screening and Doctor Training Activities in Chongqing

Hospital Visits on International Children's Day

Home Visit of Children in the "Xinya Project"

The Huguang Project

The Group has been paying close attention to the education of young people in rural area and carried out public welfare activities to promote the effective supply of high-quality human resources in rural areas and drive rural revitalization. Longfor Foundation launched the "Huguang Program" with famous teachers, experts, scholars, and public welfare industry resources in 2021, which provides assistance to education by offering students with high-quality education resources, training teachers and improving education management.

	Systematic training	Empowerment from the outside
Chengzhi Talent Program Student Oriented	• Offering high-quality education resources including building education databases, providing curriculum and organizing summer camping programs;	• Cooperating with advanced schools and providing excellent students with opportunities to study in these schools such as selecting 30 students visiting TUHS in winter and summer holiday for 5 years;
Teachers' Career Development and Encouragement Teacher Oriented	• Motivating teachers to study on their own and providing them with advanced concepts, mental health training to improve their professional skills; • Establishing subject teaching and research groups in targeting region;	• Offering teachers with chances to study from and exchange with teachers in other advanced schools
Management Training for Administrators Management Oriented	• Improving the management skills of administrators from the viewpoint of an enterprise, proposing suggestions for school development and inviting experts to hold lectures.	• Inviting administrators to advanced schools for study

As of December 31, 2021, the project has provided quality education for 3,422 students in rural areas and sent excellent students to TUHS for further study. We also provided training sessions for 1,113 teachers in rural areas and shed light on the management concepts and methods of principals and leaders of 30 rural schools.

Support of Students - Liangshan Private School Development Incentive of Teachers - Rural School Support Project

Longfor Foundation offering the first management training session to schools in rural areas

In October 2021, Longfor Foundation launched the first management training session for schools in rural areas. We invited principals and main administrators of 30 rural schools to Beijing to take the training classes after doing surveys and studying cases at home and abroad. The session included enterprises visits, leadership training and school development planning to provide the school administrators with innovative methods and enhance their management capabilities.

Longfor Foundation also cooperated with well-known primary and secondary schools to provide management training for rural school administrators through job shadowing. In such way, administrators from rural schools could get insights to the campus culture and discuss operation concepts with partners, which could be used in the future management and development.

The First Management Training Session for Schools in Rural Areas

Chengzhi Talent Program helping cultivate talents for less developed areas

In December 2021, Longfor Foundation announced that it would donate RMB10 million for the "Chengzhi Talent Program" through China Guangcai Foundation. We would work with Tsinghua University High School and select 30 excellent students in the 7th grade from schools in less developed areas to study in TUHS in winter and summer holidays for five years. TUHS would focus on broadening their horizons and offer them courses on subject knowledge, humanistic research, scientific expositions and comprehensive practice, so as to stimulate their enthusiasm for learning. Besides, Longfor Group would also provide free training classes to 30 to 50 teachers in each subject for the areas and invite principals and administrators to education forums to empower teachers and enhance the management of local schools.

The project was expected to cover nearly 100 schools in 15 cities, benefit about 4,000 students and teachers and help cultivate talents for less developed areas.

Donation for the Chengzhi Talent Program

The Flying Project

Longfor pays attention to the development of vocational education in order to expand the talent team for the modernization of rural areas. Thus, Longfor Foundation launched the Flying Project, which combined skills acquired in school with career development, so as to improve the employability and post employment social integration of vocational students. By December 31, 2021, we have established the "Flying Class" in 7 vocational schools and organized city experience activities for construction workers and their families, benefiting over 500 people in total.

In 2021

The number of beneficiaries of the plan

500 +

Education in school

Cooperation in Student Education

- Offering scholarships and assistance to students having financial difficulties.

Sharing Teaching Resources

- Inviting experts in enterprises to be mentors in vocational schools and sharing new technologies with other teachers;
- Inviting vocational teachers to enterprises for job shadowing.

Joint Construction of Disciplines

- Offering curriculum and internship opportunities for vocational schools in majors like architecture, nursing and elevators.

Employment after graduation

Assistance to Career Development

- Cooperating with vocational schools and offering training classes;
- Assessing participants of training programs and conferring certificates for them.

Education Support to Offspring

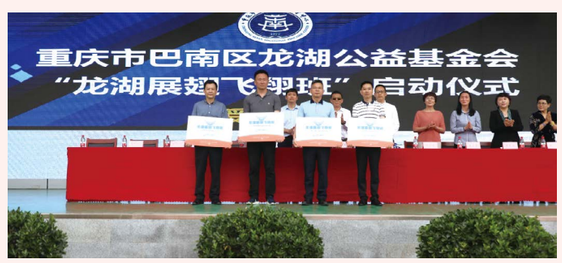
- Helping offspring of construction workers in college education and vocational education through scholarships and admission support.

Adaption to the City

- Caring for new workers and helping them adapt to the new life in the city;
- Holding City Builders' Forum "World Cities Day" to improve their experience in city life.

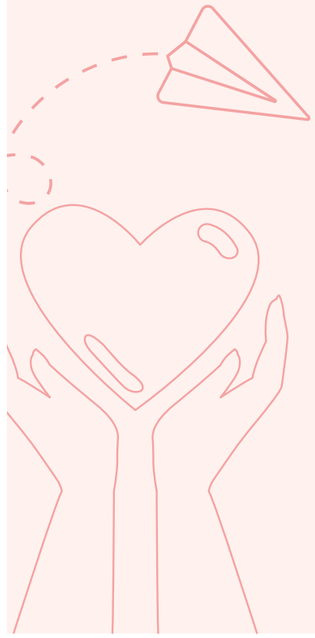
The "Flying Class" launched by Longfor Foundation

In order to help the development of vocational education, Longfor Foundation donated more than RMB7 million and cooperate with 4 vocational schools in Banan District, setting up "Flying Class". Longfor expects that nearly 400 vocational school students and vocational school teachers of the class of 2021 will benefit from measures by setting up scholarships and grants, mental health and professional literacy education, student growth fund, teacher training and incentives, internships and employment support.



The Launching Ceremony of the "Flying Class"

Longfor Foundation also set up the second "Flying Class" in Chongqing Medicine and Public Health School to provide learning and working opportunities for disabled people and their families to help them get rid of poverty.



Students of the "Flying Class"

Longfor Group Awarding Scholarship to Excellent Students of the "Flying Class"

In September 2021, Longfor Foundation hosted the City Builders' Forum "World Cities Day" and invited construction workers to have discussions with experts and media on issues like career development and resilient cities to raise attention to construction workers from the society.

The City Experience Activity for Construction Workers and Their Families

Launching Ceremony of "World Cities Day" Promotion Activities in 2021

The Stream Project

Longfor Group has launched the Stream Project to strengthen occupational assistance to people in rural areas and thereby improve local economic development. The project focuses on assistance to the whole industry chain with the model of "site + talent + platform", providing vocational and technical training for rural families and thereby improving their living conditions. From 2011 to December 31, 2021, Longfor donated more than RMB70 million in Fuling, Wuxi and other areas in Chongqing, launched projects such as renovation of dilapidated houses, poverty alleviation and high-tech employment and startups for poverty-stricken and physically challenged people. We helped 4,121 families increase income by more than RMB60 million and benefited over 10,000 people in total.

01

Bases Support for Business Startups

Providing materials and technical trainings

02

Talent Cultivation

Inviting national leading enterprises to offer training and exchange opportunities

03

Construction of Helping-agriculture Platforms

Creating platforms for displaying and selling local products

The Assistance Model of the Stream Project

Longfor Foundation assisting physically-challenged people in breeding startups

It has been a main content of the Stream Project to assist physically challenged people in rural areas in breeding startups. Since the launching of the project, Longfor Foundation has been actively cooperating with local enterprises and inviting experts to offer technologies to farmers for free to improve production. We have provided sufficient funds for farmers, continuously improved the conditions of planting hardware facilities in rural areas, and built roads for goods transportation.

Under the influence of Longfor Foundation, the first beneficiaries began to support the project. While making profits, they also donated pigs, feed and other things to those in need from time to time, helping more physically challenged people to increase their family income.

As of December 31, 2021, the project has supported 12 breeding bases for the disabled, and benefited more than 730 families in the surrounding areas. In 2021, the project helped families with physically challenged members increase their income of by RMB15,000 in average and significantly improved the life quality of local people, setting a platform precedent for physically challenged people to get rich.

Self-employed in the Beeding Base of Fulin, Chongqing

Breeding Base for the disabled

12

Covering families with disabilities

730 +

RMB 15,000

Fuling District's "Help Rural Revitalization, Increase the Incomes of the Disabled" project in Fuling District was launched

On April 16, the Chongqing Welfare Foundation for Disabled Persons and the Chongqing City Disabled Persons' Federation of Fuling District held the training and launching ceremony of the 2021 Longfor Federation in "Help Rural Revitalization, Increase the Incomes of the Disabled" project in Huimin village, Mawu Town, Fuling District. At the ceremony, Longfor Foundation donated RMB3.26318 million to Fuling District. The fund was used for the "Help Rural Revitalization, Increase the Incomes of the Disabled" project in Fuling District, which holds training on breeding technology and gives means of production to the underdeveloped disabled person in Fuling District.

On the day of the event, senior experts from Fuling District Animal Husbandry and Veterinary Development Center, Fuling District Animal Husbandry and Fishery Technology Promotion Station were invited to give lectures to the households, explaining pig varieties and characteristics, feeding and management, epidemic disease and prevention. Those teaching and interaction further enabled farmers to master scientific breeding technology and helped poor disabled families get rid of poverty and increase income as soon as possible.

Initiation of the program

54-year-old man refreshed his role as a hog farmer in Wuxi County

Qin Jiquan, a 54-year-old man, lives in Zhenjiang village, Tianyuan Township, Wuxi County, Chongqing. What's the happiest moment for him every day is to drink and feed the sows and watch the piglets running and playing in the pigpen. It is the Tangqin Farm funded by Longfor Group and has been put into operation for more than three years. Looking at his farm on a such scale, Mr. Qin's face is alight with happiness and pride.

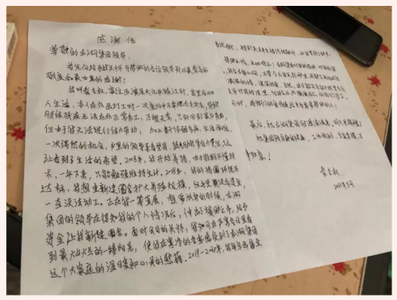
Mr. Qin has his story. At the age of 28, he was a miner in the coal plant in Shanxi, but he lost his left palm in a mine collapse. His life fell into a dark moment. Since 2008, he has managed to raise pigs, but he struggled to survive due to limited money and technology and tougher environmental policies. When he was at a loss and intended to give up, he encountered a turning point in 2018.

Chongqing City Disabled Persons' Federation and the Fuling District Office of the Chongqing Welfare Foundation for Disabled Persons visited his room. This visit arose the attention of the authorities and the public to Mr. Qin, it was in 2018 when Longfor Group learned about that and invested RMB200,000 through the Welfare Foundation to support him to build new pigpens. Thus, the free-range breeding was upgraded into a standard industrialized one.

The success of the farm has brought huge benefits to Mr. Qin. In addition to the necessary expenses, he, however, has spent all the funds on paying back to the society and helping other disabled persons - such as making donations during the epidemic, providing free technical guidance on breeding, selling piglets at low prices, or even free of charge to the disabled who wants to engage in the breeding industry. What he was doing was passing on kindness to more people in need.

In his handwritten thank-you letter to Longfor Group, he sincerely said: "although I haven't enough ability to repay the deep kindness of all leaders to me, I still encourage myself to follow the suit and spread your goodwill to more needy people."

Pig Breeding Base



Handwritten Thank-you Note to Longfor Group

Friendly Community

Evergreen Programme

In order to further improve the construction of community environment, Longfor gives full play to its space construction and service capacity, promotes urban age-friendly transformation to improve the livable environment of the community, takes root in the community with kindness, and creates a friendly community ecology.

Evergreen Programme is Longfor Foundation's urban reconstruction project for the elderly. In order to provide a safe and convenient living community for the elderly, the Group carries out the elderly-oriented transformation of community space by adding living and entertainment facilities and transforming public facilities. The program also focuses on elderly-oriented home improvement for lonely elderly people, senior citizens and disabled elderly, including 21 products such as armrest, bath chair, non-slip mat, and circuit transformation. The elderly care program strives to bring more safety, convenience, and happiness to the elders, renovate the old community and build friendly communities.

By the end of 2021, Evergreen Program has been available in seven cities such as Chongqing, Shenyang, Shanghai, Suzhou, Yantai, Ganzhou, and Changchun. We invested RMB170 million in urban elderly-oriented transformation, which improved the safety and convenience of home-based elderly care to more than 25,000 elderly people in need.

Elderly-based Transformation Content of "Evergreen Programme"

Evergreen Programme available in

7 cities

Elderly people in need

25,000 +

Longfor Foundation's Ganzhou elderly-based home transformation paid off

Longfor copes with people living longer by improving the quality of home-based elderly care services and improving the elderly care service system. To this end, Longfor Foundation invested RMB1.5 million on November 19, 2021, to transform six communities such as the 719 Community at Huang Jinling street, Ganzhou Economic Development Zone and the Jinling Community to make them more elderly-friendly.

Elderly-based home transformation in Huang Jinling street, Ganzhou

The 4-months elderly-based home transformation program has been completed. In this program, Longfor Foundation equipped 269 underdeveloped elderly people with three standard equipment in the toilet (commodes, anti-skidding chairs and non-slip mats), motion sensor lights, old water and electricity pipeline renovation and other indoor environment transformations. The public space in the community was designed as a place for meditation, sports, leisure, and social communication, with fitness and entertainment facilities added. The transformation has concretely comforted 3,911 elderly people in the communities.

Longfor Foundation's Action in Chongqing

In December 2021, Longfor Foundation announced to donate RMB200 million to the China Society for Promotion of the Guangcai Program. Specifically, RMB160 million would be used to transform the public space in local old communities and the elderly-suitable home renovation; RMB40 million would be allocated to support the rural revitalization in key counties of Chongqing, mainly to assist the disabled people in breeding and to build rural schools.

To build an elderly-friendly community, Longfor Foundation selected 100 old communities that have been included in the key reconstruction projects sponsored by governmental financial subsidies. Those communities were located in Yuzhong District, Jiangbei District, Hechuan district and Yubei District of Chongqing. In general, the public space transformation and home improvement initiative rejuvenated 100 communities and benefited 100,000 residents, including 20,000 senior citizens.

Longfor Foundation donated

RMB 200 million

to help the development of Chongqing

Longfor's RMB200 Million Donation Ceremony in Chongqing

The Launching Ceremony of Longfor Foundation's Old Urban Community Program in Chongqing

Chongqing's first renovation project - Celebrity Community - is taking on new appearance

Built in 2003, the Celebrity Community is one of the first renovated communities in the Hechuan District. The 20-year-old community is a typical dwelling located in the mountain area. It is the home to more than 1,500 families living in 16 residential buildings. Each family has an elderly person, leading to a serious aging population, but they are underserved in terms of supporting infrastructure. Catering to the public demands, Longfor implemented a series of transformations by improving the hardware and expanding the public space. Some considerate facilities such as well-designed venues, recreation spaces under trees and new fitness facilities become places for the elderly to relax.

The Design Renderings of Celebrity Community in Chongqing

Protection against Covid-19 and Disaster Relief

2021 was a year of challenges and hopes. Everyone was concerned about the rainstorms in Henan and Shanxi and our life was challenged and threatened by the pandemic. As a member of the human community with a shared future, Longfor has always been ready to go through tough times with other members.

In 2021

Donation to Zhengzhou Charity Federation

RMB 20 million

Donation to Shanxi Charity Federation

RMB 10 million

Longfor Foundation supporting for flood relief efforts

Longfor Foundation responded quickly to and fully supported the flood and disaster relief in Henan. On July 21, 2021, Longfor Foundation announced to donate RMB20 million to Zhengzhou Charity Federation through Chongqing Guangcai Foundation. The fund would be used to buy emergent supplies and support post-disaster reconstruction to meet people's needs and help them get back to normal life as soon as possible.

Longfor Group Donating Supplies to Disaster-stricken Areas in Henan

In October 2021, Longfor Group donated RMB10 million to Shanxi Charity Federation through Longfor Foundation to urgently control floods in Shanxi and help the government and all sectors of society fight the disaster. The funds were all used to buy supplies for settlement and post-disaster reconstruction.

Since the beginning of 2022, the frequent Covid-19 pandemic nationwide put great pressure on the local medical system and people's health and safety. Longfor Foundation kept watching on the pandemic development and coordinated and mobilized resources across the country to help fight the virus in many places as usual.

From the beginning of the year to the end of March, Longfor Foundation has donated RMB29.93 million to 42 cities in total, including the fund of RMB4.1 million and anti-pandemic materials worth RMB25.83 million. Moreover, the foundation has provided the much-needed testing reagents, medical protective clothing, facilities and equipment in pandemic prevention stations in Xi'an, Suzhou, Beijing, Shenzhen, Hong Kong, Quanzhou, Wuhan, Chengdu, Changchun, Shanghai, Nanjing, Qingdao, Yantai and Huludao. The efforts were made to support the front-line pandemic prevention work in communities and provide guarantees for medical workers and the public.

Longfor Group Donating 50,000 sets of Anti-Covid 19 Materials to Communities in Hong Kong

Longfor Foundation Donating Supplies for Protection from Cold to Epidemic Prevention Staff in Shenzhen

Longfor Foundation Donated RMB7.2 million Worth of Materials to Help Fight the Epidemic in Shanghai

Longfor Foundation Donating RMB3 million to Changchun Charity Association for Anti-Covid 19 Work

Volunteer Activities

Longfor Group also established the Longfor Volunteer Organization to motivated more people to participate in charity activities with our own appeal. Longfor Volunteer Organization has been adhering to the slogan of "Take Actions to Make Public Services Simpler" and held various public welfare activities for employees and customers in three forms, namely, volunteer service, behavioral charity, and donation. As of December 31, 2021, the Group had a total of 2,700 registered volunteers in over 60 cities across the country.

Since our establishment in 2020, Volunteers over

2,700

Volunteer Services

Participating in public welfare projects by offering volunteer services

Behavioral Charity

Supporting public welfare projects through behavioral Charity, such as step donation

Donation

Supporting public welfare projects through donating funds or idle items

Three forms of public welfare activities of Longfor Volunteers

Volunteer activities at Longfor Ever Spring

Longfor volunteers have been holding public welfare activities regularly for the seniors at Longfor Ever Spring, focusing on the life and health of the aged. They help the elderly clean the room, do the farm work, make handicrafts and play croquet games.

During the festivals, volunteers will send their wishes and warmth to the elderly. For example, during the Mid-Autumn Festival, volunteers carefully prepared a food festival carnival to spend the time with the elderly.

Volunteers Making Handicrafts with Seniors

The first Charity Market was successfully held

On November 20, 2021, the first Charity Market of Longfor was officially launched. All participants will donate the corresponding amount through offline public welfare booth and online live bidding, so as to obtain the beloved baby. Longfor Foundation will triple the donation (with a maximum of RMB1 million), and all the donations will be used for The Xinya Project to help seriously ill children.

During the event, the Charity Market landed in a total of 33 cities, covering Longfor communities, shopping malls, long-term rental apartments, office areas and other different formats of space. In total, over 12,000 participants of Longfor employees and customers donated more than 7,000 second-hand products, valuing more than RMB370,000. In addition, Longfor Foundation donated RMB1 million.

The "Charity Market" Charity Sale Activity

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List of Internal Policies and Laws & Regulations

ESG Indicator	Internal Policies	Laws & Regulations
A1 Emissions	*Waste Control and Management Operation Guide* *Administrative Measures for the Prevention and Control of Environmental Pollution by Electronic Waste*	*Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes* *Water Pollution Prevention and Control Law of the People's Republic of China* *Atmospheric Pollution Prevention and Control Law of the People's Republic of China* *Work Plan for Greenhouse Gas Emissions Control during the 13th Five-Year Plan Period*
A2 Use of Resources	*Longfor Smart Service Group Energy Management System* *Guide to the Comprehensive Part of the Group's Ever Spring Operation Manual* *Longfor Green Office Management Policies*	*Energy Conservation Law of the People's Republic of China*
A3 Environment	*Longfor Environmental Policy*	*Environmental Protection Law of the People's Republic of China* *Law of the People's Republic of China on Environmental Impact Assessment* *Guiding Opinions regarding Coordinating the Delimitation and Implementation of Three Control Lines in National Spatial Planning* *Assessment Standard for Green Building* *Land Administration Law* *Regulations on Nature Reserves* *Urban and Rural Planning Law*
B1 Employment	*Group Talent Promotion Management Measures* *Group Recruitment Management Guidelines* *Employee Occupational Sequence and Occupational Level Management Measures* *Measures for the Management of Performance Rating Evaluation* *Group Annual Appraisal Management Measures* *Administrative Measures on Comprehensive Subsidies for Employees* *Group Staff Attendance Holiday Management Measures* *Group Pension Project Employees' Reward Funds,Subsidy Projects, and Standard Management Measures*	*Labor Law of the People's Republic of China* *Labor Contract Law of the People's Republic of China*
B2 Health and Safety	*Longfor Engineering Safety Management System* *Longfor Safe and Civilized Construction Management Standardization Atlas* *Longfor Construction Safety Management Measures for Projects Under Construction* *Longfor Property Management Employee Safety Management*	*Labor Law of the People's Republic of China* *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* *Occupational Health and Safety Certification* *Work Safety Law of the People's Republic of China* *Fire Protection Law of the People's Republic of China* *Emergency ResponseLaw of the People's Republic of China* *Construction Law of the People's Republic of China* *The Administrative Regulations on the Work Safety of Construction Projects* *Regulation on Work-Related Injury Insurance of the People's Republic of China* *Provisions on the Supervision and Administration of Occupational Health at Work Sites*
B3 Development and Training	*Employee Occupational Sequence* *and Occupational Level Management Measures* *Group Employee Relocation Management Measures* *Group Human Resources Individual Item Reward System* *Group Running Water Program*	

ESG Indicator	Internal Policies	Laws & Regulations
B4 Labor Standards	*Longfor Human Rights Policy* *Group Staff Attendance Holiday Management Measures* *Group Employee Dismissal Management Measures*	*Regulation on the Prohibition of Child Labor* *Universal Declaration of Human Rights* *Labor Law of the People's Republic of China* *Labor Contract Law of the People's Republic of China* *Regulation on Public Holidays for National Annual Festivals and Memorial Days* *Implementation Measures for Paid Annual Leave for Employees of Enterprises* *Regulations on Enterprise Occupational Disease or Non-Work-Related Medical Period*
B5 Supply Chain Management	*Longfor Supplier Code of Conduct* *Code of Conduct for Suppliers* *Group Construction Material and Equipment Supplier Management Measures* *Longfor Sub-supplier Management Measures* *Longfor Supplier Evaluation Standards and Management Principles*	*The Bidding Law of the People's Republic of China* *General Provisions of the Civil Law of the People's Republic of China*
B6 Product Responsibility	*Group Software Copyright Management Measures* *Group Patent Management Measures* *Longfor Engineering Quality Management System* *Longfor Rework Management System for Completed Housing Projects* *Longfor Property Unit-Specific Inspection Management System* *Longfor Regulations on Concrete Quality Management* *Management System of Third Party Inspection of Group Projects* *Rules of Reward and Punishment for Third Party Inspection of Group Projects* *Longfor Operational Guidelines for Customer Interviews* *Longfor Property Separate Inspection Management System* *Longfor Management Measures for House Delivery Evaluation* *Group Data Security Management System* *Group Staff Information Security Code of Conduct* *Group Sensitive Document Leakage Prevention Guidelines* *Group USB Flash Disk Copy Prohibition Operation Guidelines* *Goyoo Operation Red Line Policies* *IHG Handling Personal Data Policy* *Customer Check-in Information Protection System* *Information Protection System for Incoming Callers and Visitors* *Longfor Major Group Lawsuits and Major Complaints Management Measures* *Longfor Property Management Complaint Management Procedures* *Goyoo 400 Hotline Customer Service Notification Operation Standards* *Group Goyoo Public Opinion and Customer Litigation Risk Management Standards* *Longfor Guidelines for Handling Commercial Real Estate Complaints* *Customer Satisfaction Management System* *Longfor Customer Satisfaction Fund Management Implementation Measures*	*Product Quality Law of the People's Republic of China* *Construction Law of the People's Republic of China* *Regulation on the Quality Management of Construction Projects* *Unified Acceptance Standard for Building Construction Quality (GB50300-2013)* *Basic Specification of Service Quality for Senior Care Organization* *Civil Code of the People's Republic of China* *Cybersecurity Law of the People's Republic of China* *Measures for the Administration of Regulatory Data Security (Exposure Draft)* *Personal Information Security Specification (GB/T 35273-2020)*
B7 Anti-corruption	*Longfor Code of Business Conduct*	*Anti-Money Laundering Law of the People's Republic of China* *Prevention of Bribery Ordinance* *Anti-Unfair Competition Law*
B8 Community Investment	*Longfor Public Welfare Donation Management Measures (2020 Edition)*	

Table of ESG Data Indicator Performance

Economic Indicators

	Unit	2021	2020	2019
Total Assets	RMB billion	875.7	765.2	652.2
Net Assets	RMB billion	221.9	192.7	166.7
Revenues	RMB billion	223.4	184.5	151.0
Core Attributable Profit	RMB billion	22.4	18.7	15.6

Governance Indicator

		Unit	2021	2020	2019
Annual Risk Identification and Assessment	Number of audit activities	/	20+	22	-
	Number of audit findings	/	50+	160+	-
	Rectification completion rate	%	100	100	-
Business Ethics	Number of employees that participated in the business code of conduct training and examinations	'000	44	34	-
	Passing rate of the examinations	%	100	100	-
	Proportion of suppliers required to sign the Agreement on Integrity in Cooperation	%	100	100	-
Complaints and Reports	Number of complaint calls received	/	800+	700+	-
	Valid complaints	/	345	147	-
Anti-corruption	Risk of systematic corruption	/	0	0	0

Environment Indicators

Green Building

	Unit	2021	2020	2019
In 2021, the number of green building-certified projects	/	34	34	-
In 2021, GFA of green certified projects	million square meters	4.30	5.73	-
In 2021, the share of Longfor's project area that meets the standard of green building	%	96.7	-	-
As of the end of 2021, the total number of Longfor's projects that meet the standard of green building	/	499	341	-
As of the end of 2021, Longfor's total area that meets the standard of green building	million square meters	90+	72	-

Energy Consumption[11]

	Unit	2021	2020	2019
Petrol	L	45,559.14	289,585.92	-
Diesel	L	172,776.02	100,475.75	-
Natural gas	m^3	12,417,486.16	4,519,720.70	-
Purchased electricity	kWh	790,003,394.74	583,924,179.03	835,973,591.00
Comprehensive energy consumption	tce	112,437.48	77,686.91	N/A
Comprehensive energy consumption density	tce / revenue of RMB10,000	0.0050	0.0042	N/A
Water consumption	m^3	23,038,950.22	29,177,141.13	34,595,988.04
Water consumption density	m^3/ revenue of RMB10,000	1.03	1.58	N/A

Greenhouse Gas Emissions

	Unit	2021	2020	2019
Scope 1 emissions	tCO_2e	26,522.60	10,775.66	-
Scope 2 emissions	tCO_2e	613,586.31	538,611.66	-
Total emissions	tCO_2e	640,108.91	549,387.33	771,826
Greenhouse gas emission density	tCO_2e/ revenue of RMB10,000	0.02865	0.02980	-

Waste

	Unit	2021	2020	2019	2019
Non-hazardous Waste	Total discharge of Non-hazardous waste	Tonnes	6,596,210	31,791,297	25,351.65
	Emission density of Non-hazardous waste	Tonnes / revenue of RMB10,000	0.30	-	N/A
Hazardous Waste	Total discharge of hazardous waste	Tonnes	1,894	1,578	N/A
	Emission density of hazardous waste	Tonnes / revenue of RMB10,000	0.000085	-	N/A

[11] Due to the change of statistical caliber of data in 2021, some data are not comparable, so we marked as N / A.

Social Indicators

Community Public Welfare

	Unit	2021	2020	2019
Charitable Donation	RMB million	416	220	94

Products and Services

	Unit	2021	2020	2019
Customer satisfaction	%	92.3	88	89

Employees

		Unit	2021	2020	2019
Total number of employees		/	44,065	35,426	26,316
Divided by gender	Male	/	26,823	20,938	16,144
	Female	/	17,242	14,488	10,172
Divided by position	High-level	/	94	95	82
	Middle-level	/	1,142	719	719
	Entry-level manager	/	4,268	2,297	1,859
	Employees	/	38,561	32,315	23,656
Divided by age	Under 30	/	17,155	13,857	11,876
	30-50	/	24,661	17,605	13,944
	Above 50	/	2,249	3,964	496
Divided by region	Mainland China	/	44,051	35,406	26,298
	Hong Kong SAR, Macao SAR, the Islands of Taiwan and Overseas	/	14	20	18

Employee Training

			Unit	2021	2020	2019
Total Online Training Duration			Hour	1,660,996	439,097	211,567
Hours of training per capita	Divided by gender	Male	Hour	35.98	9.4585	-
		Female	Hour	34.19	8.8967	-
	Divided by position	Upper-level management	Hour	7.74	0.5245	-
		Middle-level management	Hour	27.43	8.7631	-
		Lower-level employees	Hour	35.61	9.2934	
Total Offline Training Duration			Hour	306,132.6	159,809	98,521
Hours of training per capita	Divided by gender	Male	Hour	7.28	3.66	-
		Female	Hour	5.04	2.93	-
	Divided by position	Upper-level management	Hour	28.44	2.64	-
		Middle-level management	Hour	19.77	8.64	-
		Lower-level employees	Hour	6.39	2.82	-

Care for Employees

	Unit of Measurement	2021	2020	2019
The proportion of employees covered by the Group's engagement survey	%	100	94	94
Employee engagement score	%	83	86	84
Employee satisfaction score	%	80	83	80

Production Safety

	Unit	2021	2020	2019
Number of safety production accidents that caused severe injuries or above	/	0	0	-
Number of work-related fatalities and severe injuries	/	0	0	-
Rate of work-related fatalities occurred	%	0	0	-
Lost days due to work injury	Days	0	0	-
Number of safety-related online courses	/	10	7	-
Number of staffs participated in safety training	‘000	68	62	-

Supplier Management

	Unit	As of the end of 2021	As of the end of 2020	As of the end of 2019
Number of suppliers	/	123,653	22,834	16,524
Mainland China	/	123,133	22,774	16,425
Hong Kong, Macao and Taiwan	/	46	44	-
Overseas	/	474	16	-

Innovation Management

	2021	2020
Number of software copyright applications	50	39
Number of software copyright grants	50	39
Number of patent applications	262	113
Number of patent grants	112	33
	As of December 31, 2021	As of December 31, 2020
Total number of software copyright grants	138	54
Total number of patent grants	278	45

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