



AGILE GROUP HOLDINGS LIMITED

雅居樂集團控股有限公司

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

2022

ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE REPORT



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## Reporting Profile

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

### Name of Major Subsidiaries

### Abbreviation of Subsidiaries

Agile Property Land Co., Ltd. (雅居樂地產置業有限公司)	Property Business of the Group
A-Living Smart City Services Co., Ltd. (雅生活智慧城市服務股份有限公司)	A-Living Group
Agile Environmental Protection Group (雅居樂環保集團)	Environmental Protection Group
A-City Group Limited (雅居樂雅城集團有限公司)	A-City Technology Group

## Reporting Scope

The reporting period for this Report is from 1 January 2022 to 31 December 2022 (“Reporting Period” or “Year”). In order to enhance the comparability and completeness of the Report, it reproduced what have been reported in the past, where appropriate. This Report covers the operations of the Group.

## Basis of Preparation

This Report has complied with all the provisions of the Environmental, Social and Governance Reporting Guidance (the “ESG Guidance”) as set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) issued by The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”, “HKEX”).

## Data Source

The sources of data used in the Report include publicly available information, relevant internal statistical statements of the Group, third party questionnaires, administrative documents and reports, etc.



## Reporting Principles

This Report follows four reporting principles (namely Materiality, Quantitative, Consistency and Balance) as referred to in the ESG Guidance with a view to fully reflecting the management status and achievements of the Group in ESG aspects. This Report responds to the “Materiality” principle through materiality analysis and assessment; responds to the “Quantitative” principle through the provision of quantitative information checklists, responds to the “Consistency” principle through ensuring that the Report’s scope of disclosure and reporting methods in the Report are generally consistent from year to year and the historical information presented adequate comparability; responds to “Balance” principle through review on negative issues and underperformance.

## Access to the Report

In line with the environment-friendly principle, we are committed to reduce the number of the printed version of the report. You may visit the Company’s official website ([www.agile.com.cn](http://www.agile.com.cn)), the website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) or the website of Singapore Exchange Securities Trading Limited ([www.sgx.com](http://www.sgx.com)) to view or download the English and Chinese versions of this Report. In the event of any discrepancy between the Chinese version and the English version, the Chinese version shall prevail.

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





Dear all stakeholders,

Agile is pleased to present its 2022 ESG Report for the purpose of addressing concerns from our stakeholders regarding the Group's sustainability management performance.

The year 2022 is full of challenges and changes. During the Reporting Period, the Board continued to strengthen its supervision of ESG matters, placed emphasis on ESG risk identification and management, and set and reviewed ESG objectives. By doing so, MSCI raised our ESG rating to BB for the first time. We have been striving to build a benchmark for sound operation in the industry, and have not experienced any debt defaults, with cumulative debt repayments of nearly RMB25 billion. We operate our business based on the principles of legal compliance, transparency and integrity, so as to create a fair and competitive business environment and maintain a clean, honest and robust corporate image.

**With outstanding quality and attentive service, Agile is deeply engaged in the real estate industry and builds dreams.** During the Reporting Period, we always adhered to our corporate responsibility and put products, delivery and services in the first place. We take quality, progress and safety as the cornerstone and lifeline of construction, strictly control quality to ensure delivery, and pay close attention to progress to ensure completion. We have created the "5S+ lifestyle service system" (Smile+, Serve+, Share+, Support+ and Satisfy+) to listen to customers' voices and meet their needs, and striven to become a creator of better urban living environment and better urban life. During the Reporting Period, the Group had no major safety accidents and a 99% response rate to customer complaints.

**Adhering to green building standards and low-carbon development, we build clean and beautiful homes.** During the Reporting Period, we actively responded to the work of the state to realize the goal of "carbon peaking and carbon neutrality", and deeply assessed and analyzed the impact of climate risk. We continued to make efforts in green building, green operation and green construction to implement Agile Property Green Development Plan. We have carried out 169 green building designs in our ongoing projects, 116 of which have met green building design standards, with 94.42% of green building design area. Moreover, we achieved the goal of designing 100% of new development projects according to Agile's green building standards/healthy building standards.

**Caring for talent and uniting our efforts, we work to achieve resilient growth together with our employees.** The Group has always been people-oriented, focusing on the legality, compliance and reasonableness of employment relationships. We are committed to creating a diversified development platform and an equal and inclusive working environment for our employees, establishing and enriching a diversified training platform to help our employees grow and support them to realize their value in life. We are also actively concerned about the health and safety of our employees and have firmly established the safety concept of "life first". We continue to enhance our safety management capabilities and standards and guarantee work safety of employees through whole-process and multi-faceted control measures such as education and training, safety management, review and evaluation.





**With great love and dedication, we go through trials and tribulations and overcome difficulties to build a society together.** Glimmer can become a torch, and there is great love in the world. Adhering to the charity philosophy “empathy” and promoting traditional Chinese virtues, we show our love to the needy. Over the past 30 years, the Group has donated a total of nearly RMB2 billion for education, poverty alleviation and sustainable development.

In the future, the Group will continue to uphold the brand philosophy of “lifestyle of a lifetime”, focusing on people’s pursuit of a better life and attaching importance to the harmonious unity and sustainable development of economic, environmental and social benefits. In the next 30 years, the Group will firmly undertake social responsibility and continue to explore development and operation modes that are in harmony with the environment. We will create sustainable value together with our stakeholders, including employees, customers, investors and partners, and boost the economy and society to achieve higher quality development.

*Chairman and President*  
**CHEN Zhuo Lin**

Hong Kong, 21 April 2023



## Business Overview

The Group is an integrated conglomerate adopting the operating model of “focusing on property development, supported by a synergy of diversified businesses”. The Group has always been committed to becoming a leading provider of quality living services by focusing on people’s pursuit of a beautiful life under the brand philosophy of “lifestyle of a lifetime”. After 30 years of development, the Group has formed a synergistic development pattern of several business segments, namely, property, property management, environmental protection and commercial, etc. As at 31 December 2022, the Group’s total assets amounted to over RMB270 billion with operations in over 200 cities at home and abroad. The Group has 101,906 employees, including A-Living Group’s 95,102 employees.

- The Group has built benchmark property projects at different stages of development, such as high-end urban products, low-density products, large housing products, and tourism properties, creating comfortable and relaxing living spaces for over 1.6 million owners. Currently, the Group has over 200 property projects in more than 80 cities at home and abroad.
- A-Living Group playing a key role in the property segment under the Group’s diversified development strategy, provides the Group with a full range of quality property management services. A-Living ranked among top 3 of China Property Service Top 100 Enterprise, and is engaged in property and living services, city and corporate services, ecological business and technology business. As at the end of 2022, the contracted GFA and GFA under management of A-Living Group exceeded 731 million sq.m. and 546 million sq.m., respectively. The service team has more than 95,000 people, with 4,532 service projects, covering 31 provinces, municipalities, and autonomous regions across the country, and penetrated into 223 cities across the country.
- Following the development strategy of “1 Core, 4 Drivers and N Wings”, the Environmental Protection Group focused on hazardous waste treatment while engaging in selective projects of energy and power generation, ecological industrial parks, environmental protection water treatment and ecological restoration. Since its establishment at the end of 2015, the Environmental Protection Group has grown rapidly and now operates in more than 50 industrial towns across 16 provinces, cities and autonomous regions, with a hazardous waste treatment capacity of nearly 3,500,000 tonnes per annum and a safe landfill storage capacity of 19 million cubic metres, ranking top in the industry.
- A-City Technology Group provides comprehensive green ecological landscaping service and intelligent decoration and home services covering the entire industrial chain. It has 172 patents in the field of ecological landscaping and 107 patented technologies for interior decoration and intelligent furniture. Its business scope covers 31 provinces and autonomous regions, municipalities and 211 cities, with 506 green ecological landscaping projects under construction and 561 intelligent decoration and home projects under construction.

**Business Segments:** Property, Property Management, Environmental Protection, A-City Technology, etc.



Property  
Business



A-Living  
Group



Environmen-  
tal Protection  
Group



A-City  
Technology  
Group

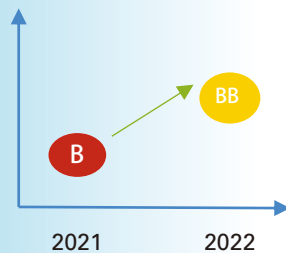
**Year of  
Establishment**  
1992

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

## ESG Key Performance of the Year

### ESG Ratings and Index Inclusion

#### MSCI ESG Ratings BB



#### Index Inclusion for Listing in Hong Kong:

- Hang Seng Composite Index
- Hang Seng Composite MidCap Index
- Hang Seng High Dividend Yield Index
- Hang Seng China High Dividend Yield Index
- MSCI China Index

#### Index Inclusion for Crossmarket

- Hang Seng Stock Connect Hong Kong Index
- Hang Seng Stock Connect China 500 Index
- Hang Seng Stock Connect Greater Bay Area Composite Index





### Environmental Key Performance

Green Building Certification  
Marks Projects  
**105**

Percentage of Green Building  
Designed Area  
**94.42%**

Harmless Treatment Capacity of Waste  
**660,000 tonnes**, including:

Projects applied prefabricated  
construction technology  
**33**

Projects Applying the Sponge  
City Design Concept  
**76**

Harmless incineration 201,000 tonnes  
Harmless landfill 402,000 tonnes  
Physicochemical treatment 57,000 tonnes

### Social Key Performance

Material Safety Accident  
**0**

Average training hours  
**16.1 hours**

Number of assistance cases of  
Agile Mutual Aid Association  
**827**

Complaint response rate  
**99%**

Charitable donation amount  
**Approximately  
RMB4.81 million**

Service satisfaction rate  
**Approximately 78%**



## Awards Received during the Year

During the Year, the Group was granted a number of industry awards for its outstanding performance in product responsibility, employment management, technological innovation and environmental protection, such as 2022 Excellent Real Estate Productivity Enterprise, Top 100 Real Estate Companies in terms of Industry Value in 2022 – Value Brand Enterprise of the Year, 2022 “New Economy · Momentum” Annual New Economy Momentum Brand and 2022 Delivery Brand Enterprise.



2022 Excellent Real Estate Productivity Enterprise

[Hexun.com](http://Hexun.com)



Top 100 Real Estate Companies in terms of Industry Value in 2022 - Value Brand Enterprise of the Year

[www.focus.cn](http://www.focus.cn)



Leju Golden Tripod Award-2022 Excellent Real Estate Productivity Enterprise

[Leju Oriental New Media](http://Leju Oriental New Media)



2022 Excellent Short Video Communication Award

[The Time Weekly](http://The Time Weekly)



2022 “New Economy · Momentum” Annual New Economy Momentum Brand

[Jiemian.com](http://Jiemian.com)



2022 True Hero “True Gold Brand” Brand

[ifeng.com](http://ifeng.com)  
[house.ifeng.com](http://house.ifeng.com)  
[meimeiyugong.com](http://meimeiyugong.com)  
[fengcx.com](http://fengcx.com)



2022 Delivery Brand Enterprise

[cnr.cn](http://cnr.cn)



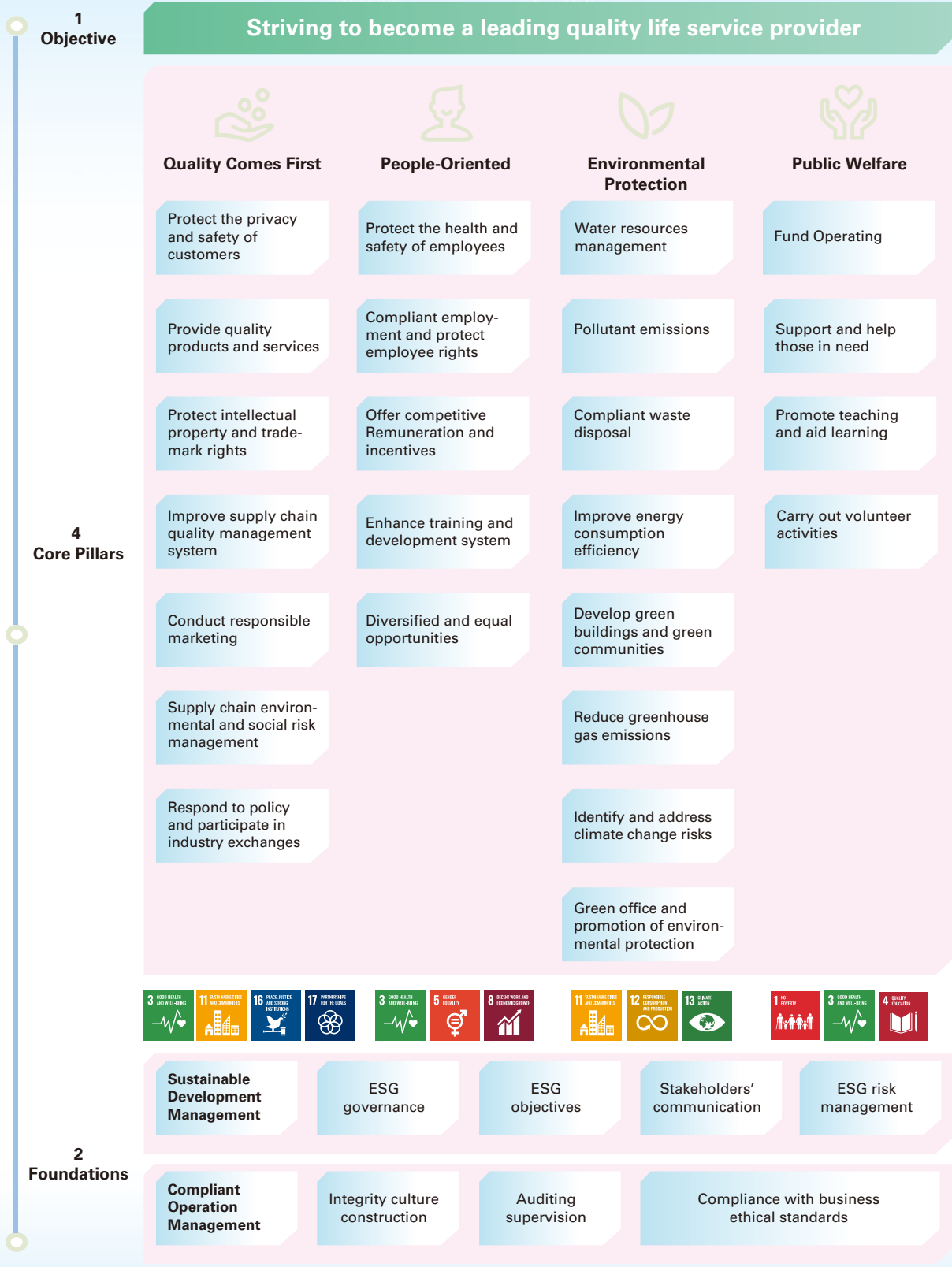
## Board Statement

The Board attaches great importance to the management of sustainable development, formulates and continuously improves the ESG framework in strict accordance with the requirements of the ESG Guidance of the Stock Exchange of Hong Kong Limited, and strengthens the Board's supervision and involvement in the ESG matters of the Group.

The Board is fully responsible for formulating and reviewing the Group's sustainable development vision, strategy, framework, management guidelines and related policies; strengthening the materiality assessment and reporting process; reviewing ESG-related risks and opportunities; continuously optimising and improving the setting of ESG objectives and regularly reviewing the progress of ESG objectives in order to monitor and review the Group's sustainable development performance. The Group's Risk Management Committee has set up a Sustainable Development Steering Group to systematically carry out specific ESG work and ensure the effective implementation of policies and initiatives.

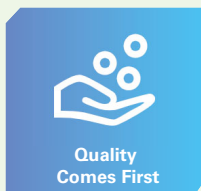
## Sustainable Development Objectives

In order to promote the development of national ecological civilisation and contribute to the construction of green homes, the Group complies with the requirements for the global response to climate change and the national carbon peaking and carbon neutrality goals, actively strives for the United Nations Sustainable Development Goals, incorporates sustainable development into the Group's overall business operation strategy and risk management and internal control systems, and continues to explore green and low-carbon development models and takes practical actions to promote the achievement of the Group's sustainable development goals. The Group has formulated its vision and goal, and the core pillars and foundations that help fulfilling the vision are as follows:

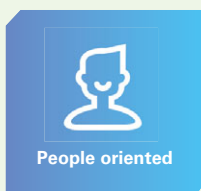


## Summary of ESG Actions for the Year

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



In line with the brand philosophy of "lifestyle of a lifetime", the Group adopts the "Eight Elegances of Residence" product concept and the "N-happiness molecule" ecosystem as the principles upon which Agile creates and interprets unfettered lifestyle to provide a quality life for its customers, and further improves the system construction to create "fine work of Agile quality" through quality management system and digital empowerment.



The Group constantly provides equal and fair employment opportunities for its employees; further improves a talent training system and continuously optimises its talent management mechanism; and strengthens internal management measures for occupational health and safety to fully protect the occupational health and safety of its employees in project construction, office operation and other links.



The Group attaches importance to sustainable development with harmonious in economy, environment and social benefits, implements the Agile Property Green Development Plan with further increase in the percentage of green building designed area of projects and continues to practise the green and low-carbon concept, advocates a green life and promotes the establishment of China's "double carbon" goal.



In line with the "empathy" philosophy, the Group has been involved in various public welfare undertakings such as disaster relief and poverty alleviation, community renovation and education, and has leveraged its strengths to promote urban renewal and development and fulfill its social responsibilities.



Sustainable Development  
Management

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



Compliant Operation  
Management

The Group adheres to legal and compliant operation, develops the Whistleblowing System, improves the construction of whistleblowing mechanisms, continuously strengthens integrity building and anti-corruption work, continuously optimises supply chain management, and promotes the healthy, sound and sustainable development of the Company and the industry.



# SUSTAINABLE DEVELOPMENT CONCEPT AND GOVERNANCE STRUCTURE



# SUSTAINABLE DEVELOPMENT CONCEPT AND GOVERNANCE STRUCTURE



## Sustainable Development Concept

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

## Governance Structure

The Group attaches great importance to the management of corporate sustainability and actively follows domestic and international initiatives and standards on ESG. The Group has established an ESG governance structure with the Board as the core of leadership to ensure that the Group has adequate and effective management capability on ESG issues. Under the leadership of the Board, the Risk Management Committee is responsible for the overall management of the Group’s sustainable development work, and a Sustainable Development Steering Group is set up to follow up on the implementation of the Group’s sustainable development work.

### The Board

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

### Risk Management Committee

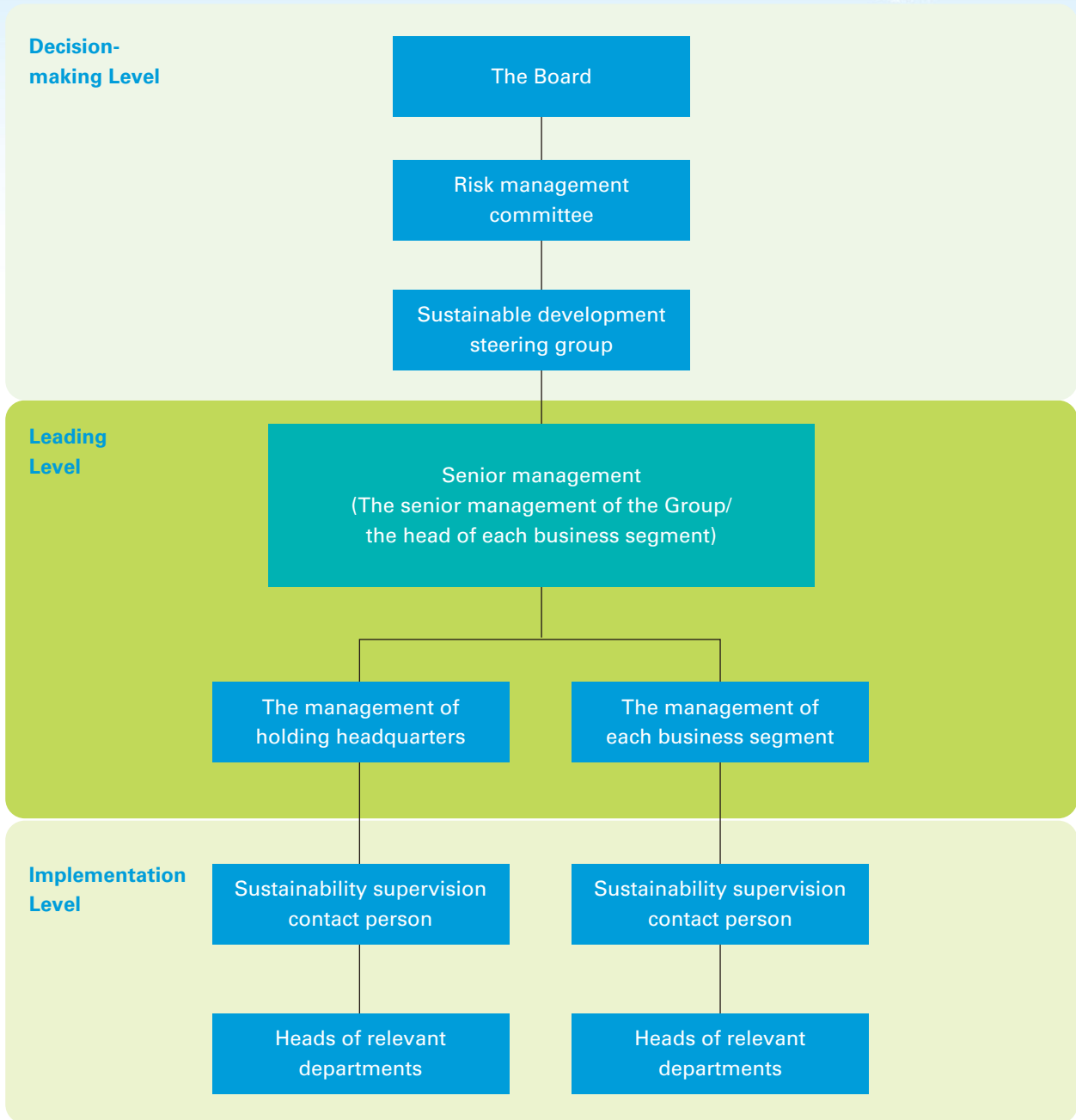
- Regularly identify, analyse and review management process through the Enterprise Risk Management (ERM) system, and identify and manage core ESG risks in ERM and integrate sustainable development issues;
- Monitor the implementation of various sustainable development measures;
- Report regularly to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

### Sustainable Development Steering Group

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










In order to promote the effective implementation of the Group’s ESG management work, the Group held two Board meetings and two Risk Management Committee meetings to discuss and report ESG-related issues and ESG risk management, as well as the progress of ESG reporting of the Reporting Period during the year.





### Stakeholders' Communication


The Group is fully aware that the opinions of the stakeholders are the long-term driving force for the Company's transformation and development and help identify potential risks and opportunities faced by enterprises. In order to better respond to the concerns of stakeholders on sustainability issues, the Group actively developed a multi-level and highly flexible communication channel, built a normalized and diversified two-way communication mechanism, established close connection with stakeholders and actively responded to stakeholders' requests. During the Reporting Period, the Group's main communication channels for different stakeholders and the response measures to their requests are as follows:

Stakeholders	Major Communication Channels	Major Requests	Response Measures
 Government and regulators	<ul style="list-style-type: none"> <li>Partnership projects</li> <li>Working committee</li> <li>Tax information reporting</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with the law</li> <li>Pay taxes according to the law</li> <li>Support local development</li> </ul>	<ul style="list-style-type: none"> <li>Operate in compliance with the law</li> <li>Pay taxes on time and in full</li> <li>Actively implement relevant policies</li> </ul>
 Investors and shareholders	<ul style="list-style-type: none"> <li>Annual general meeting</li> <li>Official website of the Group</li> <li>Investor contact number</li> </ul>	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Operational transparency</li> <li>Risk management and control</li> <li>Investor rights</li> </ul>	<ul style="list-style-type: none"> <li>Improve profitability</li> <li>Sustain growth and guarantee returns</li> <li>Hold shareholders' meetings and disclose reports</li> <li>Regular disclosure of operational information</li> <li>Attend investor meetings</li> </ul>
 Customers	<ul style="list-style-type: none"> <li>Customer satisfaction questionnaire</li> <li>Customer interviews</li> <li>Customer communication hotline</li> <li>Community activities</li> </ul>	<ul style="list-style-type: none"> <li>Service attributes</li> <li>Service quality</li> <li>Information privacy and safety</li> <li>Protection of customer rights</li> </ul>	<ul style="list-style-type: none"> <li>Full range of personalized services</li> <li>Customer privacy protection</li> <li>Compliant marketing</li> <li>Enhance customer communication mechanism</li> </ul>



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



Stakeholders	Major Communication Channels	Major Requests	Response Measures
 Environment	<ul style="list-style-type: none"> <li>• Advocate green environmental protection</li> <li>• Energy and resource utilisation</li> <li>• Emissions and water resource management</li> </ul>	<ul style="list-style-type: none"> <li>• Efficient use of resources</li> <li>• Reduce emission</li> <li>• Respond to climate change</li> <li>• Biodiversity conservation</li> </ul>	<ul style="list-style-type: none"> <li>• Green building</li> <li>• Respond to climate change</li> <li>• Information-based means to monitor energy consumption</li> <li>• Control pollutant emission at the source</li> </ul>

### Materiality Assessment Steps

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

#### Step One: Identify Issues

The Group identifies issues by:

- Conducting internal interviews
- Referring to the requirements of the HKEx ESG Guidelines
- Focusing on major concerns according to ESG rating indices such as MSCI-ESG, DJSI, GRESB, etc.
- Referring to peer sustainability concerns

#### Step Two: Stakeholder Survey

The Group invited over 2,000 stakeholders to participate in the survey, which covered:

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

#### Step Three: Issue Analysis

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

#### Step Four: Determine Materiality

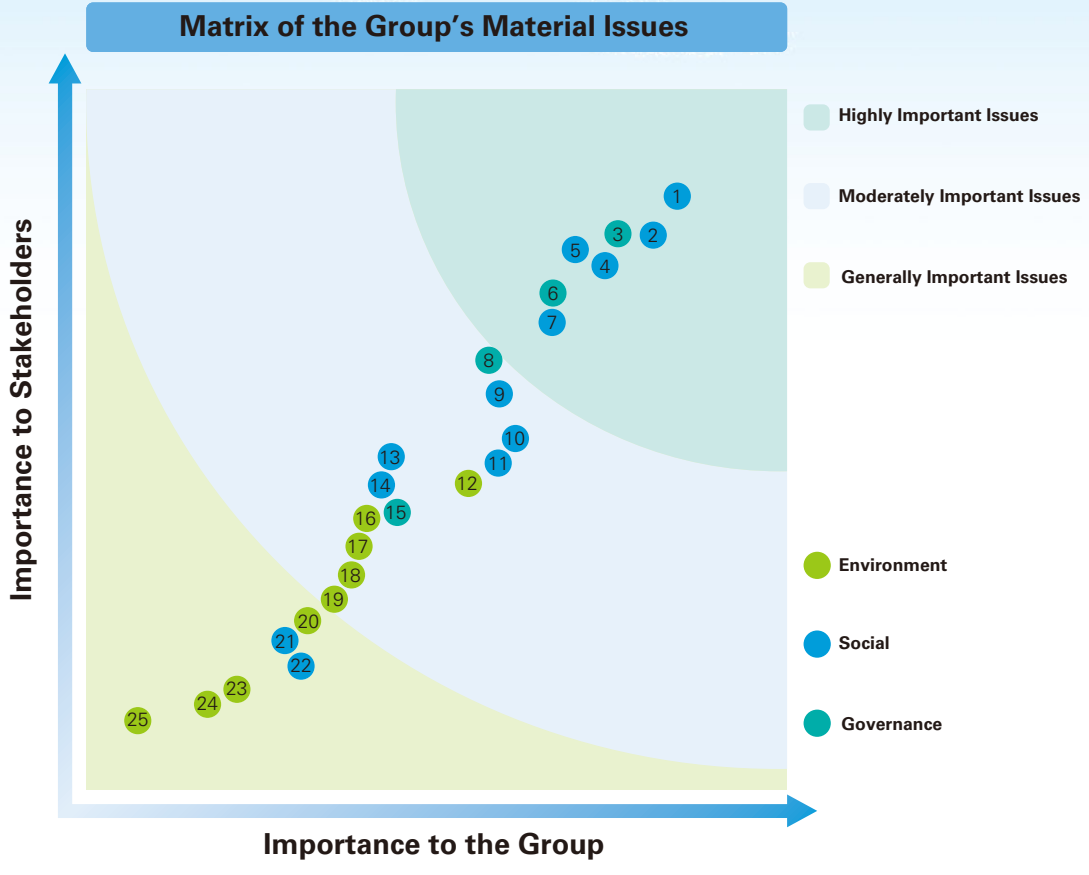
- Determine overall materiality based on the total score given to each issue by internal and external stakeholders
- Map the ESG materiality matrix
- Disclose in this Report the issues of key concerns to stakeholders



## Material Issues Assessment Results

### Results of the Comprehensive Assessment of Material Issues for 2022

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



# ANNUAL THEME: GREEN BUILDINGS, ECOLOGICAL AGILE



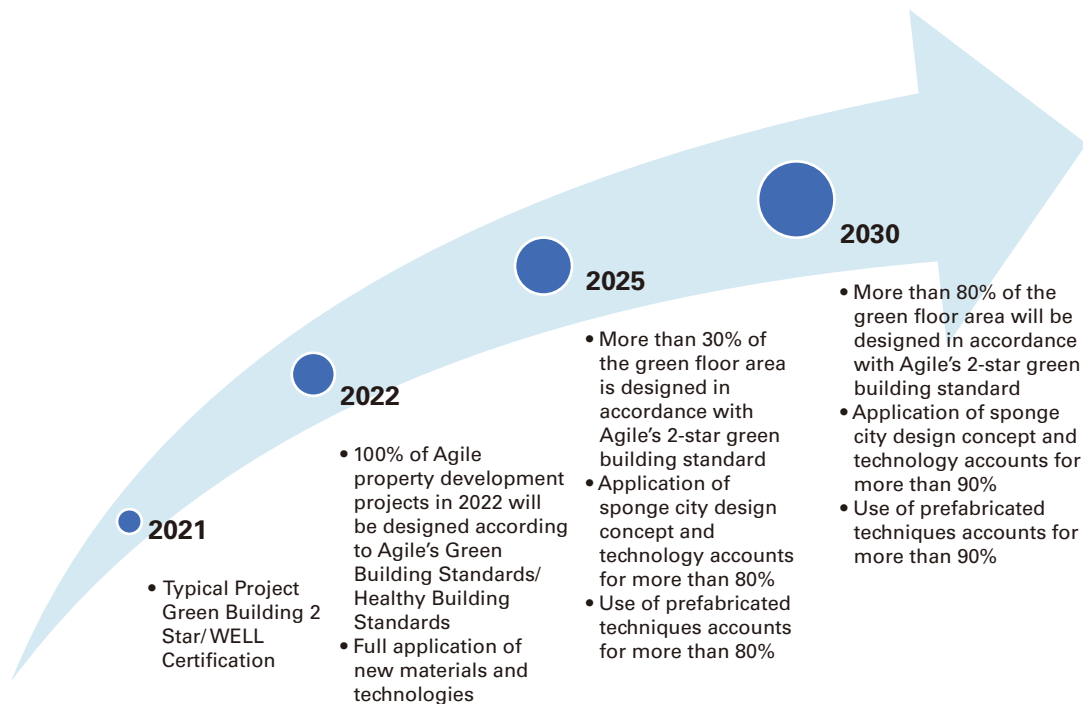
# ANNUAL THEME: GREEN BUILDINGS, ECOLOGICAL AGILE



The Group attaches importance to the research and practice of green buildings, and is committed to creating environment friendly, healthy, and elegant ecological residences. The Group has formulated and implemented a medium to long-term plan for green development, integrated the concept of green development into every step of project development, and actively shouldered the responsibility for environmental protection. Also, the Group adheres to providing the public with a low-carbon and healthy lifestyle, and innovates a healthy residence standard – Agile Happy Healthcare system, aiming to endow residential products with natural elements and humanistic care. In the future, the Group will further explore green building design, promote green construction technology, actively grasp the development opportunities of green buildings, continuously promote the green and high-quality development of residential products, and continue to contribute to the construction of Beautiful China.

## Green development planning and construction achievements

The Group always implements the Assessment Standard for Green Building (GB/T50378-2019) issued by the Ministry of Housing and Urban-Rural Development of the People's Republic of China in project design and construction, adheres to the principles of passive design priority, active design optimization, and energy-saving coordination, and actively promotes the development of green buildings. The Group has formulated a medium to long-term plan for green development, actively embraced green and WELL building standards, explored prefabricated buildings, and built sponge cities, striving to actively shoulder environmental protection responsibilities in the development and operation process and adhering to providing the public with a green and healthy lifestyle.



Medium and Long-term Plan for Green Development





In 2021, a total of 12 projects of the Group was awarded green building 2-star certification mark. In 2022, the Group achieved 100% of property development projects designed according to Agile’s Green Building Standards/Healthy Building Standards and get the following achievements in green building:

No. of Green Buildings Designed According to Green Building Star Level Design Standards	No. of Green Buildings Meeting Green Building Star Design Standards	Total number of Green Buildings Obtaining the Green Building Certification Mark	Total number of Green Buildings Awarded the 2-star Certification Mark	Percentage of Green Building Designed Area
169	116	105	26	94.42%



**Case: Green Building 2-Star Design Project – Nanjing G50 Yunwangfu Project**

The design and construction of the Group’s Nanjing G50 Yunwangfu Project will actively follow the 2-star green building standard. It will fully utilise land resources and incorporates green spaces to create a super large central garden. The main technical features of the Project are as follows:

- The water-saving appliances have a Grade 2 water efficiency grade;
- The residential buildings have excellent sound insulation performance;
- The utilization rate of renewable and recyclable materials reaches 5.13%;
- The green space coverage reaches 35.02%.



**Nanjing G50 Yunwangfu Project**



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

### WELL buildings

The Group has introduced the WELL Construction Standard to create a more humane and healthy residential space through design interventions, operational policies, and a culture that values health and well-being, thereby improving people's health and well-being. As of 31 December 2022, the Group has obtained WELL Gold/Platinum Precertification for 3 projects.

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

### Green and healthy architectural design – Agile Happy Healthcare system

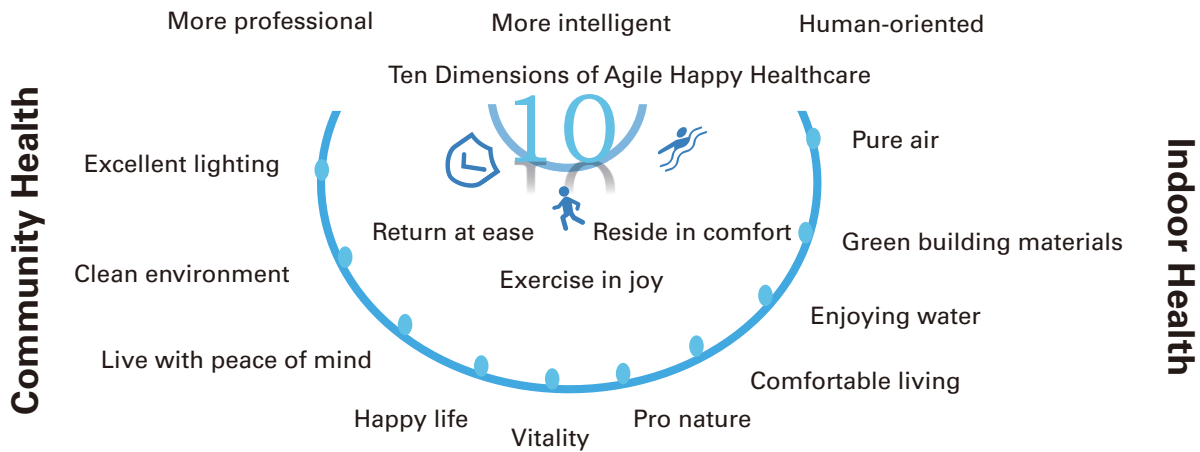
By reference to the dual authoritative standard system of WELL Construction Standard and Healthy Construction Evaluation Standard (T/ASC 02-2016), the Group has established internal standards for healthy living areas from two major aspects, namely indoor health and community health, and ten dimensions, namely excellent lighting, clean environment, bureau peace of mind, happy life, vitality, pro nature, comfortable living, enjoying water, green building materials, and pure air namely "Agile Happy Healthcare" system.





Based on this system, the Group also introduced green and healthy design concepts to the master plan and layout design in addition to the application of indoor health equipment, including adopting ventilation and lighting indicators higher than the national standard to guide the project planning and layout design, so as to reduce the reliance on equipment in the later operation of the project, for example:

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



### Agile Happy Healthcare system



# 1. UNREMITTING AND DILIGENT WORK AND SUSTAINABLE DEVELOPMENT





# 1. UNREMITTING AND DILIGENT WORK AND SUSTAINABLE DEVELOPMENT

## Overview

The Group continues to improve its risk governance system, and actively promote the risk management in the entire process including ESG risk. The Group operates in compliance with laws regulations, constantly enhances the construction of integrity and anti-corruption work, continuously optimizes supply chain management, and promotes the healthy, stable and sustainable development of the Company and the industry.

### Important Issues Responded to in this Section

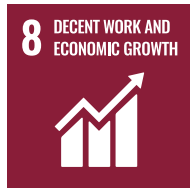
- Integrity Culture Construction
- Compliance with business ethical standards
- Enhance quality management system of supply chain
- Supply chain environmental and social risk management
- Respond to policies and participate in industry exchanges

### Indicators responded to in this Section

#### HKEX KPI

B5.1|B5.2|B5.3|B5.4

#### Topics of SDGs

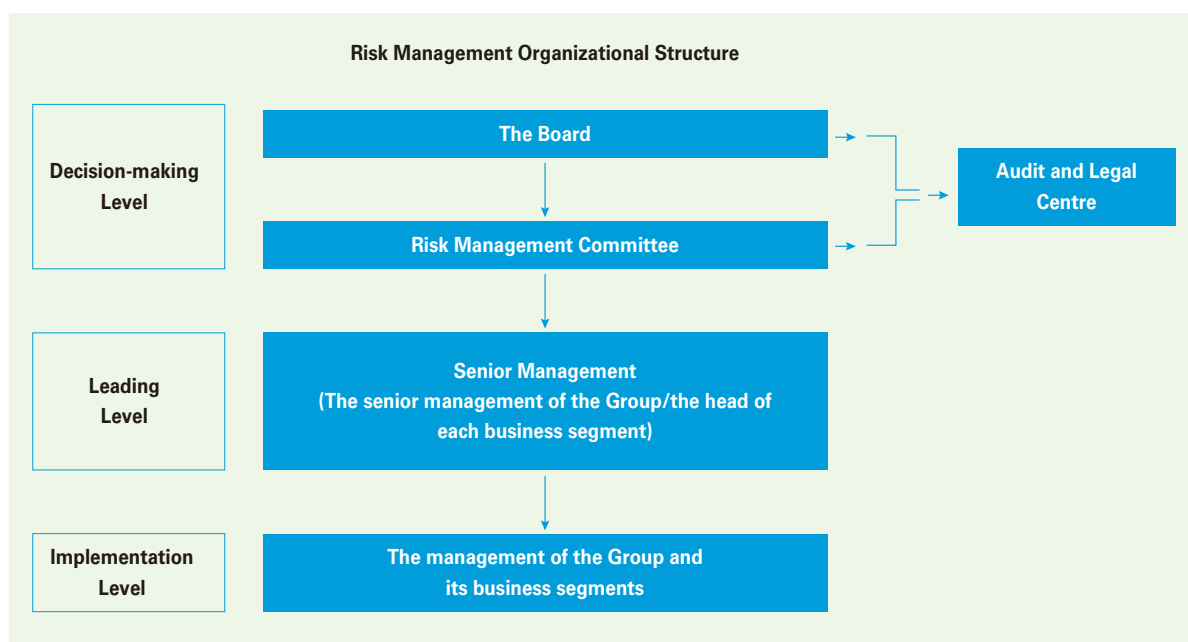




## 1.2 Risk Management

### Risk Management Mechanism

The Group has established and improved a comprehensive risk management framework, formulated and continuously improved the Risk Management System of Agile Group Holdings Limited, which provided clear and definite guidelines for risk management. The Board of the Group is responsible for overseeing the design, implementation and supervision of risk management. The Risk Management Committee under the Board is responsible for reviewing and formulating the risk management framework, identifying, analyzing, assessing and managing risks including those relating to ESG, reviewing and assessing the effectiveness of the Group’s risk management framework, monitoring the implementation of risk controls to ensure their effective implementation, and reports to the Boar on a regular basis.



At the same time, the Group continued to improve the three lines of defence for risk management, implemented various requirement of the comprehensive risk management system in corporate management and business procedures, providing strong support for the stable development of the Group.



## 1. UNREMITTING AND DILIGENT WORK AND SUSTAINABLE DEVELOPMENT (CONTINUED)



### ➤ **The first line of defence**

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

### ➤ **The second line of defence**

The operation, risk control, legal affair, finance departments and other departments are the second line of defence for risk management and responsible for formulating risk management strategies, facilitating the building of the risk management system, guiding and supervising the implementation of risk management measures in frontline business departments. These departments also assist each department to regularly assess core operational risks, set early warning indicators, continuously monitor the trend of changes in indicator data, and issue risk warnings, and conduct comprehensive evaluation of risk control effectiveness to continuously improve risk management.

### ➤ **The third line of defence**

The audit department and supervision department are the third line of defence for risk management and responsible for auditing and overseeing the risk prevention and control of the Group and assessing the results of the Group's risk management and control from an independent and objective perspective.

## **ESG Risk Management**

The Group attaches great importance to the ESG risk management, and integrates the ESG risks into the Group's risk management and internal control system. During the reporting Period, the Group included the ESG risks including climate change risk, environmental protection risk, risk of supplier management, corporate governance risks, etc. into the risk management library, achieved the supervision and management on ESG risks through setting up risk indicators, formulated and implemented risk management and control measures, and carried out assessment on ESG risks on a regular basis to continuously strengthen its capability to cope with ESG risks.

## **Remuneration Linked to Sustainable Development**

The Group has established an appraisal mechanism linking ESG performance to executive remuneration, with appraisal indicators covering performance of energy uses, energy conservation and emission reduction, and health and safety, etc.

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





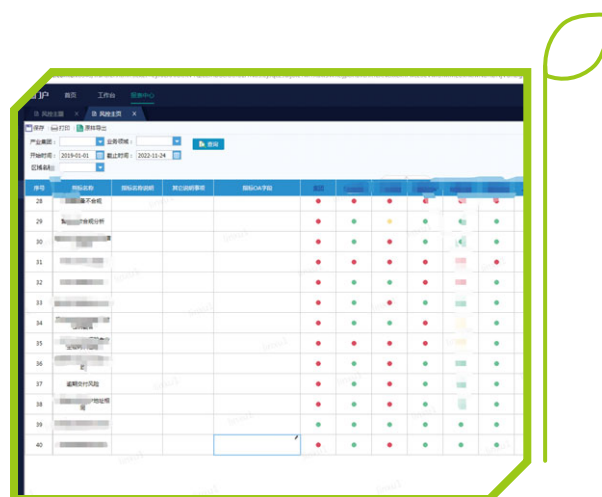
### 1.3 Professional Integrity

As a member of the China Anti-corruption Enterprise Alliance, the Group strictly complies with the relevant laws and regulations in the regions where it operates, including the Anti-Money Laundry Law of the PRC, the Anti-Unfair Competition Law of the PRC, and the Bribery Prevention Ordinance, etc., formulates and implements the internal systems including the Anti-corruption System and the Code of Business Conduct, etc., and sets up and continuously develops the anti – corruption system covering all employees, to firmly prevent bribery, extortion, fraud and money laundering.

During the reporting period, the Group newly developed a Reporting System to clarify the relevant reporting scope, responsibilities, and channels, and revised the Integrity System to standardise the identification of integrity violations, refine integrity reporting management, further reduce the risk of fraud and commercial bribery, effectively maintain the Group’s business reputation of integrity and honesty, and protect the rights and interests of the Group and all stakeholders.

#### Digital Declaration and Early Warning Monitoring

In its day-to-day management, the Group manages employee integrity information at source. This year, the Group carried out the 2022 anti-corruption related information declaration work, requiring all employees to complete online declaration, so as to strengthen their awareness of integrity in employment and implement the Company’s integrity management and supervision. At the same time, the Group used a digital operation platform to automatically determine the existence of risks, suspected violations, and other abnormal behaviours through data modeling, and conducted real-time monitoring and early warning of violations and abnormal behaviours through screening and processing. By the end of 2022, the digital operation platform has provided 40 early warning models, including 8 for funds, 20 for internal control, and 12 for suppliers.



Early warning & monitoring interface of the digital operation platform



### Reporting Mechanism Construction

The Group maintains a zero-tolerance attitude towards corruption, and encourage the employees and outsider to report integrity and discipline violation. Meanwhile, the Group has clarified reporting channel and handling procedures in the Reporting System, and established and improved incentive and protection mechanisms for whistleblowers. In 2022, there were no lawsuits against the Group involving corruption.

#### ➤ Integrity Reporting Channel

Reporting hotline: 86-020-88839935

Reporting email: lianzheng@agile.com.cn (not involved in the person in charge of the Audit and Legal Centre)  
ggjubao@agile.com.cn (involved in the person in charge of the Audit and Legal Centre)

Postal address: The Audit and Legal Centre, 36/F., Agile Center, 26 Huaxia Road, Tianhe District, Guangzhou, Guangdong Province, the PRC (postal code: 510623)

#### ➤ Reporting Handling Procedure

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

#### ➤ Incentive Mechanism for Whistleblowers

The Group encourages all employees to participate in the integrity construction, and commends and rewards organisations and individuals that have made outstanding contributions in promptly detecting, stopping, and correcting integrity and discipline violations.

#### ➤ Protection Mechanism for Whistleblowers

Regardless of whether the problem reflected in the complaint report is verified or not, the personal information of the whistleblower is in the nature of confidentiality and is protected by the Company's Confidentiality System. Employees who leak information about the whistleblower, leak integrity investigation process and material, threaten or retaliate against the whistleblower, will be demoted and given a major demerit according to the Administrative Measures on Dereliction and Accountability, or dismissed in serious cases, or, if suspect that an illegal crime has been committed, will report to the governing jurisdiction to take such legal actions.





## 1. UNREMITTING AND DILIGENT WORK AND SUSTAINABLE DEVELOPMENT (CONTINUED)



Integrity promotion training and analysis of cases of integrity violations that keep alarm bells ringing



CASE

### Case: "live and work with honesty and integrity"-themed integrity promotion

In May 2022, Hainan Company for the Group's property business conducted integrity promotion activities with the theme of "Live and Work with Honesty and Integrity" to urge employees to strictly and faithfully perform their duties, firmly establish the ideological defense line of remaining honest and self-disciplined, and transmit the positive energy of integrity in employment through the promotion of integrity rules and regulations, explanation and communication of the "high-voltage line", and sharing of practical cases.



Integrity promotion activity

### 1.4 Supply Chain Management

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

#### Full Lifecycle Management of Suppliers

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



➤ **Number of suppliers by regions**

Region	Number
Mainland China	34,744
Hong Kong, Macau, Taiwan and Overseas	40



**Total Number of Suppliers**  
**34,784**

**Supplier Evaluation**

The Group conducts regular evaluations of its suppliers from the dimensionalities of project quality, safety and civilization, compatibility and responsivity, and delivery and maintenance of repairment to continuously improve the quality of their services. The Group classifies its suppliers into five levels, namely premium, A, B, B+ and C, based on the supplier evaluation. Premium suppliers are outstanding suppliers that meet the Group’s strategic cooperation requirements; A-level suppliers are excellent suppliers that can cooperate on various projects across the Group and develop into strategic suppliers; B+ level suppliers are good suppliers that can cooperate and develop on projects across regions; B-level suppliers are qualified suppliers that can cooperate on various projects in specific regions; C-level suppliers are eliminated or pending suppliers that have been assessed as unqualified. Suppliers with major quality or safety accidents and other serious damage to the Group’s interests will be directly blacklisted and will never be engaged again.

At the same time, the Group regularly conducts a series of training on relevant process standards, technical standards and quality standards for suppliers based on the supplier evaluation and the Group’s business requirements and objectives. In 2022, Chongqing Region for the Group’s property business conducted training on quality management for suppliers, covering construction technology standards, safe construction requirements and construction quality management, to further improve the level of supplier construction and production quality management.



**Training on the Quality Management for Suppliers**

## 1. UNREMITTING AND DILIGENT WORK AND SUSTAINABLE DEVELOPMENT (CONTINUED)



### Supplier Chain ESG Risk Management

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

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

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

- Proportion of Suppliers Certified by ISO 9001 Quality Management System achieved 100%
- Proportion of Suppliers Certified by ISO 14001 Environmental Management System achieved 100%
- Proportion of Suppliers Certified by ISO 45001 Occupational Health and Safety Management System achieved 100%

At the same time, the Group continues to promote green procurement and sustainable material procurement, takes into account green and environmental protection factors in the course of the selection of suppliers, gives priority to the green and sustainable products and services, actively disseminates Environmental Protection, and endeavours to improve the efficiency of energy use. For example, the Group includes the safe and civilised construction site in the inspection of general contracting suppliers for civil works, which focuses on the suppliers' performance in green construction such as soil covering and spraying. The following are some of the green/environmentally friendly products that the Group required suppliers to use during the year:

- Mass use of exterior wall thermal insulation integrated panels in North China and East China, which have the features of low cost, anti-corrosion and non-pollution;
- Application of foamed ceramic wall panels in prefabricated buildings, which are mainly manufactured with industrial solid wastes and have the features of heat insulation, sound insulation, aging resistance, freezing resistance, etc.;
- Use of Polyurethane (PU) artificial stone as a renewable resource in the landscape area of the demonstration zone to replace stone materials, etc.



### Integrity Requirement for Suppliers

The Group strictly complies with the Bidding Law of the PRC, Regulation on the Implementation of the Bidding Law of the PRC and other relevant laws and regulations in its place of operation, and actively promotes compliance and integrity requirements to prevent corruption, bribery, fraud and other violations of suppliers in the course of cooperation.

At the same time, the Group requires its suppliers to establish anti-corruption policies for their supply enterprises in parallel and to carry out relevant anti-corruption procedures and measures. At the stage of supplier qualification and contract signing, the Group consistently requires suppliers to sign an Anti-corruption Agreement (except for companies exempted from signing), clarifies responsibility of integrity and specifies various penalties to eliminate the possibility of any misconduct arising in the supply chain. In addition, the Group's Audit and Legal Centre is responsible for receiving and handling integrity reports from suppliers, proactively accepting their supervision and striving to create a positive and transparent supply chain environment.



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

### Supplier Communication and Incentive

The Group makes efforts on establishment of the long-term and close business cooperation with suppliers, actively carries out discussions with suppliers, including regular high-level mutual visits, supplier training conferences, supplier satisfaction assessment, etc., and improves the supplier management measures within the Group according to the feedback and suggestions of suppliers. At the same time, the Group gives relevant rewards to premium and A-level suppliers of civil engineering and decoration services to further stimulate enthusiasm for cooperation and achieve win-win cooperation.



# 2. "LIFESTYLE OF A LIFETIME" AND CREATE AN ELEGANT LIVING EXPERIENCE







## 2. "LIFESTYLE OF A LIFETIME" AND CREATE AN ELEGANT LIVING EXPERIENCE

### Overview of Sections

The Group has always adhered to the brand philosophy of "lifestyle of a lifetime", and attached great importance to the product quality, construction safety and customer service management. Through the quality management construction of "elegant quality and exquisite craftsmanship", the implementation of the safety philosophy of "life first", the improvement of quality philosophy and the empowerment of digital technology, the Group creates a high-quality and beautiful life for customers and builds a high-quality development future for cities.

#### Important Issues Responded to in this Section

- Provide quality products and services
- Ensure the health and safety of employees
- Protect the customer privacy and information security
- Protect intellectual property rights and trademark rights
- Treat and recycle waste
- Carry out responsible marketing

#### Indicators responded to in this Section

##### HKEX Key Performance Indicators

B2.1|B2.2|B2.3|B6.1|B6.2|B6.3|B6.4|B6.5

##### SDGs Issues

<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> 	<p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p> 	<p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 
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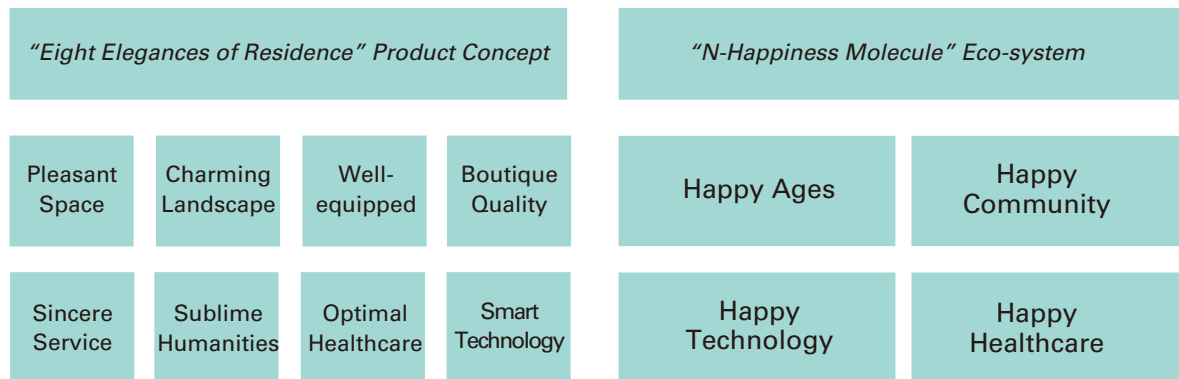




### 2.1 Casting craftsmanship quality

The Group adheres to the brand concept of "lifestyle of a lifetime" and always pays attention to customers' aspiration for a beautiful life. The Group attaches importance to product quality management, established a quality management system framework of "elegant quality and exquisite craftsmanship", strictly controls the product quality of projects, and wins the reputation of the industry and customers with excellent quality. At the same time, the Group has been constantly seeking for philosophy breakthrough and service innovation. On the quality philosophy level, the Group adopts the "Eight Elegances of Residence" product concept and the "N-happiness molecule" eco-system are the principles upon which Agile creates and interprets unfettered lifestyle to create a quality life for its customers. On the customer service level, the Group has upgraded and iterated the "5S+" lifestyle service system (Smile+, Serve+, Share+, Support+ and Satisfy+), which is applied to the full cycle of customers from apartment tours to moving in, setting a urban benchmark with high quality and contributing to the development of cities with high quality

During the Reporting Period, the Group's projects won a total of 24 national, provincial and municipal product quality awards for excellent performance in the industry, with no product quality-related violations occurred.



### Product Quality Awards Awarded to the Group in 2022 (Partial)



**China's Housing Enterprise Super  
Product Power in 2022 (TOP 30)**  
*EH Consulting*

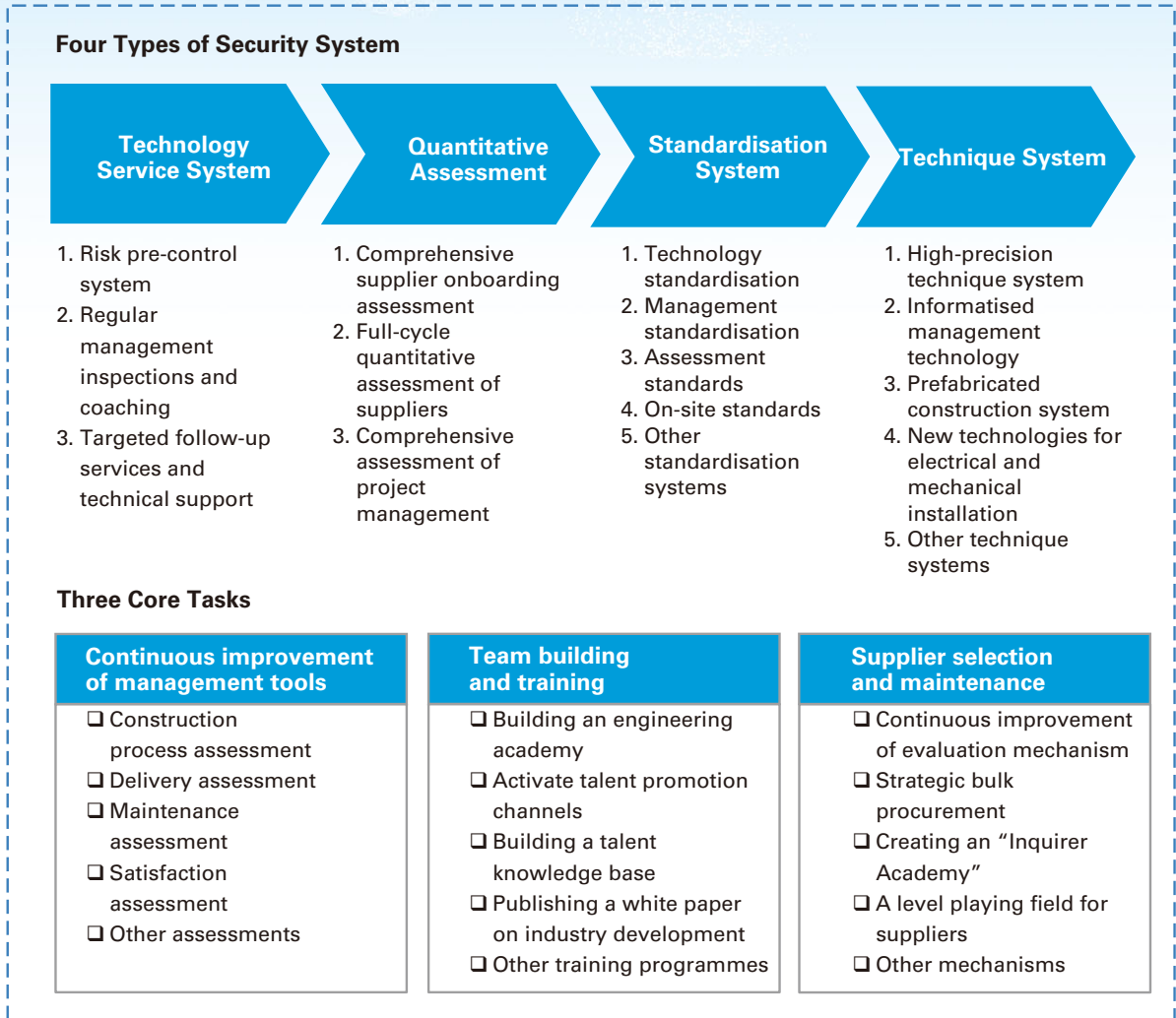
**China's Listed Real Estate Enterprises  
in 2022 (TOP 20)**  
*EH Consulting*

### Construction of Quality Management Systems

The Group regards the project quality and safety as "lifeline", strictly complies with the Product Quality Law of the PRC, the Urban Real Estate Administration Law of the PRC and other relevant laws and regulations of the regions where it operates, and formulates and implements the internal management systems in accordance with technical specifications of the construction industry, such as Red Light Early Warning Management System for Engineering Quality and Safety Risks, Manual for Prevention and Control of General Quality Problems, and Technical Guidelines for Prefabricated Building Construction, clearly standardizing the operational requirements and standards related to engineering quality. At the same time, the Group has established a full-cycle quality management system and its industrial companies have further worked out detailed operation guidelines to form a standardised quality management system in combination with the actual business operation.

### Construction of Whole-cycle Quality Management System

The Group fully implements the control logic of "Quality House" and establishes a quality management system framework of "Elegant Quality and Exquisite Craftsmanship", including 4 types of security system, 3 Core tasks, 25 basic quality requirements, 23 large-scale quality requirements and 30 experiential quality delays. The Group strictly controls the product quality of projects, carries out a full-cycle of quality management from stages of planning, support, pile foundation and earthwork, basement and main body, roughing-in, fine fitment and landscaping to completion and delivery, and uses the "six horizontal and six vertical" schedule management methods to precisely manage nodal pre-control, construction start time and completion time, so as to achieve the whole process of quality control and ensure safe and reliable product quality.



"Four Types of Security System + Three Core Tasks"





### Case: Building Decoration Quality Management

Zhongshan Shixing Decoration Co., Ltd. (hereinafter referred to as "Shixing Decoration"), a subsidiary of A-City Technology Group of the Group, adheres to the philosophy of "professionalism, high quality and high efficiency" and the craftsman spirit of always endeavoring to do still better to constantly improve the construction quality management in the field of architectural ornament and decoration. With the excellent services, engineering quality and green environmental protection products, Shixing Decoration has a number of professional qualifications, such as Grade I Professional Contracting for Building Decoration Engineering, Grade B Special Design for Building Decoration Engineering, and has won the ISO9001 Quality Management System, ISO14001 Environmental Management System, China Environmental Mark Certification, and Occupational Health and Safety Management System Certification, with 86 copyrights and patents.



ISO9001 Quality Management System Certification

### Digital Empowerment Quality Management

This year, the Group gave full play to the quality management of digital empowerment construction, actively promoted the construction of smart sites, further implemented the "Skynet" action, and continued to upgrade the software of "Agile Cloud" in the Internet of Things. At the same time, the Group provided digital support for the implementation of product quality management in combination with the AIOT (Artificial Intelligence of Things) intelligent hardware and three digital management systems.

#### ➤ "Skynet" Action

This year, the Group further implemented the "Skynet" action, a pit safety monitoring technology, requiring that the pile foundations and foundation pit projects of all newly-opened projects shall be equipped with video equipment, so as to realize online remote monitoring of the construction process, effectively control the quality risks of pile foundations and improve the construction quality of concealed works. At the same time, this year, the Group added the management contents of "Skynet" to the project bidding and contract terms, and organized the construction units and supervision units to strictly implement the management requirements of "Skynet" before the start of construction, and regional companies and groups conducted regular spot checks: if any quality problems were found during the spot checks, and if such quality problems involved the internal departments of the Group, such departments would be punished according to the relevant accountability measures of the Group, and if such quality problems involved the partners, the partners would be held accountable according to the corresponding system, so as to prevent quality fraud and create a sunshine project.



Monitoring Scenario of "Skynet" Action

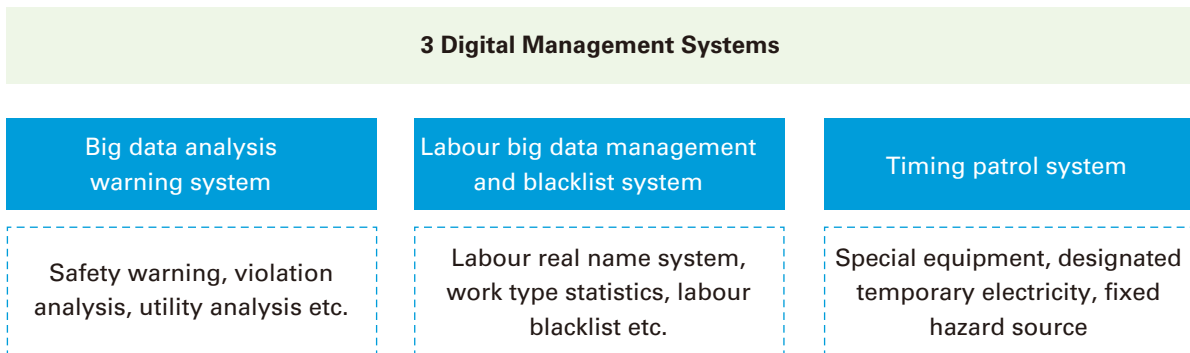
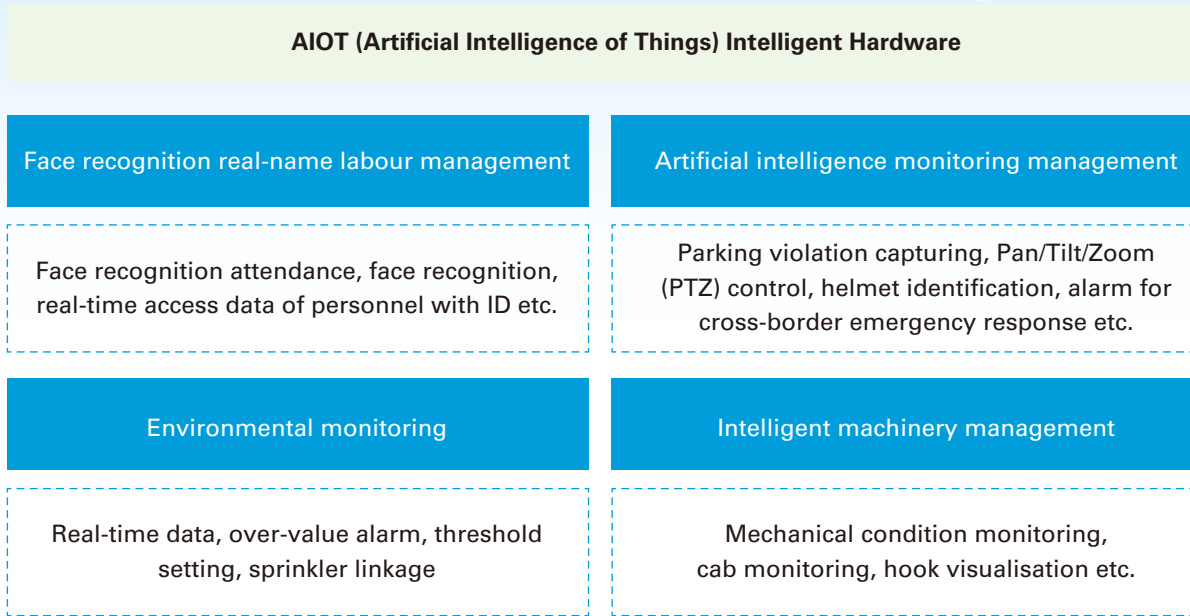
### ➤ "Agile Cloud" System

This year, the Group continued to promote the upgrade of the "Agile Cloud" Internet of Things, and further refined the management modules such as quality management, safety management, progress management, training management, interior work management and design inspection. At the same time, "Agile Cloud" integrates the "Skynet" video monitoring equipment, and the project manager can adjust the "Skynet" video surveillance equipment in the mobile phone APP "Agile Cloud" to remotely monitor the quality of the project in real time.



Interface of "Agile Cloud" System (Partial)





### Third-party Assessment

The Group conducts all-round, full-coverage and airtight inspections and assessments of the residential and public construction projects under construction and delivery through a highly professional third-party company in the industry, using the "8+N" assessment methodology. The assessment methods include on-site sampling inspection, quality joint acceptance, etc. At the same time, the Group analyzes the assessment results, forms and publishes a brief report of the assessment results, constantly sums up experience, and shares excellent project practices to ensure the high-quality delivery of projects.





**Third-party Assessment Methods and Key Points**

### Industry Promotion

In this year, the Group conducted in-depth exchanges and established good cooperative relations with the companies in the same industry through the forms of quality, safety and civilization observation meetings of construction projects and quality month activities, so as to continuously improve its own quality and endogenous motivation for production safety and actively promote the steady development of the industry.







### Case: 2022 Architectural Project Quality, Safety and Civilization Observation Meeting of Hanzhong Agile Garden

This year, the Group held the 2022 Architectural Project Quality, Safety and Civilization Observation Meeting in Agile Garden, Hanzhong, North China. The observation meeting was hosted by the Housing and Urban-Rural Development Bureau of Hanzhong City, and was held simultaneously by offline meetings and online live broadcasts. Hundreds of industry representatives attended the observation meeting for observation. Participants visited the first and second exhibition areas of Hanzhong Agile Garden Phase III, and observed and studied the actual measurement exhibition area, basement management module exhibition area, VR, smart construction site, safety finalization devices, dust control and other exhibition areas. The observation meeting helped strengthen the participants' awareness of safe and civilized production, guide the industry to improve the quality of construction projects, and improve the construction quality and safety security system.



Architectural Project Quality, Safety and Civilization Observation Meeting



## 2.2. Strictly observe construction safety

The Group attaches great importance to the safety and health of project production and construction, firmly establishes the safety concept of "life first", continuously improves the Group's safety capability and safety level, and builds a long-term mechanism for safety work. The Group's Sustainable Development Steering Group is responsible for the formulation of health and safety management strategies and performance reviews, and regularly reviews the effectiveness of health and safety-related policies. At the same time, the Group links the senior executives' compensation with safety performance to further implement the subject responsibility of construction safety.

### Awards for Safe Construction Won by the Group in 2022 (Partial)



**Safety Production Standardization Project of China's Safety Industry and Construction Industry in 2022**

*Construction Industry Branch of China Association Of Work Safety*



**Housing Construction Project in Conghua District in the Second Quarter of 2022**

**Safe and Civilized Construction Demonstration Site**

*Guangzhou Conghua District Housing and Urban-Rural Development Bureau*

### Construction of Safety Management System

The Group actively promotes the development of safety management system and complies with the relevant laws and regulations of the regions where it operates, including Production Safety Law of the PRC, Fire Protection Law of the PRC, Emergency Response Law of the PRC, and Occupational Disease Prevention and Control Law of the PRC. In addition, the Group has formulated internal management systems such as Safety and Quality Red Line Management, Red Light Early Warning Management of Engineering Quality and Safety Risks and Top Ten Red Line Switching Systems of Projects (Ten Safety Rules) with reference to the requirements of the Occupational Health and Safety Management System (OHSAS) 18000/ISO 45001 standards. The Group carried out activities such as "year-end and year-end safety inspection" and "production safety month", and also formulated and strictly implemented control measures such as engineering technology, safety management, education and training, individual protection, emergency response, internal and external safety inspection and safety assessment through the identification and assessment of hazardous and harmful factors, so as to ensure that construction safety risks are controllable.



### Safety Management and Assessment

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

#### ➤ Environmental Protection Group

The Environmental Protection Group EHS Centre publishes and publicises the Group's EHS management system every year, and updates the Group's EHS regulations database in real time, enabling the sharing of the Group's EHS resources. This year, the Environmental Protection Group mainly revised the Management System of EHS Hidden Danger Screening and Management, the Safety Work Management Manual, the EHS Information Reporting System and other related internal management systems, further improved the norms of safety management, and effectively implemented the safety management requirements through emergency drills, assessment and supervision, management system certification and other measures. As of the end of the Reporting Period, many projects of the Environmental Protection Group, such as Shanghai Canzhou and Suzhou Xitu, have obtained ISO 14001 Environmental Management System Certification, ISO 45001 Occupational Health and Safety Management System Certification and ISO 9001 Quality Management Certification.

#### Construction of EHS Systems

This year, according to the actual management needs, the Environmental Protection Group EHS Centre revised or added 18 management systems of the department, including comprehensive management, environmental management manual, safety management manual, fire management manual, occupational health management manual, etc. Each system clearly defined the management object, job responsibilities and requirements, assessment standards and other contents, providing the institutional guarantee for the EHS system construction of the Environmental Protection Group.

#### EHS Emergency Drills and Training

According to the Annual Emergency Drill Plan, the Environmental Protection Group requires all its subordinate project companies to organize emergency drills regularly: carry out special emergency drills at least once a month, covering fire, hazardous chemicals leakage, mechanical injury, personnel poisoning, flood control and typhoon prevention, heatstroke, personnel falling, sudden diseases on site, abnormal special equipment and other drills, and record the process, summarize the matters needing attention in actual operation and the key points of subsequent drills, so as to improve the emergency handling capabilities of front-line employees.



### EHS Emergency Drill



Water Pressure Test



Start a No-warning Drill

Train Personnel on  
First Aid on SitePractical Operation  
of No-warning DrillDrill Summary and  
Comment

### EHS Assessment and Supervision

The Environmental Protection Group conducts uninterrupted EHS professional supervisions on the project companies, covering the implementation of EHS system, major risk management and control, accident prevention and rectification, operation of fire/security/environmental protection facilities, and three violations of field operations. At the same time, the Environmental Protection Group conducts EHS pre-acceptance inspections on the completed projects to be put into production to ensure compliance with the regulatory and the Company's internal EHS management requirements. The Environmental Protection Group also carries out identification of dangerous and harmful factors, risk evaluation and safety countermeasures and suggestions through safety pre-evaluation report and other measures to ensure the safety of projects.

At the same time, the Environmental Protection Group conducts daily assessments and supervisions on units and individuals. If violations are found, the responsible person will be punished according to relevant systems, and the philosophy of "everyone is responsible for production safety" is transmitted to every employee.

<b>EHS Performance Assessment of Project Companies</b>	The Environmental Protection Group conducts comprehensive EHS assessments on the business divisions and project companies every month, and the assessment results are used for the selection of special safety and environmental protection awards.
<b>EHS Performance Assessment of Employees</b>	<p>Project Directors: The Environmental Protection Group EHS Centre conducts EHS assessments on the project directors every month, and punishes the project directors accordingly if the assessment results fail to meet requirements.</p> <p>EHS Project Heads: The Environmental Protection Group EHS Centre conducts EHS assessments on the EHS project heads every month, and the assessment results are included in the selection of special safety and environmental protection awards.</p>
<b>Accident Assessment (one-vote veto)</b>	According to the Management System of Sudden Safety and Environmental Accidents, the Environmental Protection Group investigates the responsibility of the persons responsible for accidents, implements zero tolerance and "one-vote veto system" for accidents, and cancels all annual excellence evaluation qualifications for the responsible units.



➤ **A-City Technology Group**

A-City Technology Group formulates and implements the internal management systems such as Management Measures for Safe and Civilized Construction and Yayue Garden Safety Accident Emergency Plan, sets standards, behavioral norms and management bottom lines for general projects, technical quality projects and safe and civilized projects, conducts regular project training, strictly examines and approves the contents of safety management and protection in the construction scheme, and strengthens the project process management of various professional companies to promote the standardization of quality and safety management. In addition, A-City Technology Group actively promotes the system certification of projects under construction, and its Yayue Garden Engineering Co., Ltd. has obtained the Environmental Management System Certification ISO45001, Occupational Health and Safety Management System Certification ISO45001 and Quality Management System Certification ISO9001, and will continue to promote the systematic construction of safety management of cooperative enterprises.



**Certifications of Environmental Management System, Occupational Health and Safety Management System and Quality Management System of Yayue Garden Engineering Co., Ltd.**

➤ **A-Living Group**

A-Living Group has established and implemented the internal management systems such as Code of Practices for Operational Safety Management and Emergency Preparedness and Emergency Response Code of Procedures. During the reporting period, A-Living strengthened the management of community security and order by carrying out special actions such as "Sword Campaign" and "Five Point Action". At the same time, A-Living protected the community security and order by strictly implementing epidemic control measures, making emergency plans for emergencies such as fire fighting, conducting fire inspection, installing overhead parabolic cameras, and timely handling extreme weather disasters, creating a safe and orderly home atmosphere for owners.



➤ **Assessment Indicators and Completion**

The Group's real Estate Business, Environmental Protection Group, A-City Technology Group and A-Living Group all ensure that all business segments implement safety management responsibilities by setting safety management-related assessment indicators and refining safety management objectives. In 2022, the safety management assessment objectives of all segments of the Group are as follows, and all relevant objectives have been achieved.

<b>Real Estate Business</b>	The number of serious injury accidents due to safety responsibility is 0  The number of major accidents such as fire, traffic, explosion and equipment is 0
<b>Environmental Protection Group</b>	The incidence of serious injuries and above is 0  The number of major accidents is 0
<b>A-City Technology Group</b>	The number of major safety accidents is 0
<b>A-Living Group</b>	The number of major safety accidents is 0

### Safety Management Measures

The Group attaches great importance to project safety management, and through management measures such as construction site safety management and implementation of management of major risk sources, ensures the safety of projects and personnel including contractors, reduces the potential safety hazards in the process of project construction and operation, and strives to achieve the perfect combination of safety, quality, time and benefit.

➤ **Safety of Construction Sites**

The Group attaches great importance to the first-line safety production work of projects, constantly strengthens the safety management of construction sites, improves the safety management level through such measures as safety morning briefing, special safety inspection, distribution of safety equipment, and three prevention drills, continuously strengthens the safety awareness of workers, and effectively prevents the occurrence of safety accidents on the construction sites.

**Before Construction:** The Group requires the construction unit to purchase insurances for each worker, and includes the Handbook of Safe and Civilized Construction in the employment contract. The Group Requires the construction unit to consider the fire protection of the project at the bid-winning stage, and prepare a fire emergency drill plan and an accident rescue emergency plan before the start of construction. Before the site construction starts, the Group requires all construction units to hold a safety morning briefing every day to enhance their awareness of daily construction safety.

**During Construction:** The Group conducts special safety inspections and comprehensive safety assessments during the construction process, and provides necessary safety equipment and personal protective equipment for posts involving occupational health hazards according to the requirements of the Management System of Personal Protective Equipment to protect workers' work safety.



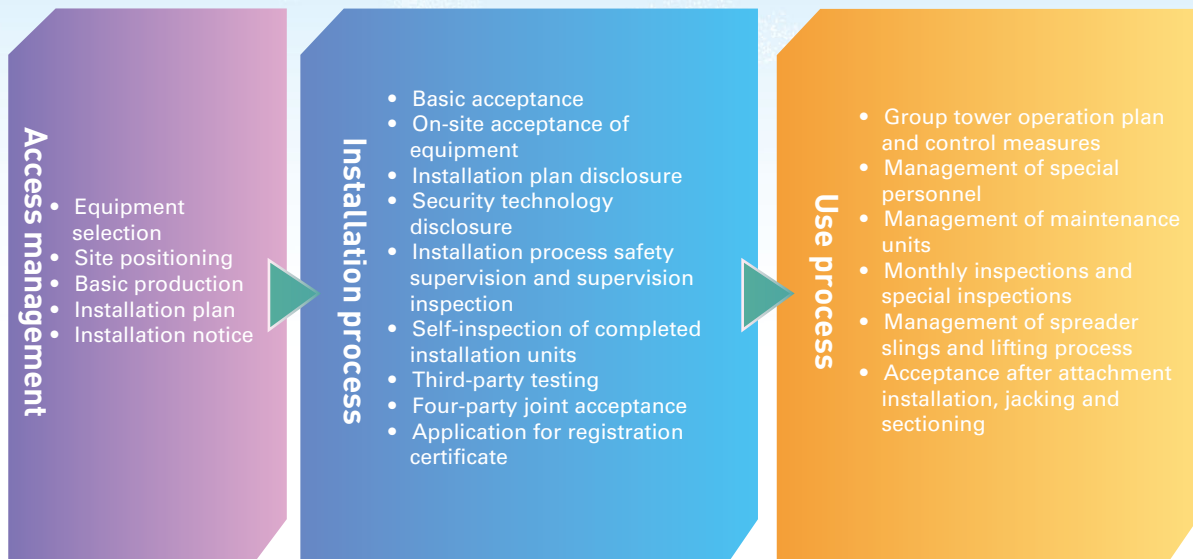
**Knowledge Publicity:** The Group organizes the publicity of construction safety knowledge, emphasized production safety precautions for each link, each working procedure and each operating point in combination with the actual work site and weather conditions, comments and analyzes the existing hidden dangers or possible problems, and puts forward emergency measures and rectification suggestions.

**Emergency Management:** The Group has formulated the Emergency Plan Management System, and standardized the process and standards for handling safety-related emergencies. The Group regularly conducts three-defence system (fire, security, technical defence facilities) inspections, fire drills, emergency casualty drills and other special safety training, it strives to improve staff awareness of prevention, emergency self-rescue capability and project safety management performance.



**Safety Morning Briefing and Fire Drill**

At the same time, the Group improved its engineering control system through comprehensive control methods such as the Underground Engineering Safety Supervision Plan and the Full-cycle Supervision Plan, and carried out periodic and regular control over the safety of engineering projects; through the Control and Management of Major Risk Sources, the key points of control and management of major safety and quality risks and the key points of control and management of concealed projects are clarified, and the potential safety risks are classified and controlled. For example, in order to ensure the safe use of machinery and equipment, the Group has refined the risk source management of the safety problems in the process, installation and use of equipment, and defined the risk management points, thus reducing the safety risks.



Risk Source Management for Safety Issues in Equipment Operation

➤ **Health and Safety Management of Contractors**

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





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



#### Case: Agile Jiangdu Project Launched 2022 Safety Production Month

In June 2022, Agile Jiangdu Project launched the 2022 Safety Production Month and scaffolding collapse emergency rescue drill.

Longxin Group, as the general contractor of Agile Jiangdu Project, made the construction safety promise of "improving safety operation skills, implementing various safety control measures of the project, effectively putting safety responsibilities and project safety quality supervision and management in place, and making constant vigilance and unremitting efforts". At the same time, the project director, the supervision director and the representatives of team leaders took safety oaths, promising to do a solid job in implementing various safety systems to ensure the safe construction and controllable quality of the project.



Safety Production Month in 2022



### 2.3 Technology Empowerment of Exquisite Craftsmanship

In line with the rapid development trend in the era of big data, the Group actively explores scientific and technological means to empower product quality, and relies on advanced technologies such as the Internet and the Internet of Things to develop digital management platforms in the fields of real estate, construction, property management and environmental protection, so as to ensure data privacy and information security, improve the operational efficiency and core competitiveness, help create a green, scientific, spatial and humanistic living environment, and strive to become a model for digital transformation of the real estate industry in China.

#### Digital Application Scenario

At present, the Group's achievements in informatization construction include the Intelligent Investment Policy ABC System, Yazhu Cloud System, A-Steward APP, industry and finance integration platform, hazardous waste production management system, medical waste management platform, etc., which effectively promote the construction of smart real estate, construction sites, communities and offices, and some of which are as follows:

##### Smart Real Estate

Measurement Management Platform help digital profit decision. The online sales platform, E Legou, supports online VR apartment touring, promotes smart sales and realizes a new marketing model.

##### Smart Construction Site

The Intelligent Investment Policy ABC System and THE Real Estate Full-cycle Yazhu Cloud System, U9 Manufacturing Management System and MES Manufacturing Execution Management System help to manage construction sites and process manufacturing and realise digitalized engineering management.

##### Smart Community

The A-Steward APP, A-Steward Smart Space (雅管家智蓄空间) mini programme, community wisdom pass, face recognition reverse car search system, etc. improve the operation and service efficiency and optimize the owners' living experience.

##### Smart Work

The systems such as industry-finance integration platform, RPA application and comprehensive budget control center improve the data management efficiency, provide real-time control for business systems, reduce the difficulty of operation and maintenance, and realize the standardization and transparency of financial budget management.

##### Smart Waste Treatment

The hazardous waste production management system and medical waste management platform track and manage the whole life cycle of waste, realize efficient, timely and standardized supervision of medical waste, and strengthen the safe disposal of medical waste.





### Case: Smart Investment Decision — Intelligent Investment Policy ABC System

This year, the Group continued to optimize and improve the Intelligent Investment Policy ABC System, further opened up the three business lines of investment, marketing and products, optimized the decision-making process and management under the new operation model of "people + machines", and gradually built a comprehensive investment judgment and management platform covering the following five scenarios, realizing the integration of investment research and judgment, measurement and management systems:

- **City Big Database**—Integrate the multi-party data, build 10 external big databases of cities, including macro, land, market, supporting facilities and customer group, big databases of major cities
- **Land Research and Judgement and Evaluation**—Support bidding, auction and listing plots and self-built plots, and comprehensively evaluate the land value according to the corresponding cities, sectors, markets, competing products, and supporting facilities
- **Integration of Investment Management Systems**—Create online collaborative work scenarios for seven major roles, reshape the preinvestment process, connect investment-related systems, support investment research and judgment and management, including investment research and judgment standards and discourse system, and provide investment operation tools
- **Online Investment Report**—Land reports and investment committee reports are published online, reducing the reporting workload and improving the reporting efficiency from "daily completion" to "sub-completion"
- **Positioning and Pricing Models**—Improve the scientificity and rationality of project positioning and pricing from "plot attribute determination" to "scientific project positioning", "traditional pricing" to "AI intelligent pricing model"



Interface of the ABC System of Intelligent Investment Policy



### Case: Technology Empowering Operation — Building a Smart Access Intelligent System

This year, the Group's A-Living continued to promote intelligent systems such as community smart access and smart reverse car search, integrated community services with owners' lives, accelerated the transformation and upgrading of property services to digitalization and refinement, and created a satisfactory and reassuring intelligent experience for owners with more efficient management.

**Community Intelligent Access System:** The Group uses the AI video surveillance system to effectively control the access control in the community, and realize such functional services as contactless access, authentication, identification and temperature measurement, danger warning, security management, etc., so as to enhance the owners' non-inductive access experience and ensure the community security environment. At present, the smart access has been promoted to more than 100 projects nationwide.

**Smart Access Reverse Car Search System:** Based on the new model of intelligent building parking system management innovation, the Group has integrated the high-precision positioning technology into parking services, realizing the diversified functions such as empty parking space monitoring and guidance, reverse car search navigation, mobile payment, and improving the operational management efficiency and economic benefits.



### Case: Intelligent Treatment of Hazardous Waste — Zhanjiang Medical Waste Management Platform

Zhanjiang Yuelu Project of the Environmental Protection Group of the Group is the only unit in Zhanjiang that holds a license for centralized treatment of medical wastes. The Zhanjiang medical waste management platform built by Zhanjiang Yuelu Project can track and control the whole cycle of medical waste generation, packaging, transportation and disposal through the third-party system interface module.

In addition, Zhanjiang Yuelu Project can connect with the hospital circulation systems, effectively standardize the internal management process of medical waste, standardize the electronic ledgers of medical waste, make medical waste traceable, and realize the efficient, timely and standardized supervision of medical waste. As of the end of the Reporting Period, Zhanjiang Yuelu Project has corrected and cooperated with more than 400 medical units in the collection, storage and transportation of medical waste.



Interface of Zhanjiang Medical Waste Management Platform

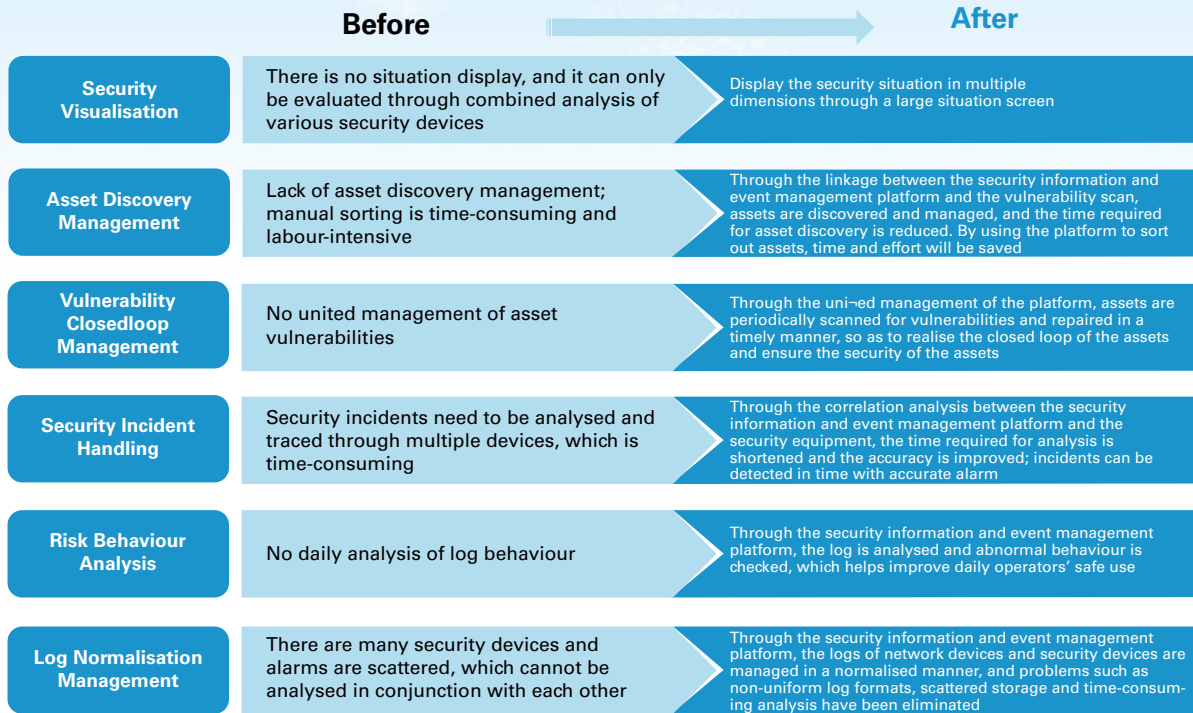


### Information Security and Protection of Customer Privacy

The Group attaches great importance to information security and customer privacy, and strictly complies with laws, regulations and regulatory requirements related to information security and privacy protection, such as Cybersecurity Law of the PRC and Law of the PRC on the Protection of Personal Information. The Group has formulated the internal systems such as Agile Informatization Project Management Measures, Management System of Information System User Accounts and Licenses, Data Backup and Recovery Management System, and Management System for Safety of Sensitive Privacy Data Within Information System, so as to standardize various data management processes and protect the information security to the greatest extent.

The Group implements the hierarchical management and control over internal data, strictly regulates the data access right, desensitizes the sensitive data, and clearly stipulates the specific requirements for internal data transmission, public network data transmission, data encryption and storage, and data open sharing. At the same time, the Group regularly conducts data security audits to ensure that data security is not infringed. In addition, the Group explicitly requires that if it is necessary to export the customer data that is not the data of the region or the project, an application form for customer data must be initiated, and the information center can only authorize the export after the final approval of the Group Marketing Center. The Group will severely punish the employees who violate information security and customer privacy protection, and investigate their legal responsibilities as appropriate. During the Reporting Period, the Group did not receive any major complaints about infringement of customer privacy or loss of customer information.

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



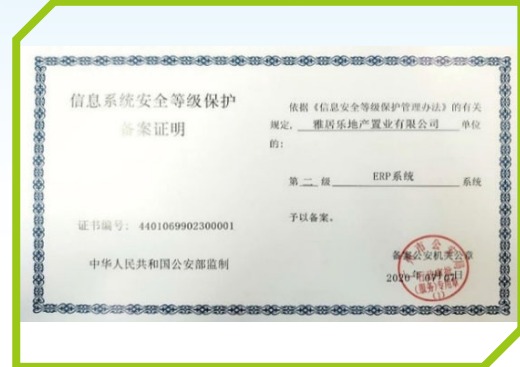
### System Functions of the Security Protection Middle-platform

In the field of information security, the Group has won a number of awards and certifications, and participated in the White Paper on Digital Power of Housing Enterprises in China, which was compiled under the leadership of the China Real Estate Association. The Group's third-generation Enterprise Resource Planning (ERP3) system has passed the national network security level 2 protection assessment to protect information security. In addition, the Group actively carries out data governance exchanges with the companies in the same industry. This year, the Group actively participated in information exchange meetings such as the 4th China Intelligent Manufacturing CIO Summit in 2022 and the 5th Southern Information Conference, sharing information construction and data governance experiences with the companies in the same industry, and continuously improving its informatization level.





**White Paper on Digital Power of Housing Enterprises**



**Filing Certificate of National Network Security Level 2 Protection**

At the same time, the Group regularly conducts information security training and examinations for employees, and continuously enhances employees' awareness of information security and privacy protection by publishing information security WeChat soft articles, conducting red-blue confrontation drills and data disaster recovery drills.

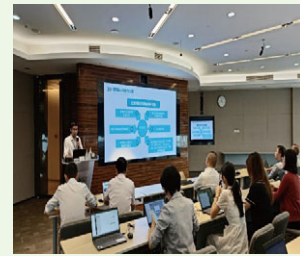


### Case: Information Security Management-Enhance Employees' Awareness of Information Security

In 2022, the Group sent the information security series guide to all employees, such as Guidelines for Prevention of Phishing Virus Mails, to raise employees' awareness of information security by sharing the knowledge of preventing leakage and listing typical leakage cases. At the same time, the Group regularly organizes employees to carry out information security training, covering information security specifications, information security precautions and protective measures, so as to consolidate the information security knowledge level of all employees and ensure the stable operation of various business systems.



Information Security Series Guide



Information Security Training Site



### Case: Data Disaster Recovery Drill

In 2022, the Group continued to carry out emergency drills for data disaster recovery, covering financial system, ERP cost and building sale system, OA office system and manpower system, so as to test the validity of the Group's network and data security operation mechanism, verify the command capability and emergency handling capability of relevant personnel for data security emergencies, and improve the work level and efficiency of the departments to carry out emergency work.



Data Disaster Recovery Drill Site





### Protection of Intellectual Property Rights

The Group attaches great importance to the protection of intellectual property achievements and trademark rights and interests, and all business entities strictly comply with local applicable laws and regulations, including the Patent Law of the PRC, the Copyright Law of the PRC, the Trademark Law of the PRC and other laws and regulations, and strengthen the management of intellectual property rights such as trademarks, copyrights and patents. The Group has formulated and implemented the Agile Code of Business Conduct, clarifying that the Group's intellectual property rights are limited to matters related to the Group's business, so as to effectively protect the legitimate rights to the intellectual property rights of the Group and related persons. This year, the Group started the application and registration of intellectual property rights in an orderly manner. Yatian (Guangzhou Yatian Network Technology Co., Ltd.) of the Group has more than 70 patented soft works, including 51 software copyrights, 7 authorizations for utility model patents, 4 authorizations for design patents, 3 patents for inventions, and 8 soft works for patents for inventions in the actual examination stage, etc.

## 2.4 Contribute to urban renewal

The Group strictly complies with the Land Management Law of the PRC, the Real Estate Administration Law of the PRC, the Regulations of the PRC on Nature Reserves and other relevant laws and regulations, and undertakes never to encroach on green land, farmland, nature reserves etc., so as to minimise the adverse impact of its business operations on biodiversity and ecosystems. The Group adheres to the concept of "improvement of the living environment, increase of government tax, increase of employed population and improvement of the surrounding environment" for urban renewal, and fully capitalises on its advantage as a diversified business operator to steadily promote urban renewal business and make positive contribution to revitalising the old cities. As at the end of the Reporting Period, the Group's urban renewal business covers multiple areas, such as revitalisation of old cities, redevelopment of urban brownfields, construction of affordable housing.



### Case: Urban Renewal Project in Ji Tang, Guangzhou

The Group incorporated a site of approximately 100,000 square metres in an industrial area into the general planing for renewal of the old village of Ji Tang in Huangpu District, Guangzhou for construction of residential and educational ancillary facilities, effectively solving the problem of insufficient land for residential and public ancillary facilities for this renewal project and achieving economical and intensive use of land while ensuring the appreciation and preservation of value of state-owned assets.

In addition, to ensure the harmonious co-existence of cultural heritage, conservation of old and valuable trees and urban regeneration, the Group has commissioned professional parties to prepare reports such as the Cultural Assessment, the Ji Tang Village Traditional Village Conservation and Development Plan and the Special Chapter on Tree Conservation, consulted with experts and the public on the conservation of ancient and valuable trees, heritage buildings and traditional villages, and promoted the harmonious co-existence of urban renewal and the natural environment.



**The Design Rendering of Ji Tang Village  
Urban Renewal Project**



**Conservation of Ancient and  
Valuable Trees**





### Case: Contribute to Guo Bei Village Renewal Project in Xi'an

During the Year, in order to improve the living environment and urban outlook of the surrounding area, the Group continued to assist in the Guo Bei Village urban renewal project in Xi'an, striving to turn the village into a modern community with convenient transportation, comprehensive education and medical resources, complete commercial supporting facilities and beautiful environment. Currently, the Group is planning a new resettlement community with a total gross floor area of approximately 400,000 square metres, which is planned with 14 high-rise residential buildings and podium commercial buildings. At the same time, the community will also be equipped with public service facilities such as kindergartens, primary schools and community elderly care centres, which will greatly improve the living conditions of the villagers and provide them with a better and more convenient living environment.



**A Photo of Guo Bei Village after Demolition**



**A Group Photo at the Commencement Ceremony**



## 2.5 Industry Incubation and Transformation Upgrade

The Group uses land intensively in a scientific and efficient manner, actively incubates industrial parks, leads industrial upgrading and transformation, and creates green recycled development together with the enterprises settled in the parks. Currently, the Yulin (Fumian) Industrial Park and the Energy-Saving and Environmental Protection Ecology Industrial Park in Xiangzhou Laibin Sanjiangkou under the management of the Group's Environmental Protection Group are widely praised and recognised by the local governments and the enterprises in the parks for the social benefits they have generated in terms of industrial incubation. The Group's Yulin (Fumian) Industrial Park is the first integrated environmental industrial park in Guangxi with unified supply of water, electricity, gas and heat, pollution control facilities built ahead of that for the enterprises therein, class A treatment standard for domestic sewage, wetland park reprocessing process as well as intensive land use. The park was awarded the "National Textile Industry Transfer Pilot Park" by the China National Textile and Apparel Council, and is also the first professional environmental protection demonstration park in Guangxi.





**Case: An Intensive and Efficient Demonstration Zone for Compound Environmental Industries – the Energy-Saving and Environmental Protection Ecology Industrial Park in Xiangzhou Laibin Sanjiangkou**

The Energy-Saving and Environmental Protection Ecology Industrial Park in Xiangzhou Laibin Sanjiangkou is a major project of Guangxi Autonomous Region, also a "double hundred and double new" project, and is included in the key projects of Guangxi Autonomous Region to be connected with the industrial transfer of Guangdong, Hong Kong and Macau Bay Area, and the completion of this project will bring many social benefits.

- **Lead industrial transformation and upgrading, and promote green industrial development**

Adhering to the corporate philosophy of "balanced benefits secure win-win situation for all parties", the park insists on enterprise-oriented positioning and scientific planning, focusing on the transfer and acceptance of textile printing and dyeing industries from the eastern coastal region, and devotes itself to building the park into an intensive and efficient demonstration zone for compound environmental industries, and makes every effort to promote the green and low-carbon transformation of the industry.

- **Promote social investment, employment and tax growth**

After the park is completed and reaches condition for production, it is expected to involve an investment of RMB4 billion in infrastructure facilities, absorb social capital investment of RMB11 billion, achieve an annual industrial output of over RMB20 billion, pay annual tax of RMB1 billion and create 30,000 new jobs.

- **Develop industrial clusters and promote comprehensive development of industry chains**

With the joint efforts of the Group and the enterprises in the park, the park will become a local textile printing and dyeing industry cluster, driving the development of the entire textile and garment industry chain, and stimulating the simultaneous development of the local chemical dyestuff, textile processing, dyeing and washing, garment manufacturing, sales, logistics and other industries.



**Actual View of the Energy-Saving and Environmental Protection Ecology Industrial Park in Laibin Sanjiangkou, A Construction under Progress**

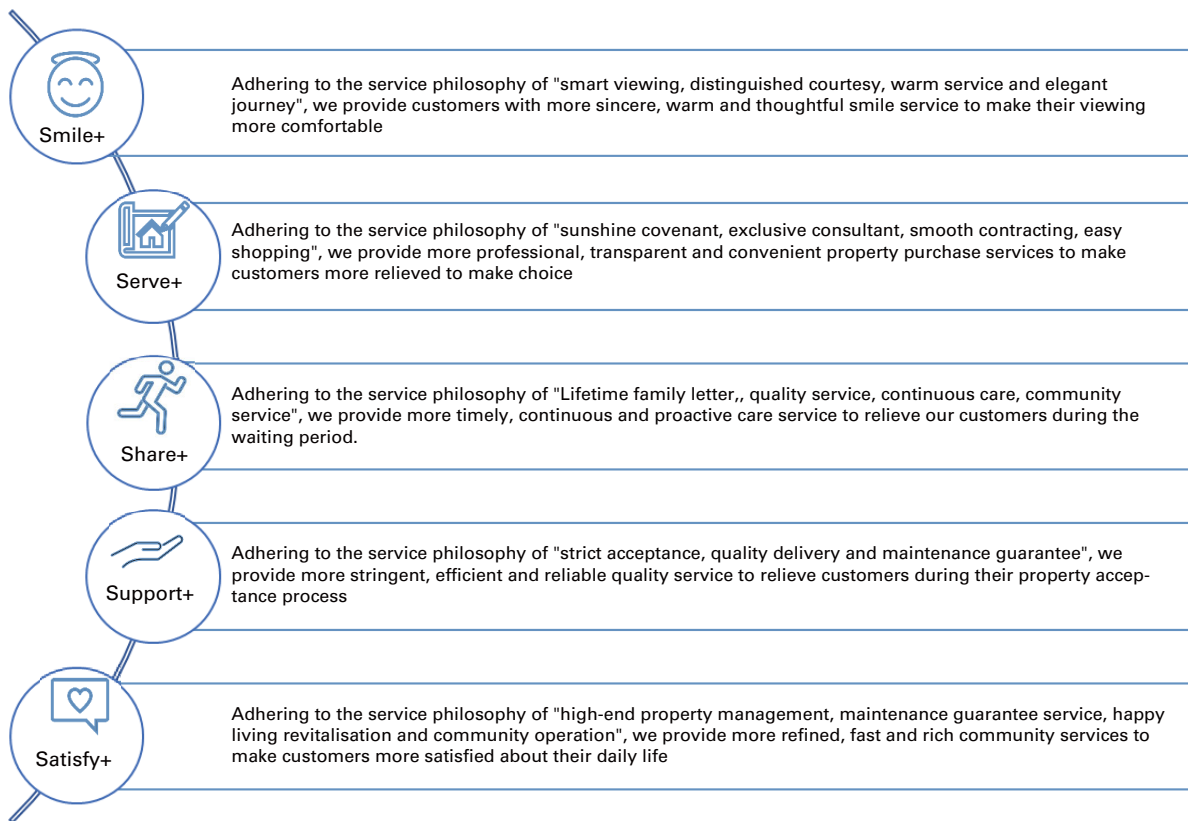


## 2.6 Customer Care Service

With development of times, the capability of offering competitive products and services has become the core competitive factor for property developers in the future. Therefore, the Group has always adhered to the service philosophy of "lifestyle of a lifetime", focusing on customers experience and comments throughout the whole cycle of projects. It is committed to providing customers with a better "Elegant Life" by building customer service system, strengthening accountable marketing and listening to customers' feedback to concern their request and practically satisfy their needs.

### Customer Service System

The Group attaches great importance to customer experience and has formulated and implemented multiple internal systems such as the "Agile Property Sales Service Standards Guidelines" and the "Agile 5S+ Lifestyle Service System Reception Standards on Property Marketing Sites" to create a "5S+ Lifestyle Service System" covering the entire service cycle, and strictly stipulates the sales service image and reception standards to be followed by employees to continuously improve their customer service capabilities and strive to integrate excellent customer service into daily operations.



"5S+ Lifestyle Service System"





### Case: Rewards for Property Owners of Agile Hainan Clearwater Bay Project

In 2022, in order to reward the new and existing owners, the Group organised the "Island Heatwave Lifestyle Festival" at the Agile Clearwater Bay project in Hainan, bringing a series of summer exclusive activities such as heatwave pilates, frisbee challenge and heatwave rugby game for owners to experience the vitality of summer and enhance their satisfaction.



Rewards for Property Owners of  
Agile Hainan Clearwater Bay Project

### Compliance and Responsible Marketing

The Group has been adherence to the philosophy of responsible marketing, and strictly complied with the requirements of laws and regulations such as the Advertising Law of the PRC, the Measures for the Administration of the Sale of Commercial Properties and the requirements of various regional policies, and formulated and implemented various internal systems and guidelines, such as the Sales Site Management System, the Guidelines on Site Display of Materials, the Management Measures for the Operation of Public Disclosure of Disadvantages Inside and Outside the Red Line, and the Marketing Suppliers Management Measures of Agile Property. It also strictly publicises information on sales sites and regulates the conduct of sales staff to effectively protect consumers' right to information and avoid false or exaggerated marketing. During the Year, the Group mainly adopted the following measures to implement compliance and responsible marketing:



### Compliant Marketing Training

The Group conducts regular training on compliant marketing, and at least one training is conducted at the marketing sites each month, which covers sharing of insights on enhancement of marketing standardisation and sharing of refined property management at marketing sites to continuously standardise employees' marketing behaviour.

### Establishment of Marketing Standards

The Group formulates the "5S+ Sunshine Covenant on Material Display" to clarify the production standards for external publicity content and comprehensively reviews the external publicity data, brand promotion and publicity data, and sales wording to ensure that information is true, effective and regulated in the sales process.

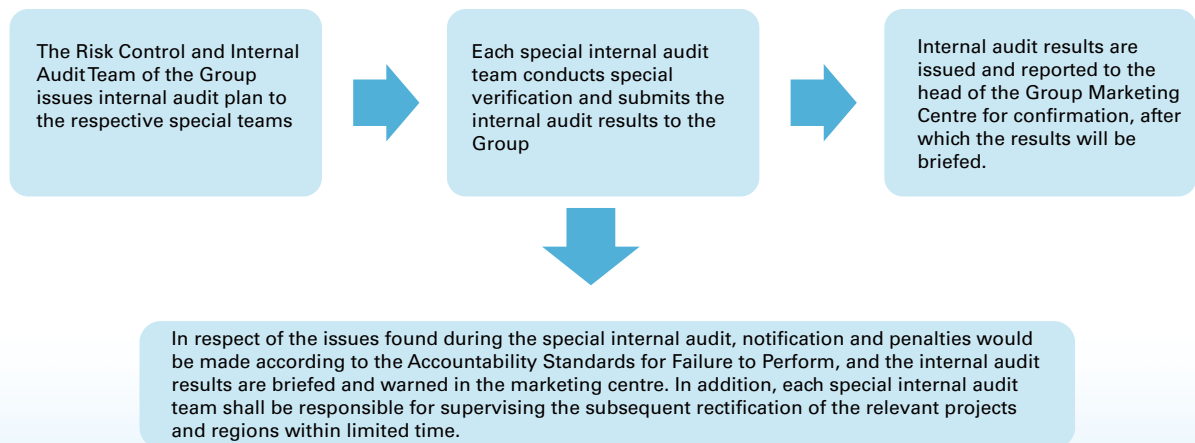
### Regular Inspection

The Group conducts monthly inspections, scoring and ranking for its respective marketing sites in terms of standardised marketing under the "Sales Site Inspection System", to effectively improve the quality and level of marketing services thereat.

### Regular Supervision and Inspection

The Group conducts regular supervision and inspection on responsible marketing and requires transparent disclosure at sales site of each project. If marketing irregularities are found, the Group will immediately activate its internal accountability mechanism to effectively safeguard customers' rights to information and complaints.

In 2022, the Group revised and improved the Management Measures for Internal Audit of Marketing System to further ensure compliance throughout the sales cycle. At the same time, the Group regularly selects projects on sale for internal audit of the marketing system to enhance the overall management effectiveness of the marketing system, prevent corruption risk and safeguard the interests of the Company to the maximum extent.



#### Internal Audit of the Group's Marketing System







**Case: Responsible Marketing Training**

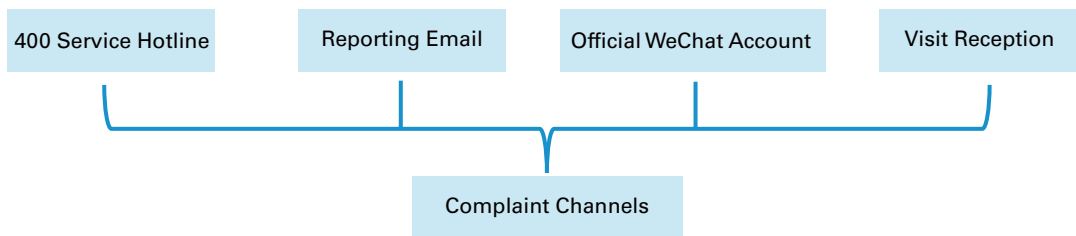
In 2022, the Group's Agile Shanqin Bay Project conducted dissemination of the Standardised Marketing Sites Management System, which covered standardised marketing requirements and insights sharing, to further regulate employees' marketing behaviour and marketing words, ensure transparency and accuracy of sales information, facilitate sales staff to fully respect and protect customers privacy, thereby to implement responsible marketing and improve marketing sites management.



**Responsible Marketing Training Site**

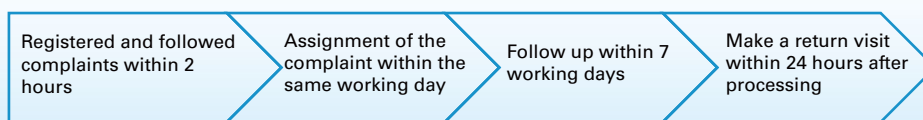
**Response to Customer Opinions and Customer Satisfaction**

The Group has formulated and implemented internal management systems such as Standardised Actions for Handling Customer Complaints to clearly standardise the customer complaint handling process. Four channels are provided by the Group for customers to make complaint, which enable it to actively listen to the voice from customers and continuously improve service quality.



Upon receipt of a customer complaint, the relevant responsible person of the Group will make response within 2 hours, promptly understand the customer's request, follow up and provide feedback within 7 working days and inform the customer of the processing result in a timely manner. After the request is processed, a return visit will be made to the customer to investigate the service experience and satisfaction of the processing result so as to continuously enhance the service quality.

As at the end of the Reporting Period, the Group's property business received a total of 6,504 customer complaints, with response rate of 99.0%.



**Customer Complaint Handling Process**



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

In the Year, the Group engaged competent third party to assist in conducting customer service satisfaction survey, which was mainly targeted at homeowner customers in relation to, among others, sales services, design, construction quality and delivery service, covering the entire life cycle of customers from contract signing to post-occupancy. Based on the survey results, the Group analyzed the results and conducted gap analysis against industry benchmarking companies, and ultimately put forward proposals relating to customer service improvement and promoted the implementation of the same. As at the end of the Reporting Period, the satisfaction survey conducted for the Group's property business had covered 16,057 property owners with an overall satisfaction rate of 78%.



# 3. GROW WITH EMPLOYEES IN RESILIENCE TOWARDS WORK IN A RESPECT AND CONTRIBUTED MANNER



## 3. GROW WITH EMPLOYEES IN RESILIENCE TOWARDS WORK IN A RESPECT AND CONTRIBUTED MANNER

### Overview of Sections

Talents are important cornerstone for sustainable corporate development. The Group places emphasis on compliant employment, continues to improve its staff recruitment and promotion mechanism, offers competitive remuneration package and benefits, and actively fosters a diverse and harmonious working environment. The Group has also established a rich training platform to support the growth of employees and their realisation of value in life. At the same time, the Group continues to strengthen occupational health and safety management and pay attention to the health and growth of employees to secure their development.

### Important Issues Responded to in this Section

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

### Indicators Responded to in this Section

#### HKEX ESG Indicators

B1.1|B1.2| B2.3|B3.1|B3.2|B4.1|B4.2

#### SDGs Issues





### 3.1 Compliant Employment and Employee Rights and Interests

#### Compliance Employment

The Group adheres to a people-oriented approach and focuses on legal, compliant and reasonable employment. It is committed to creating a diversified development platform and an equal and inclusive working environment for its employees. The Group strictly complies with the relevant laws and regulations in the regions where it operates, such as the Labour Law of the PRC, the Labour Contract Law of the PRC, the Law of the PRC on the Protection of Labour's Rights and Interests, the Social Insurance Law of the PRC, and the Provisions on the Prohibition of Using Child Labour. The Group has continuously improved its employment management system and has formulated and implemented internal systems such as the Human Resources Management System Compilation, the Recruitment Management System, the Staff Handbook and the Guidelines on Induction Training for New Employees to regulate the management of employment (including regular employees, labour dispatch, interns and retired staff) and to clarify the processes for the management of working hours, recruitment and dismissal of employees to safeguard the legitimate rights and interests of employees and the Group.

The Group prepares recruitment plans each year according to its business needs. Recruitment channels include campus recruitment, social recruitment and internal recommendation. During the Reporting Period, the Group conducted recruitment activities according to the actual needs and job vacancies of each department, taking into account the actual operation, to achieve targeted and efficient recruitment, thus to inject new vitality into the development of the Group.

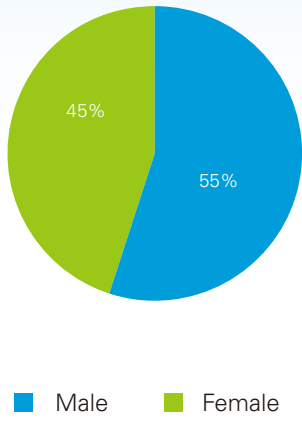


### 3. GROW WITH EMPLOYEES IN RESILIENCE TOWARDS WORK IN A RESPECT AND CONTRIBUTED MANNER (CONTINUED)

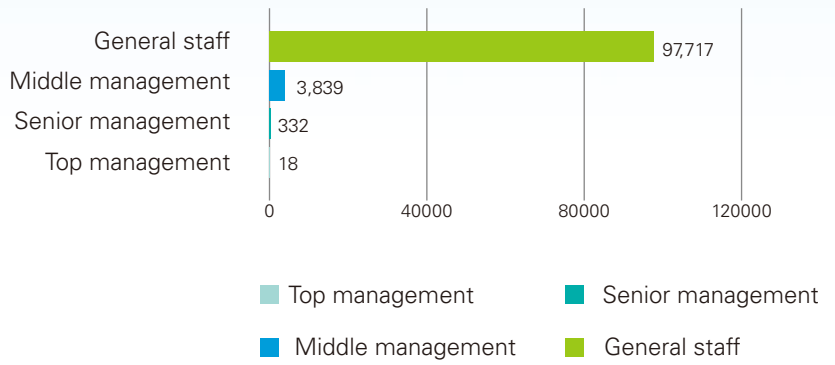


During the Year, the Group had a total of 101,906 employees, with a breakdown by gender, age, position and region as follows:

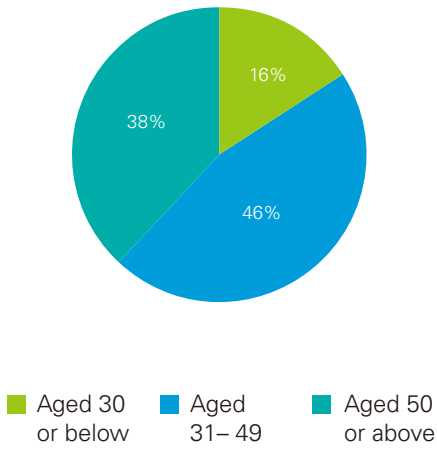
**By Gender**



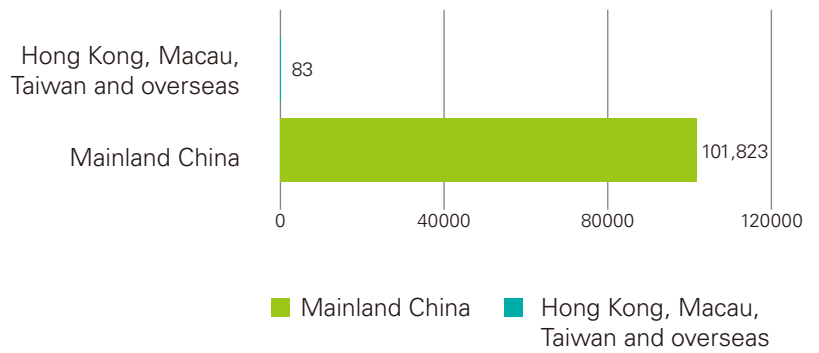
**By Position**



**By Age**



**By Region**





#### Equal Employment and Diversification

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

The Group adheres to the principle of equal employment, implements diversified talents development strategy and is committed to creating an equal, inclusive and conducive working environment for all employees. It firmly opposes any form of employment discrimination, does not discriminate between candidates on the basis of their gender, ethnicity, region, religion, marital status and other factors, and supports equal employment for people with disabilities. At the same time, the Group actively responds to the call for respect and protection of human rights as advocated by the Universal Declaration of Human Rights issued by the United Nations and the United Nations Compact to ensure that the basic human rights of employees are respected, avoid any infringement of human rights and eliminate any form of discrimination at work.

#### Salary and Benefits

The Group has a well-established remuneration incentive mechanism which supports the Group to make proper remuneration management based on value. It is also committed to providing reasonable and market-competitive remuneration packages to motivate its employees. In principle, the Group conducts salary reviews and adjustments once a year to provide employees with attractive salaries to fully motivate them to work. Besides, the Group arranges adequate and reasonable benefits for employees. In particular, in addition to basic pay and bonuses such as five mandatory insurances and one housing fund, the Group offers a number of additional benefits such as red envelopes after the end of Spring Festival, cash benefits for warming during cold days, paid leaves, etc.



### 3. GROW WITH EMPLOYEES IN RESILIENCE TOWARDS WORK IN A RESPECT AND CONTRIBUTED MANNER (CONTINUED)

#### Employer Awards

In 2022, the Group was granted numbers of employer awards for its property business, such as the “2022 Best Employer Enterprise in Real Estate Sector in China” and the “2022 Best Employer Enterprise in Real Estate Sector in China”, demonstrating that the Group’s advanced employment management was highly recognised by the market.



**TOP 20 among the 2022 Top 100  
Real Estate Businesses of China  
in terms of Organization Strength**



**2022 Best Employer Enterprise  
in Real Estate Sector in China**

## 3.2 Employee Growth and Development

### Employee Promotion

The Group attaches great importance to the cultivation and development of talents and has in place a comprehensive talent promotion system and continues to improve its efforts for talent incentives. In order to develop talents through comprehensive channels, the Group formulates and implements internal management systems such as the Human Resources Management System Compilation, which sets out the performance appraisal mechanism, adheres to the principles of transparency, fairness, meritocracy and orderliness in the promotion of employees, strives to create a broad development platform and opportunities for them to display their personal talents, and provides a talent guarantee to facilitate the Group’s high-quality development.





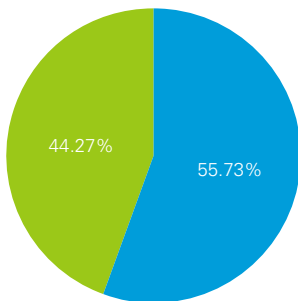


### Employee Training

The Group attaches great importance to talent cultivation and employee development, and actively introduces quality training resources to create sufficient learning opportunities for its employees. The Group has formulated and strictly implemented internal management systems such as the Administrative Measures for Training, Guidelines on Internal Trainer Management, Administrative Measures for Recruiting and Training Graduate Management Trainee and Rotation Management System of Cross-industry Training for Employees of the Group to continuously optimise the talent management mechanism, explore employees' potential, stimulate their working motivation, fully enhance their professional skills and comprehensive quality, and realise the common development of the Group and its employees.

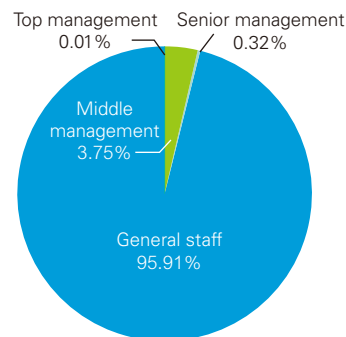
The trainings received by the Group's employees during the Year are shown in the following tables:

**By Gender**



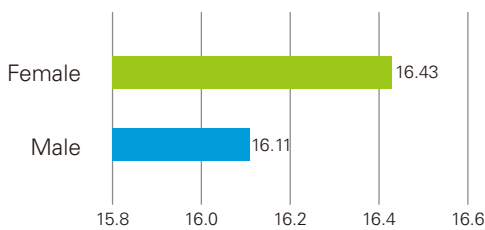
Male Female

**By Position**



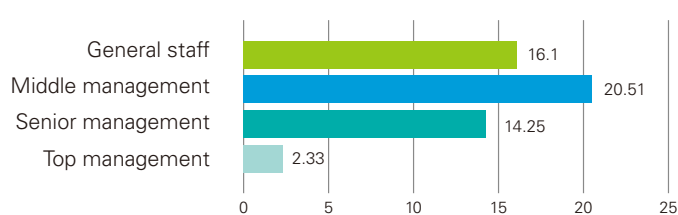
Top management Senior management  
Middle management General staff

**Training Hours by Gender**



Male Female

**Training Hours by Position**



Top management Senior management  
Middle management General staff

### 3. GROW WITH EMPLOYEES IN RESILIENCE TOWARDS WORK IN A RESPECT AND CONTRIBUTED MANNER (CONTINUED)



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

#### Talent Echelon Construction

Focus on the training of strategic and core talents, and explore, develop and cultivate a pool of reserve talents through talent selection, systematic training and on-the-job practice

#### Professional Training

Focus on the development of functional and industry professionals, acquiring expertise, skills and methods in various aspects

#### Staff Quality Enhancement

With the two themes of cultural integration and professionalism, use of diversified learning method where online lessons and offline lectures are combined to build a large learning platform for all staff

The Group continues to improve its OA online learning portal, "Lexue", to meet the needs of employees to learn anytime, anywhere. During the Year, over 1,200 new online training courses were released at the "Lexue" platform, covering courses in relation to management, professional, general and psychological growth, etc. At the same time, the courses on the platform are widely recognised by employees, with an average of 5,821 visitors per month and peak visitors of 8,020 by December 2022.

Among the columns such as "Refined Management", "Professional Courses" and "General Courses" offered on the "Lexue" platform, the column named "Have a Good Lesson (有好課專欄)" is highly recognised by the Group's staff for its unique and comprehensive content concerning mind enhancement. In addition, the Group offers the "Green Pine Programme (青松計劃)" for positions from senior managers to directors to nurture excellent management talents for the Group's development.





**Case: “Have a Good Lesson”**

The Group launched the “Have a Good Lesson ” column for all staff in the Year, in order to create an atmosphere of learning for all staff and to continuously enhance their soft skills, enabling them to adapt to the impact brought about by changes in the external environment.

The courses under the column cover two major modules, namely “Focus on Efficiency” and “Thinking Upgrade”, and provide strong support for the Group’s talent development and organisational optimisation by comprehensively improving employees quality through courses on cultivating internal skills, improving efficiency and upgrading thinking.



**Part Courses under the  
“Have a Good Lesson” Column**

### 3. GROW WITH EMPLOYEES IN RESILIENCE TOWARDS WORK IN A RESPECT AND CONTRIBUTED MANNER (CONTINUED)



#### Case: "Green Pine Programme"

In October 2022, the Group launched the "Green Pine Programme" for managers from senior manager to director level by inviting external renowned lecturers to empower its training in order to enhance their management capabilities, adjust their positioning and perceptions toward management, and broaden their perspectives. The programme includes various modules on how to operate, effective communication, self-adjustment and teamwork, with a total of 219 participants, assisting our management to enhance their operation mindset and capabilities in a comprehensive and systematic manner.



Screenshot of a Live Course under the  
"Green Pine Programme"

In addition, the Group has formulated and implemented the Internal Trainer Management Measures to encourage staff to actively share their skills and insights into the business, thus assisting and supporting the Group's internal talent development and further promoting the enhancement of their work skills. Internal trainers are classified by the Group into certified and non-certified ones. The certified internal trainers are internal instructors who have passed the Group's internal review and certification process and are awarded with star ratings, which are divided into five levels from one star to five stars according to their level of experience and contribution, so as to fully explore employees' potential and stimulate their enthusiasm for knowledge exchange. It not only serves as a vast development platform for employees to express themselves, but also promotes the sharing and transmission of knowledge within the Group.



### 3. GROW WITH EMPLOYEES IN RESILIENCE TOWARDS WORK IN A RESPECT AND CONTRIBUTED MANNER (CONTINUED)



#### Case: "Salute to Love, Top 30 Lecturers" Competition

During the Year, to encourage knowledge sharing and accumulation and to create a learning atmosphere for all staff, the Group organised the "Salute to Love, Top 30 Lecturers" competition. During the competition, the Group not only awarded the "Top 30 Lecturers" with the certificates of "Top 30 Lecturers of Agile Holdings 2022", but also provided them with the "Top 30 Lecturers" special gift pack. Besides, it also promoted the excellent courses of the "Top 30 Lecturers" within the Group, commended the winning lecturers on its official account to enhance the lecturers' sense of achievement and value, as well as to fully demonstrate the Group's respect for outstanding lecturers and care for talents.



A Group Photo of the Awarded  
"Top 30 Lecturers"



Awards for  
"Top 30 Lecturers"

### 3. GROW WITH EMPLOYEES IN RESILIENCE TOWARDS WORK IN A RESPECT AND CONTRIBUTED MANNER (CONTINUED)



#### 3.3 Employee Health and Safety

The Group adheres to the principle of “safety priority” and places the personal safety of its employees as the first priority in safety management. To this end, the Group has set safety management targets and a comprehensive safety management target assessment system for each business segment to safeguard the life safety of our employees and to provide them a safe, secure and stable occupational environment.

During the Year, the EHS Centre of the Environmental Protection Group continues to improve various safety management systems in various departments according to actual management needs, updates job duties and requirements, assessment standards and other contents, strengthens EHS information construction and enhances EHS management level. To further enhance the safety awareness of staff, the EHS Centre takes the lead in carrying out a series of activities under the subject of “zero accident” and organises the project companies to widely publicise and mobilise staff to actively participate in the same. In addition, it collects the “Ten Major Production Safety Prohibitions” and “Site Safety Production Regulations” to protect the safety of employees backed by system.

At the same time, the Environment Protection Group actively organises regular EHS emergency drills and training to enable frontline staff to improve their ability to deal with emergencies in real-life drills. The Environment Protection Group also further implements EHS assessment and supervision for project companies, adopts the EHS information system to monitor the rectification of hidden hazards and compliant emission by each project and incorporates the same into monthly assessment. In addition, it identifies and rectifies dangerous factors and behaviours in site operations in a timely manner, deepens the concept of safe production and effectively safeguards the lives of employees.

#### Occupational Health Protection

The Group attaches great importance to the occupational health and safety of its employees, continuously refines safety management and vigorously carries out a number of activities such as safety risk identification and control, and propaganda of safety production awareness among staff, in order to reduce safety risks in project construction and operation management and create a safe and healthy working environment for staff.

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

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



### Focus on the Physical and Mental Health of Employees

The Group is paying active attention to the physical and mental health of its employees and has promoted services relating to mental health thereof, such as arranging the entire employees to participate in “Mental Resilience Training”, to help employees cope with psychological distress, alleviate negative emotions and maintain mental health, which effectively promotes physical and mental health development of employees.



#### Case: “Mental Resilience Training” Programme

During the Year, in order to encourage our staff to maintain a positive, healthy and optimistic mindset in the face of the severe COVID-19 epidemic, the Group invited a number of outstanding staff and management to organise various “Mental Resilience Training” programmes under the subjects relating to innovation and excellence, optimism and initiative, agility and perseverance, and embracing change. The training aimed at relieving mental distress and reducing negative emotions among the Group’s employees. At the same time, it helped employees clarify their life plannings, thus to fully mobilise them to devote themselves into life and work.



“Mental Resilience Training” Poster

### 3. GROW WITH EMPLOYEES IN RESILIENCE TOWARDS WORK IN A RESPECT AND CONTRIBUTED MANNER (CONTINUED)



#### COVID-19 Prevention and Protection

During the Year, the Group issued a series of epidemic prevention requirements such as the Notice on Safety Inspection against the Chinese New Year Holiday and Epidemic Prevention upon Return to Work after the Holiday, to strengthen epidemic prevention actions and safeguard the health and safety of employees. During the normal prevention period against the COVID-19 epidemic, the Group encouraged and urged employees to pay attention to their health and enhance their protection against the epidemic through a series of initiatives such as registering information of personnel involved in key areas, checking nucleic acid test results, daily body temperature monitoring, issuing epidemic prevention items and timely disinfection of office areas.

At the same time, the Group actively adjusts its own epidemic prevention and control requirements in accordance with changes in the national and local epidemic prevention policies, allowing employees at risk of infection or already infected to work home remotely, so as to reduce the risk of infection caused by external exposure and effectively protect the live security, health and safety of employees.



#### Case: Caring for Employee Epidemic Prevention

From late November to early December 2022, in order to combat the COVID-19 epidemic in Guangzhou, the Group customised portable epidemic prevention kits for employees, which contained supplies such as no-rinse hand sanitizer, 75% alcohol spray, medical masks and antigens testing to protect the lives and health of its staff.



Portable Epidemic Prevention Kits for Employees







### 3.4 Employee Communication and Care

The Group attaches importance to the opinions of its employees and responses thereto and fully protects their rights to information, participation, expression and supervision. During the Year, the Group continues to open up channels for employees to express their views, proactively listens to their voices and answers their queries, striving to provide an open and inclusive communication environment for employees and create a corporate atmosphere that is open for various voices.

The Group takes the Agile Mutual Aid Association as one of the important channels to care employees. It established the Agile Mutual Aid Association in May 2008 to help the Group’s employees with their urgent needs on an ongoing basis under the concept of “mutual help and relief”. The scope of assistance provided by the Association covers major illness, surgery, disability, death, natural disasters and unexpected disasters. During the Reporting Period, the Agile Mutual Aid Association has provided assistance for a total of 827 cases with a cumulative amount of approximately RMB6.37 million.

#### Assistance by the Agile Mutual Aid Association in 2022



Cumulative number  
of cases

**827**



Cumulative amount of  
funding

**RMB 6.37 million**

The Group takes “combination of work and leisure” as its work philosophy, and we have been organising a wide range of leisure activities to balance the life and work of employees. During the Year, the Group organised a series of activities under the “Season for Resilience and Hard Work” programme and granted festive gifts to enhance the physical and mental health of our employees and strengthen their sense of belonging as our team member.

In addition, the Group strictly complies with the “Special Regulations on Labour Protection for Female Employees”, the “Guangdong Province Population and Family Planning Regulations” and other laws and regulations of the places where it operates, and insists on providing a more considerable and thoughtful working environment for female employees, as well as providing them with a number of benefits such as maternity leave in strict compliance with laws. At the same time, the Group has continued to improve its caring facilities for female employees and to recognise the performance of female employees to enhance their sense of happiness and pride.



### 3. GROW WITH EMPLOYEES IN RESILIENCE TOWARDS WORK IN A RESPECT AND CONTRIBUTED MANNER (CONTINUED)



#### Case: Series of Activities under the “Season for Resilience and Hard-Work” Activities

Aiming to promote a culture of resilience and hard-work and enrich the work and life of employees, the Group organised a series of “Season for Resilience and Hard-Work” activities, including cultural promotion activities such as senior executives’ interpretation on resilience culture, and team building activities such as sports team building of executives at head office and sports competition covering all staff.

This series of “Season for Resilience and Hard-Work” activities not only enhanced the confidence of employees in resilience and hard work, but also invigorated the work atmosphere of the Group and enhanced the cohesion of employees, bringing them closer to each other in joy and laughter.



**A Group Photo of Executives in a Team Building Activity under the  
“Season for Resilience and Hard-Work” activities**





**Case: Special Activity for Women's Day - "Let's Feel the Power of Female Agilers"**

In order to enhance the pride and honour of female staff, the Group organised a special event named "Let's Feel the Power of Female Agilers" for female staff on the Women's Day this year. The Group not only prepared rich "Goddess Gift Pack" for female staff on that day, but also commended them for their outstanding contributions to the Group on its official account of WeChat, creating a warm working atmosphere for female staff through practical actions.

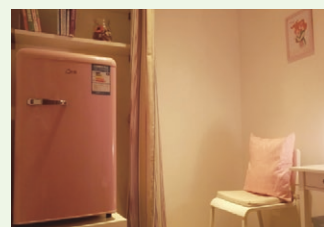


**Distribution of "Goddess Gift Pack"**



**Case: Heart-Warming Mother's Room**

The Agile Centre, where the Group is located, has a mother's room equipped with a refrigerator, padded seats and other convenient facilities to provide female employees with a "10 square meters of mother love", fully reflecting the Group's sincere care for female staff. To enhance the using experience, curtains and warm yellow lights have been installed to ensure the privacy and safety of female staff, which has been well received by female staff.



**Mother's Room  
at the Agile Centre**

# 4. PROTECT THE GREEN AND ECOLOGICAL ENVIRONMENT FOR A CLEAN AND BEAUTIFUL HOME





# 4. PROTECT THE GREEN AND ECOLOGICAL ENVIRONMENT FOR A CLEAN AND BEAUTIFUL HOME

The Group places emphasis on protection of the green ecological environment and has incorporated the concept of green development into every aspect of its business as its genetic component, thereby strengthening its management and control on internal environment. The Group has been exploring green building design, continuing to implement green and low-carbon operations, and promoting the green cycle development of multiple industries to help build an ecological civilisation. At the same time, the Group is actively addressing the challenges posed by climate change and seizing the opportunities associated therewith to continuously promote the sustainable development of its business.

### Important Issues Responded to in this Section

- Improvement of energy consumption efficiency
- Promotion of green office and environmental protection
- Water resource management
- Disposal and recycled use of waste
- Pollutant emissions
- Reduce greenhouse gas emissions
- Develop green buildings and green communities
- Biological diversity
- Identify and respond to climate change risks

### Indicators Responded to in this Section

#### HKEX ESG Indicators

A1.1|A1.2|A1.3|A1.4|A1.5|A1.6|A2.1|A2.2|A2.3|A2.4|A2.5|A3.1|A4.1

#### SDGs Issues





## 4.1 Green Development Concept and Targets

### Green Development Concept

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

**The Group focuses on developing people-oriented healthy residential properties, and is committed to forming sustainable planning/building/operating standards.**

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

### Green Development Targets

In order to effectively control the effectiveness of environment management, the Group has set four major development targets in terms of energy consumption efficiency, waste reduction, emission and water consumption efficiency, and has been taking active measures to enhance energy consumption efficiency, strengthen emission and water resources management, implement sponge city and prefabricated construction, and implement green technologies and construction, in order to continuously promote the achievement of the four major development targets, respond to the national target relating to “Carbon Peaking and Carbon Neutrality” and contribute to secure a green earth.





### Energy consumption efficiency target:

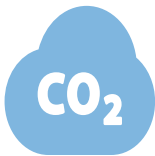
Further enhance energy consumption efficiency by taking energy-saving operations as the goal

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



### Waste reduction targets:

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



### Emission targets:

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

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



### Water efficiency targets:

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

In addition, the Group has set up respective risk assessment indicators for the Real Estate Business, A-Living, the Environment Protection Group and A-City Technology Group in terms of fuel/petrol consumption intensity, water resource consumption intensity and purchased electricity consumption intensity, so as to guide each business segment to strengthen its control over energy and water resources and further optimise the Group's internal environmental management.



## 4.2 Green and Low Carbon Operation

### Energy and Resource Utilisation

The Group continues to promote green operations by conserving energy and optimising the allocation and utilisation of resources. The Group complies with the Energy Conservation Law of the PRC, the Circular Economy Promotion Law of the PRC and other relevant laws and regulations of the regions where it operates in mainland China, establishes and implements internal management systems such as the Management Measures for Energy Conservation and Consumption Reduction in Office Premises, the Administrative Measures for Energy Conservation and Consumption Reduction, and the Public Energy Consumption Management Regulations, actively pays attention to energy usage data and adjusts energy consumption control strategies in a timely manner.

To achieve the energy use efficiency targets, The Group's Environmental Protection Group requires its projects to pay attention to energy conservation, such as requiring each project disposing hazardous waste to adopt additional frequency converters for high-powered electricity-consumed equipment to achieve variable frequency regulation so as to reduce electricity consumption. At the same time, each project should make its best to use waste liquids of high calorific value instead of diesel, natural gas and other fuels when receiving waste so as to save energy. At the same time, the Group's Environmental Protection Group conducts energy monitoring through multiple information systems such as the centralised monitoring platform, safety management platform, laboratory management system and hazardous waste production management system to effectively monitor and reduce energy consumption.

In addition, in terms of green office, the Group guides its staff to use water, electricity, office consumables and other resources scientifically and reasonably, based on the principle of cutting costs and eliminating waste, and holds assessments on office environment and energy saving and consumption reduction, so as to establish a long-term mechanism for energy saving and emission reduction in offices, cultivate the habit of green office among staff and continuously improve the utilisation efficiency of energy and resources.





**Save Water**

- Control water flow appropriately during washing and turn off water faucets promptly. Report any drip, bubble or leakage for repair in a timely manner;
- Bottled water is only used for external receptions and large meetings;
- Each office is required to evaluate the option of replacing barreled water with direct drinking water based on the number of workforce in the office, consumption of barreled water and the lease validity.

**Save Power**

- Make full use of natural light and do not use indoor lighting when it is light enough;
- Arrange reasonable lighting hours and turn off light when a room is unoccupied;
- Arrange reasonable running time and temperature of air conditioning and turn off after 19:00;
- Remind staff to turn on and off office computers, printers, conference room facilities and other electrical equipment in a reasonable manner;
- Adopt induction lighting in the cabinets of the Group Information Centre to achieve energy conservation and consumption reduction.

**Save Paper**

- Promote paperless office and use of electronic signatures;
- Advocate advanced checking prior to printing to eliminate duplicate printing due to typographical or textual errors;
- Set up permission for colour printing;
- Pay attention to printing volume, find out the reasons for large printing of specific departments and individuals, and take improvement measures;
- Set up “special boxes for recycled paper” and use recycled paper as much as possible for printing of non-important/non-confidential/non-government related documents.

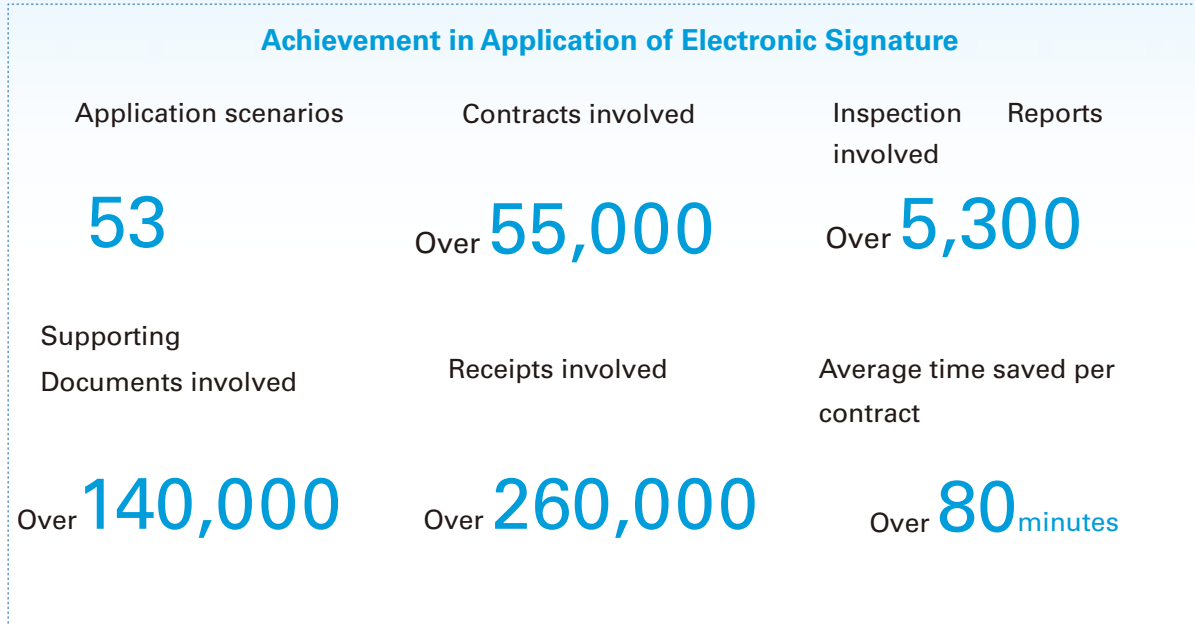
**Save Office Supplies**

- Promote complete utilisation of stationery;
- The recyclable office supplies such as USB sticks, binders, paper cutters, calculators received from the Group shall be kept properly with individuals accounted for;
- Reduce the use of consumable items such as document bags and disposable paper cups.





During the Year, the Group achieved remarkable results in the promotion and application of electronic signature, which greatly enhanced office efficiency while saving paper.



### Waste, Emissions and Water Resource Management

The Group attaches great concern to the control of pollutant emissions in the course of its operations. Each business segment of the Group strictly complies with the relevant laws and regulations in the places where it operates, establishes and improves an effective monitoring mechanism for pollutants to ensure that they comply with local standards. The Group has been also deeply engaged in environmental protection business areas such as solid waste treatment and disposal and wastewater treatment, contributing to the environmentally sound treatment of garbage and striving to create a good living ecology for the public. During the Reporting Period, the Group was not penalised for non-compliant emissions.

#### ➤ Waste and Exhaust Gas Management

The Group adheres to the principle of “reduction, recycling and harmlessness” as stipulated in the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste and complies with the Provisions on the Administration of Urban Construction Garbage, Measures for the Management of Municipal Domestic Waste and other relevant laws and regulations of the regions in which it operates in mainland China. Construction enterprises are required to collect all construction waste and domestic waste for centralised collection and disposal during the project development process, while construction waste is regularly transported off-site for environmentally sound treatment. At the same time, the Group promotes the use of green materials on construction sites to reduce waste generation and continuously create a green and civilised construction site.



The Group's Environmental Protection Group has a matured process for disposal of waste and conducts strict control in every aspect of disposal, such as incineration, physicochemical treatment and landfilling through sophisticated equipment. During the Year, the Environmental Protection Group continued to deepen the management of hazardous and general solid waste, covering the entire process of hazardous waste generation, identification, storage, transfer, utilisation and disposal, and strictly executed the Hazardous Waste Transportation Management System (AER-R – HW-127), Guidelines for the Development of Hazardous Waste Project Systems and other internal management systems, strictly controlled the hazardous waste generated during the operation, and supported various hazardous waste projects through sophisticated equipment to ensure that general and hazardous waste are properly handled and treated.

During the Reporting Period, the Environmental Protection Group disposed an aggregate of 660,000 tonnes of waste in a harmless manner, of which 201,000 tonnes, 402,000 tonnes and 57,000 tonnes were disposed by means of incineration, landfilling and physicochemical treatment, respectively. The hazardous waste disposal projects of the Environmental Protection Group were located in 27 cities in 11 provinces, disposing thousands of hazardous wastes, covering 45 major categories in Directory of National Hazardous Waste.

In terms of exhaust gas management, the Group strictly complies with the Law of the PRC on the Prevention and Control of Atmospheric Pollution, the Regulations on the Administration of Environmental Protection for Construction Projects and other relevant laws and regulations of the regions in which it operates, formulates and implements internal management systems such as the Integrated Emission Standards for Air Pollutants, effectively monitors pollutants and ensures that emissions meet the standards. During the Reporting Period, the Group's exhaust gas emissions in the course of business operations were all up to standard.

- In order to actively control dust pollution generated from construction projects, the Real Estate Business set up car wash pools, dedusting sprays and PM2.5 monitoring instruments at the entrance of construction sites, and installed additional spraying devices to mitigate dust and haze at tower cranes, external scaffolds and construction fences, so that all monitoring indicators of dust at construction sites were maintained at excellent levels and the air quality around construction sites was effectively maintained.
- The Environmental Protection Group requires its projects to regulate the use of auxiliary materials such as activated carbon, slaked lime, liquid alkali and urea solution to ensure standardised emissions from flue gas.



➤ **Water Resource Management**

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

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

- Continue to promote water conservation and raise employees' awareness of water saving;
- Setting up sewage collection channels for engineering projects, reducing sewage generation with water reuse technology, and discharging wastewater to municipal sewers after treating it and ensuring that it meets local sewage discharge standards;
- The Environmental Protection Group includes the physical treatment of waste liquids, comprehensive sewage treatment, electroplating sewage treatment and waste leachate treatment, etc. It refines and revises the water quality management system, process and working standards of the sewage plant according to the business characteristics, and provide systematic solutions for local residents' domestic water, municipal water, urban sewage and industrial wastewater treatment, etc. At the same time, the Environmental Protection Group requires its projects to carry out water reuse and promote the use of membrane treatment systems (such as RO (Reverse Osmosis), ultrafiltration, nanofiltration, etc.) during their operations for thorough purification of wastewater in order to achieve water conservation and water purification.



In addition, the Group adopts scientifically advanced sewage treatment methods and carries out beach and marine protection initiatives to effectively improve the quality of water resource, thereby preserving the habitat of various species of organisms and protecting biodiversity.



#### Case: The Beach and Marine Protection Initiatives in Hainan Clearwater Bay

Our Hainan Clearwater Bay project strengthens protection of marine and water resource by organising studies on marine conservation initiatives, beach cleaning activities and constructing sewage treatment stations, thereby preserving the habitats of flora and fauna and protecting the biodiversity of marine and terrestrial organisms.

- Organise studies to popularise knowledge about marine conservation initiatives: property owners and employees of the Group were guided to understand the human, environmental and pollution prevention and management knowledge relating to marine ecological creation through outdoor play-based teaching on sites, and help them understand the relationship between modern marine environment and human social development through mini projects.
- Organise beach clean-up activities to raise staff and property owners' awareness of protecting marine environment.
- Builds sewage treatment stations in Clearwater Bay in a positive manner to prevent sewage from flowing into the sea by utilising a number of specialist processes.



**The Beach and Marine Protection Initiatives**



### Green Community

In terms of building green communities, A-Living of the Group attaches great importance to joining hands with landlords and tenants and other parties to participate in green initiatives. Through organising regular green publicity and activities such as electricity and water saving, waste separation and providing environmental protection knowledge training, we are working together to safeguard the green harmony and environmental protection of communities.



#### Case: Hold Environment Classes to Encourage Property Owners to Build Green Homes Together

During the Year, the Western China Branch of A-Living continued to carry out the “Little Guardians of Environmental Protection” class regarding waste separation, in which young property owners took the lead in learning knowledge about waste separation and participating in real actions, actively guiding other property owners to establish awareness of waste separation, encouraging them to participate in waste separation, guarding their green homes and realising the normalisation of waste separation.



“Little Guardians of Environmental Protection” Class Site



Besides, A-Living has built comprehensive environment management system to help build a national ecological civilization on a continuous basis.

A-Living focuses on reducing the possible impact of its operations on the environment, strictly complies with the Environmental Protection Law of the PRC, the Energy Conservation Law of the PRC and other relevant laws and regulations, formulates and implements internal management systems such as the Public Energy Consumption Management Regulations, the Administrative Measures for Energy Conservation and Consumption Reduction, the Waste Management Measures, and the Working Procedure for Collection and Disposal of Domestic Waste, and clarifies the responsibilities, working requirements and rules for each environmental management department. Meanwhile, in order to strengthen standardised environmental management, a number of projects of A-Living have already passed the ISO14001:2015 environmental management system certification, which has been gradually extended to projects in other regions. The relevant departments regularly review the performance of environmental management of each project in terms of energy consumption, water consumption and other aspects.

### Green Lease

While striving to reduce its impact on environment, the Group also views its customers as an important part of its green operations. The Group actively practices green lease and includes requirements such as encouraging the use of environmentally friendly materials in leasing contracts to guide tenants to use energy and operate in a greener manner.

The Group has established comprehensive green lease management mechanism. It is clearly required in the Centralised Project Lease Contract and Community Commercial Lease Contract that:

- Tenants shall comply with the requirements of relevant national and local environmental laws and regulations, implement the requirements in the Group's environmental protection management system documents, and reduce the generation of waste, waste oil, waste gas, waste water and noise;
- Strictly control the use of environmentally friendly materials by tenants in the decoration process require tenants to separate and dispose of decoration waste and regulate decoration practices;
- Encourage tenants to make extensive use of environmentally friendly packaging materials which can be recycled and are not harmful to the environment, and to clean contaminated work sites in a timely manner.



### 4.3 Green Buildings

#### Sponge Cities

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

#### The principle of combining centralisation and decentralisation



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

#### The principle of green before grey, above ground before underground



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





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



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

The principle of improving the resourceful use of rainwater



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

In addition, the projects applying sponge city design can reduce the use of municipal water by sufficient collecting and utilising rainwater, thus effectively alleviating the problem of water shortage. During the construction of sponge city projects, the Group introduces diverse vegetation into the communities through setting up depressed green spaces and rain gardens to create multi-layered plant communities, thereby enriching and preserving biodiversity of the ecosystem. In 2022, 76 projects of the Group, representing 50.3% of the total project area, have been designed with the sponge city concept.



### Case: Sponge City Design for Zhuhai Yahao Garden Phase III

The Group has incorporated the concept of “sponge city” into the design of Zhuhai Ya Hao Garden to achieve sustainable recycling of water resources.

- Use rainwater instead of tap water for green watering and road washing, effectively reducing supply of tap water from waterworks;
- Recycle rainwater to reduce the same flowing into rainwater pipes and then rivers, so as to reduce diffused pollution;
- Set up grass tiles, depressed green spaces, rain gardens, grass swales and rainwater collection ponds to enable the project to meet the requirements for rainwater storage volume;
- Through site infiltration of rainwater, storage of sponge facilities and accumulation of rainwater collection ponds, the project is able to achieve a control rate of not less than 70% for rainwater runoff, meeting the requirements of the Standards and Guidelines on Sponge City Planning and Design of Zhuhai.



Zhuhai Yahao Garden Phase III

### Prefabricated buildings

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

In 2022, the Group applied prefabricated construction technology in 33 projects, with the area of prefabricated buildings reaching 2,549,700 sq.m., accounting for 26% of the gross design area of projects.



### Nanjing G36 Project Adopted Prefabricated Buildings

The Group's Nanjing G36 project actively promotes prefabricated building during the construction process. The prefabricated components used in the project are produced in the factory through automated production lines and precisely controlled by computers, eliminating material wastage. Once the components are delivered to the site, they are assembled without the bulk construction materials such as sand, bricks and cement used in traditional construction, reducing production of construction waste. The assembled components of the project can also be reused, allowing for the recycling of resources and materials. Compared to traditional methods, prefabricated buildings can reduce construction waste by 50%, save wood by 60%, cement and mortar by 55% and reduce water consumption by 25% during construction process.

### Green Technology and Construction

The Group actively adopts green construction materials to maximise resource conservation and minimise the negative impact of construction activities on the environment based on scientific management and technology progress, while meeting the basic requirements of quality and safety, and realising energy saving, land saving, water saving, material saving and environmental protection (the "Four Saves and One Environmental Protection") during the process of construction. At the same time, the Group implements relevant national, industrial and local technical and economic policies under the principle of adapting itself to local conditions, and fully applies and reflects the concept of sustainable development in the construction of projects.

#### ➤ Green Materials and Technologies

The Group promotes and practices green and low-carbon construction methods and strictly adopts green materials and technologies. The green materials and technologies currently adopted include air energy water heaters, heat insulation and thermal insulation materials, solar energy street lights, fire-fighting electric frequency control technology, demountable multi-circulation container offices, prefabricated temporary road technology, on-site water recycling technology, noise monitoring technology, waste construction material recycling technology and water reclamation technology, etc.



### Air Energy Water Heater

Air energy water heater is a kind of water and electricity separation system, with separated main engine and water tank, without safety risk, highlighted with intelligent temperature control management, regular water supply, stable temperature, and no need for manual operation, easy maintenance, and easy to move after the completion of project.



### Thermal Insulation Materials

New environmentally-friendly wall materials are adopted as thermal insulation materials. The materials of the environment-friendly main wall are mainly aerated concrete blocks, EPS blocks, concrete hollow blocks and mesh concrete. By virtue of its characteristics of reducing environmental pollution, reducing the consumption of land resources and reducing energy consumption, it has been widely used in the projects of the Group.



### Solar Energy Street Lights

Solar street lights use solar panels to receive solar radiation energy during the daytime and convert it into electric energy, which is stored in batteries through the charging and discharging controllers and discharged by batteries to the lamp caps at night. Solar street lamp is energy-saving and environmentally friendly because it is not affected by power supply, does not need to dig trenches and bury wires, and does not consume regular electric energy.



### Green materials and technologies used by the Group (partial)



#### Case: Use of Air Energy Water Heater in Hanzhong Agile Garden Phase II

**Green Materials and Technologies** The Group's Hanzhong Agile Garden phase II used air energy water heaters to achieve energy saving and consumption reduction. The air energy water heater can absorb the low temperature heat in the air and heat the water temperature through a series of procedures such as compression and heating by the compressor.

The use of air energy water heaters reduced half of the original electricity consumption of the project and effectively increased the turnover rate, fully reflecting the Group's active application and promotion of "energy-saving, environmentally-friendly, safe, economical and practical" green materials and technologies.



**Air Energy Water Heaters**



### ➤ **Green Construction**

In the construction process, the Group has comprehensively considered the needs of the environment and surrounding communities, fully reduced the possible impact on the air, water and land during the construction period, and strived to create a clean, tidy, comfortable and safe construction environment. Meanwhile, all projects of the Group have responded to the national call for green construction and actively created star-rated construction standardized sites. The main measures taken are as follows:

#### **Measures to control dust**

- ✓ Construction site to be fenced off
- ✓ All roads within the site are hardened with thick concrete and planted with flowers and greenery on both sides of roads
- ✓ Construction waste generated at floors must be transported in containers
- ✓ Closed refuse collection point must be set up at construction sites to promise regular collection of refuse

#### **Measures to prevent air pollution**

- ✓ Our office adopts electric heating in winter
- ✓ All canteens use environmentally friendly liquefied petroleum gas for cooking
- ✓ All incoming and outgoing vehicles must be covered if carrying powdery and fugitive materials
- ✓ Burning of toxic and hazardous substances is strictly prohibited to prevent pollution of the atmosphere

#### **Measures to prevent noise pollution**

- ✓ Large excavation vehicles, once enter into a site, would be guided by particular person not allowing to sound the horn, and the roads passed by the vehicles would be sprinkled to reduce dust
- ✓ Reasonable arrangement of construction schedule, strengthen civilized construction education for construction personnel and control noise pollution
- ✓ Strictly enforce the operation system by arranging concrete pouring during daytime as far as possible and using low-noise vibrating bars
- ✓ No construction work with noise pollution will be carried out at night except for special circumstances



**Measures to prevent water pollution**

- ✓ Set up flushing sedimentation tanks to flush ground pumps and concrete trucks
- ✓ Set up grease traps adjacent to canteens, and set up septic tanks at toilets with regular cleaning and emptying
- ✓ All the sewerage pipes are using ceramic pipes for connection with, smeared with strip-shaped anti-permeation cement mortar
- ✓ Set up flow guiding tanks for sewage produced during construction, enabling the sewage to be flowed directly into the sedimentation tank

**Measures to dispose solid waste**

- ✓ Segregated storage for toxic and hazardous waste; waste on sites shall be sorted prior to delivering to refuse ponds. In particular, the Company will arrange relevant entities to collect the waste of recycling value, engage third parties to collect those of non-recycling value, and arrange timely removal of domestic waste. All the refuse points are waterproof, impermeable and dustproof

**Measures for anti-disturbance**

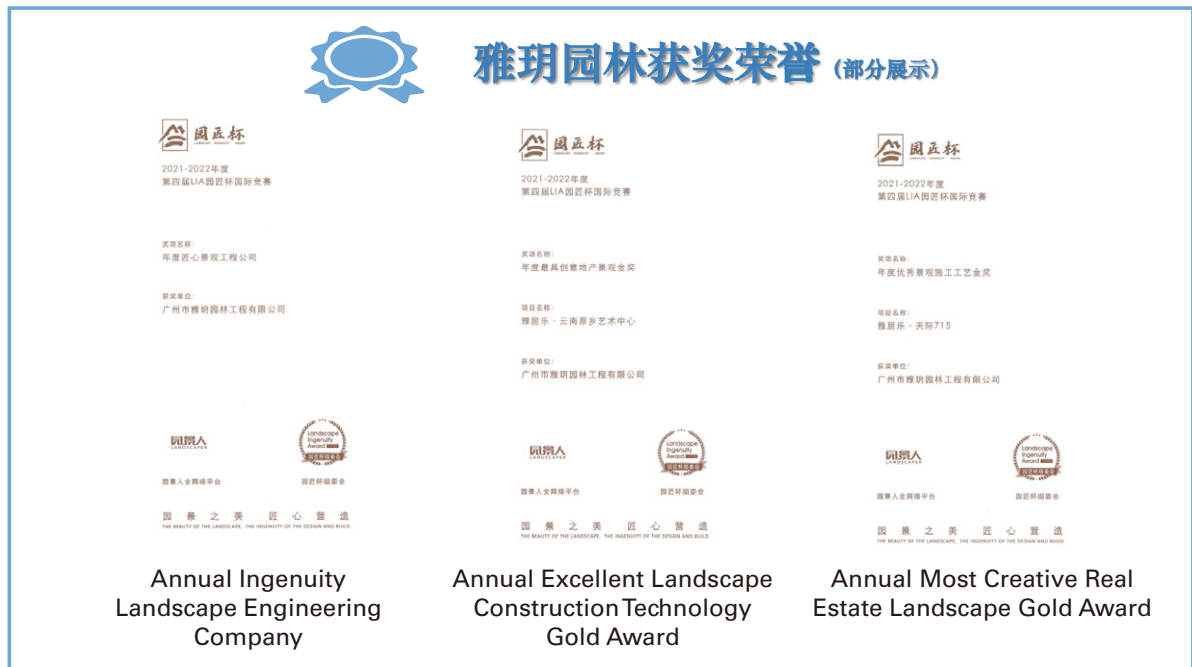
- ✓ Continuous construction works must be granted approval from the construction administrative authorities before commencement of construction
- ✓ Directional lighting shades are applied for night construction, forbidden to affect residential areas
- ✓ Once commenced for construction, residents visiting the project sites reflecting their opinions on construction noise disturbance must be well received with proper reception record
- ✓ Strengthen construction site management, organise scientific and reasonable construction, and strive to create civilised and safe sites at municipal level



### Green Ecological Landscape

While continuing to deeply cultivate the design and construction of green buildings, the Group actively explores the construction of green ecological landscape. Guangzhou Yayue Landscape Engineering Co., Ltd. ("Yayue Landscape" for short) is a professional landscape company under A-City Technology Group. It is a service provider that provides landscape planning and design, landscape engineering construction, seedling cultivation, landscape maintenance and other comprehensive operation of landscape industry chain for the market. It focuses on creating high-quality and diversified landscape, and providing customers with a one-stop solution for "design – procurement – engineering – maintenance". As a pioneer of green landscape, Yayue Landscape has applied a variety of green and environmental technologies in the construction process, including the comprehensive treatment technology of water environment by ecological regulation, the environmental technology of solid waste in landscape maintenance, the recycling and reprocessing technology of landscape waste, the rainwater collection and drainage technology of landscape, etc.

Benefited by the comprehensive and strict standards for landscape construction, during the Year, Yayue Landscape won the "Annual Ingenuity Landscape Engineering Company", "Annual Excellent Landscape Construction Technology Gold Award", "Annual Most Creative Real Estate Landscape Gold Award", as well as many other honors.





#### 4.4 Response to Climate Change

Climate change has now become a global challenge that cannot be ignored. The environmental problems and political and economic crises caused by climate change are increasingly threatening the survival and development of all mankind. The Group attaches great importance to the climate change issue, and takes climate change risks management as one of its daily priorities. During the Year, the Group continues to take into account the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) to promote climate-related financial disclosure and to clarify climate-related financial impacts and the Group's response measures. At the same time, in order to realise sustainable development and increase its business resilience, the Group adopts systematic approaches to identify, assess and manage climate-related risks in its business operations and actively capitalises on the opportunities of a green, low-carbon economy.

##### **Governance: Monitor Climate-related Risks and Opportunities**

The Group incorporates physical and transformation risk factors related to climate change into the Enterprise Risk Management (ERM) Assessment System, and authorises the Sustainable Development Steering Group to oversee and manage climate change risks in order to mitigate the potential impact of climate change on the Group's business operation and strengthen the Group's resilience to climate change. Besides, the Sustainable Development Steering Group reports to the Board of Directors and the Risk Management Committee the relevant progress of climate change risk management on a regular basis.





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

The Group is actively engaged in the identification, assessment and analysis of climate-related risks and understands their potential impacts. Currently, the Group has identified climate change risks and the countermeasures are as follows:

Climate change risks identified		Countermeasures
Physical risks	Acute risk	<ul style="list-style-type: none"> <li>• The Group strictly complies with national laws and regulations such as the Law of the PRC on Combating Climate Change. Each of its industrial companies formulates and implements relevant management systems in accordance with its own business, such as the Meteorological Disaster Prevention Ordinance of A-Living, which specify safety emergency plans for meteorological disasters, and the Special Emergency Plan for Accidents Caused by Natural Disasters and the Special Emergency Plan for Flood Control of Environmental Protection Group specify countermeasures for extreme weather;</li> <li>• A-City Technology Group regularly carries out trainings on natural disaster protection measures, including safety knowledge of typhoon and flood prevention at construction sites, and flood control and flood prevention at construction sites, knowledge of debris flow prevention, knowledge of heatstroke prevention at high temperature, etc.;</li> <li>• Environmental Protection Group regularly organises safety emergency drills and training to strengthen the emergency management capabilities of its employees;</li> <li>• It actively applies the concept of sponge city design to enhance the project site's ability to accumulate, infiltrate and purify rainwater, and strengthen its environmental resilience to extreme weather such as droughts, high temperatures and heavy rainfall, in order to effectively respond to physical risks such as water shortages.</li> </ul>
	Chronic risk	



Climate change risks identified		Countermeasures	
Transformation risks	Market risk	<ul style="list-style-type: none"> <li>Market preference changes</li> <li>Cost and supply of raw materials</li> </ul>	<ul style="list-style-type: none"> <li>Actively carry out survey on customer demand and deeply explore the actual market demand for green and low-carbon products;</li> <li>Continuously promote green buildings through the introduction of new technologies, in order to turn risks into opportunities for our own;</li> <li>Regularly follow up the real estate or environmental protection related policies and their changes issued by national and local governments , and timely update the internal environmental related management systems;</li> <li>Continuously strengthen customer communication, maintain good customer relations, and strive to show the Group’s brand image of energy saving and environmental protection.</li> </ul>
	Technological risk	<ul style="list-style-type: none"> <li>Green building technologies</li> <li>New eco-friendly materials</li> </ul>	
	Policy and legal risks	<ul style="list-style-type: none"> <li>Green building standards</li> <li>Water resources management standards</li> <li>Waste management standards</li> <li>Energy use requirements</li> <li>Litigation over climate change</li> </ul>	
	Reputation risk	<ul style="list-style-type: none"> <li>Market competitiveness</li> <li>Customer recognition</li> </ul>	

The Group is well aware that climate change may have adverse impacts on its staff, assets, supply chain and business operations. In terms of physical risks, typhoon, rainstorm, snowstorm, flood, high temperature, drought and other extreme weather caused by climate change may lead to the delay of the Group’s construction projects, the damage to project facilities, the increase in energy consumption required for the operation of projects and office building, as well as the increase in operating costs and the decrease in income. However, transformation risk factors such as stricter environment-related policies, pressure of technological change and improvement of green building standards may increase the difficulty of internal environmental management and the cost of research and development of the Group, thus affecting the income and market competitiveness of the Group.

In addition, the Group also believes that climate change will bring certain development opportunities. For example, climate change risks will drive the Group to gradually improve the use efficiency of energy and water, and thus reducing operational cost and achieving efficiency. Meanwhile, with green technology revolution and energy transforming, the Group will have chance to develop products and services with better environmental protection effect, which enhancing the competitiveness of the products and thus the market reputation of the Group.

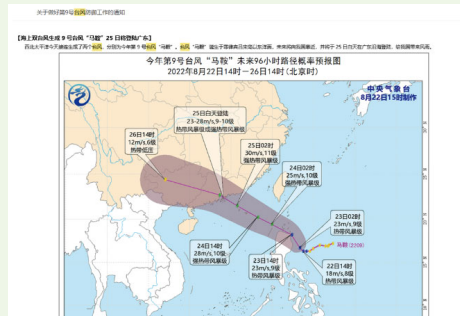




### Case: Effectively Respond to Typhoon Ma-on No. 9

Typhoons occur frequently in summer and autumn. In order to mitigate the impact of typhoons on business operations, the Group has actively adopted a series of emergency measures for typhoons. In 2022, during the period of Typhoon “Ma-on”, the Group always paid attention to the weather forecast sent by the local meteorological department, and effectively reduced the adverse impact of typhoon on the construction sites by arranging all kinds of on-site materials and construction, descending related machinery and dropping facilities, storing goods and materials for flood control, timely pumping and draining water, and evacuating on-site personnel and other measures.

During the Year, the Group has responded to many typhoons and accumulated rich experience, which effectively improved its capabilities to fully cope with extreme weather such as heavy rainfall and typhoons.



Pre-warning Notice About Typhoon “Ma-on”

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

With reference to TCFD’s recommendations and taking into account the Group’s business features and industry characteristics, the Group subdivides climate change risks into physical risks and transformation risks for corresponding identification and analysis, and incorporates them into the ERM assessment system for assessment. The Group also determines the potential impact of climate risks on business and the material level of climate risks through multiple means such as interviews, questionnaires and investigation. At the same time, measures are actively taken to address the climate change-related risks identified, and the Sustainable Development Steering Group is responsible for following up and integrating climate risks into the ESG management process.



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

The Group has formulated a medium and long-term plan for green development, energy use efficiency objectives, waste reduction objectives, emission objectives and water use efficiency objectives, and defined specific measures to achieve the plans and objectives. In addition, the Group continued to disclose Scope 1 and Scope 2 GHG emissions data, while focusing on the statistics and management of Scope 3 GHG emissions. The Group also promoted the use of public transport as a priority in the Business Travel Management System and continued to promote the use of teleconferencing systems to reduce indirect GHG emissions associated with travel.



# 5. EMPATHIZE AND TAKE RESPONSIBILITY FOR A HARMONIOUS SOCIETY





# 5. EMPATHIZE AND TAKE RESPONSIBILITY FOR A HARMONIOUS SOCIETY

The Group does not forget to shoulder the responsibility of a harmonious society while focusing on business development. During the Year, the Group has continued to apply its professional advantages to public welfare and charity, providing necessary help to the socially disadvantaged groups by carrying out activities such as community transformation and community science education, and giving back to the society with practical actions. At the same time, the Group has actively supported the anti-epidemic front line, protected the safety of the owners and the community, and conveyed warmth and goodwill to the society.

### Important Issues Responded to in this Section

- Participate in charity and voluntary activities
- Community development and public engagement

### Indicators Responded to in this Section

#### HKEX ESG Indicators

B8.1|B8.2

#### SDGs Issues



## 5.1 Delivering the Power of Public Welfare

In line with the “empathy” philosophy, the Group has been actively involved in public welfare and earnestly fulfilled its social responsibility. During the Year, the Group donated a total of about RMB4.81 million, continuously invested relevant resources in the fields of community transformation, science education, and inspired employees, customers, partners and caring people to participate in public welfare actions through its own practice, helping the sustainable development of China’s public welfare undertakings.

Since 2019, the Group has been making continuous efforts to build a public welfare project of “Agile House Renovation Charity Walk”, focusing on the needs of urban habitat and devoting to public welfare through professional design and construction team, the Group is committed to providing old house renovation experience integrating technology, environmental protection and warmth, and endowing the space with temperature.





### Case: "Agile House Renovation Charity Walk" warm-hearted transformation, a Beautiful Space for Migrant Children

On 25 January 2022, the delivery ceremony of the neighborhood community renovation project for "Agile House Renovation Charity Walk" initiated by the Group and Guangdong Harmony Community Foundation was successfully held in Desheng Street, Huangpu District, Guangzhou.

The neighborhood community is a public welfare space that provides reading, games, educational lectures and other activities for migrant children in urban communities. However, the original space has outdated facilities and limited space, which is unable to meet the needs of children's reading and parent-child interaction. In order to improve the space environment of the community, the Group has built a design and home decoration team to carry out space transformation for the community, including bookcase design, tile replacement, color matching, and anti-collision treatment of furniture corner, etc., which gives the neighborhood community a completely new look, and attracts many children and parents to participate in the activities. In the future, the Group will continue to carry out public welfare exploration of "space and life" with love as the link, and provide public welfare renovation services for children and elderly groups in need of care.



Delivery Site of "Agile House Renovation Charity Walk"

In addition, the Group also focuses on the implementation of various community public welfare activities, such as "Fun Nature" education class, aiming to practice the philosophy of community co-construction, co-governance and sharing.







**Case: “Fun Nature” Class for Community Public Welfare Education**

“Fun Nature” is a nature education class for children created by the Group’s subsidiary, A-Living. The outdoor class is guided by a professional docent to explore the “secrets” of community plants and learn knowledge of plants through visits, painting, games and handmade activities, so as to help children get close to the nature and build a child-friendly community. In 2022, with “Spring and Summer” and “Autumn and Winter” as the themes, A-Living held a total of 75 “Fun Nature” activities, which attracted more than 1,728 groups of children from owner families to participate in, promoting the healthy growth of children in the community.



Group Photo of the Activity



The guide introduces plants to the children

**5.2 Work Together to Fight against the COVID-19 Pandemic**

In 2022, the Group continued to pay close attention to the development of COVID-19 pandemic and actively devoted itself to fighting against the pandemic. In particular, the medical waste disposal projects operated by the Group have been conscientiously guarding the last line of defense against the pandemic in various regions. During the pandemic, the total amount of medical waste collected and transported was about 30,000 tonnes, and the disposal amount exceeded 23,000 tonnes.

During the pandemic, the communities under the jurisdiction of A-Living under the Group actively cooperated with the local governments to do a good job in pandemic prevention and control, and made efforts to protect the life and health of the owners. During the Year, A-Living helped owners in residential compounds efficiently and orderly complete more than 7,000 nucleic acid tests, carried out more than 30,000 times of disinfection work, and fully protected the safety of more than 2,200 projects and nearly one million owners, which has been widely concerned and praised by local government agencies, social media and the majority of owners.

**Number of nucleic acid tests**

**7,000+**

**Number of guarded projects**

**2,200+**

**Number of disinfection**

**30,000+**



In addition, various business segments of the Group also voluntarily participated in the nationwide pandemic fighting activities, covering many cities such as Guangzhou, Shanghai and Nanjing, fully demonstrating Agile people's public spirit of "one in trouble, all to help".



#### Case: Pull together for Pandemic Prevention, Protect Myriad Twinkling Lights of Shanghai

At the beginning of 2022, Shanghai experienced a "reversed spring" in the combat against the pandemic, which was very serious at the time being. The Group immediately launched the pandemic actions to help Shanghai people tide over the difficulties. During the pandemic, the staff of the communities under the control of the Group acted as community volunteers to join in the front line of pandemic prevention, and actively carried out work including assisting nucleic acid testing, disinfection for pandemic prevention, express delivery and takeout delivery, distributing antigen reagents, assisting the transport and disinfection of positive patients, etc., who tried their best to solve the owners' difficulties, built a strong defense line against the epidemic, and protected the community safety.



Mobilization of Pandemic Prevention



Pandemic Prevention Team



## Environmental Key Performance Table

ESG Indicator	Unit	Consumption/ Emissions in 2022
<b>A1.1 Category and Relevant Data of Emissions</b>		
Nitrogen Oxides (NO <sub>x</sub> ) emissions	KG	2,349.51
Sulphur dioxide (SO <sub>2</sub> ) emissions	KG	3.52
Particulate Matter (PM) emissions	KG	121.49
<b>A1.2 Greenhouse Gas Emissions</b>		
Total GHG emissions <sup>1</sup>	tonne of carbon dioxide equivalent	73,772.90
Direct GHG emissions (Scope 1) <sup>2</sup>	tonne of carbon dioxide equivalent	4,140.74
Indirect GHG emissions (Scope 2) <sup>3</sup>	tonne of carbon dioxide equivalent	69,632.16
<b>A1.3 Hazardous Waste Generated</b>		
Total waste batteries	KG	83.58
Total waste light tubes	piece	1,131
Total toner cartridges	unit	431
Total hazardous waste generated <sup>4</sup>	tonne	33,898.86
<b>A1.4 Non-hazardous Waste Generated</b>		
Total non-hazardous waste generated <sup>5</sup>	tonne	149.17
<b>A2.1 Total Energy Consumption and Intensity</b>		
Total energy consumption <sup>6</sup>	kWh in'000s	87,962.66
Energy consumption intensity	kWh in'000s/RMB million	2.28
Non-renewable fuel (direct) consumption <sup>7</sup>	kWh in'000s	18,772.90
Piped natural gas consumption	kWh in'000s	12,968.81
Liquefied petroleum gas consumption	kWh in'000s	26.97
Total gasoline consumption	kWh in'000s	1,911.60
Total diesel consumption	kWh in'000s	3,865.52
Purchased energy (indirect) consumption <sup>8</sup>	kWh in'000s	69,189.75
Electricity consumption	kWh in'000s	69,189.75
<b>A2.2 Water Resources Consumption and Intensity</b>		
Total water consumption	m <sup>3</sup>	607,368.72
Water consumption intensity	m <sup>3</sup> /RMB million	15.71
Government water consumption	m <sup>3</sup>	607,008.72
Self-produced water consumption	m <sup>3</sup>	360.00

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

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

3 Indirect GHG emissions include indirect emissions from purchased electricity.

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

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

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

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

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

**Scope of Statistics:**

The Group's 2022 environmental data statistics include the headquarter of the Group, the property business segment, the Environmental Protection Group and its projects under management, and A-City Technology Group. Among which, the Environmental Protection Group includes operating projects under the management of the head office and divisions of the Environment Protection Group; A-City Technology Group includes the headquarters of A-City Technology Group and professional companies and business divisions under management. The environmental statistics of A-Living Group is disclosed in its ESG Report.

**Reference standards for data calculation:**

- 1) Direct emission of carbon dioxide generated from gasoline, diesel, piped natural gas, LPG and others is calculated with reference to Guidelines for Accounting and Reporting Greenhouse Gas Emissions – Public Building Operation Units (Enterprises) (Trial) issued by the General Office of the National Development and Reform Commission;
- 2) Indirect emission of carbon dioxide generated from purchased power is calculated with reference to Guidelines for Accounting and Reporting Greenhouse Gas Emissions – Public Building Operation Units (Enterprises) (Trial) issued by the General Office of the National Development and Reform Commission, among which the emission factors of electricity in Mainland China are referenced to the criteria from Emission Factors for China's Regional Power Grids Under 2019 Emission Reduction Projects;
- 3) The power equivalent value as in total energy consumption is converted by reference to the Chinese standard of GB/T 2589-2008 General Principles for Calculation of Comprehensive Energy Consumption;
- 4) Energy consumption intensity and water consumption intensity are emission intensities based on the operating revenue of 2022.



## Social Key Performance Table

ESG Indicator		Unit	2020	2021	2022
<b>Total number of employees</b>		person	63,275	98,466	101,906
<b>Gender</b>	Male	person	36,251	54,629	56,166
	Female	person	27,024	43,837	45,740
<b>Age</b>	30 or below	person	16,309	18,323	16,386
	31–49	person	33,288	43,128	46,746
	50 or above	person	13,678	37,015	38,774
<b>Position</b>	Top management	person	24	15	18
	Senior management	person	486	276	332
	Middle management	person	1,962	2,051	3,839
	General staff	person	60,803	96,124	97,717
<b>Region</b>	Mainland China	person	63,119	98,362	101,823
	Hong Kong, Macau, Taiwan and Overseas	person	156	104	83
<b>Total employee turnover rate</b>		%	–	42.42	36.25
<b>Gender</b>	Male	%	37.24	23.39	35.64
	Female	%	33.56	19.03	37.00
<b>Age</b>	30 or below	%	43.06	11.32	65.87
	31–49	%	31.83	14.66	29.10
	50 or above	%	36.20	16.44	32.36
<b>Region</b>	Mainland China	%	35.74	42.41	36.25
	Hong Kong, Macau and Taiwan	%	14.29	0.01	32.14
	Overseas	%	1.08	0.00	49.09
<b>B2.</b>	<b>Health and Safety</b>				
<b>B2.1</b>	<b>Number of Work-related Fatalities</b>				
	Number of work-related fatalities	person	1	1	0
	Work-related fatality rate	%000	0.16	0.01	0
<b>B2.2</b>	<b>Number of Lost Days due to Work Injury</b>				
	Number of lost days due to work injury	day	11,104.0	5,739.5	2,437.50



ESG Indicator		Unit	2020	2021	2022
<b>B3.</b>	<b>Development and Training</b>				
<b>B3.1</b>	<b>Percentage of Employees Trained: Breakdown by Gender and Position</b>				
	<b>Trained employees as a percentage of total employees</b>	%	78.00	50.47	94.89
<b>Gender</b>	Male	%	58.73	54.27	55.73
	Female	%	41.27	45.73	44.27
<b>Position</b>	Top management	%	0.04	0.02	0.01
	Senior management	%	0.66	0.76	0.32
	Middle management	%	3.24	4.83	3.75
	General staff	%	96.06	94.39	95.91
	<b>Average training hours of employees</b>	hour	19.75	51.20	16.26
<b>Gender</b>	Male	hour	21.53	50.10	16.11
	Female	hour	17.36	52.60	16.43
<b>Position</b>	Top management	hour	18.37	11.92	2.33
	Senior management	hour	22.83	33.43	14.25
	Middle management	hour	16.51	113.05	20.51
	General staff	hour	19.83	48.81	16.10
<b>B5.</b>	<b>Supply Chain Management</b>				
<b>B5.1</b>	<b>Number of Suppliers by Region</b>				
<b>Region</b>	Mainland China	/	20,482	37,606	34,744
	Hong Kong, Macau, Taiwan and overseas	/	187	422	40
<b>B6.</b>	<b>Product Responsibilities</b>				
<b>B6.2</b>	<b>Number of Complaints Received about Products and Services</b>				
	Number of complaints received	/	–	6,969	6,504



	ESG Indicator	Unit	2020	2021	2022
<b>B7.</b>	<b>Anti-corruption</b>				
<b>B7.1</b>	<b>Number of Legal Cases regarding Corruption</b>				
	Number of filed or concluded legal cases regarding corruption	case	0	1	0
<b>B7.3</b>	<b>Anti-corruption Training Provided to Directors and Employees</b>				
	Directors attending anti-corruption training	person	–	9	17
	Employees attending anti-corruption Training	person	–	39,000	18,465
	Anti-corruption training hours	hour	–	45,018	36,964
<b>B8.</b>	<b>Community Investment</b>				
<b>B8.2</b>	<b>Resources Contributed to the Focus Area</b>				
	Employees involved	person	–	539	2,309
	Time invested	hour	–	1,400	2,314
	Money invested	RMB yuan	155,401,820	71,365,121	5,245,962.44

\* During the Year, the number of the Group's employees increased as compared to 2021 due to the business expansion of A-Living Group.

#### Reference standards for data calculation:

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



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





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



Aspects of ESG	Compliance with Laws and Regulations	The Group's Internal Policies and Systems
<b>B2 Health and Safety</b>	Labour Law of the PRC Labour Contract Law of the PRC Social Insurance Law of the PRC Occupational Disease Prevention and Control Law of the PRC Fire Protection Law of the PRC Production Safety Law of the PRC Emergency Response Law of the PRC Regulations on Reporting and Investigation and Disposition of Safe Production Accidents Measures for the Administration of Contingency Plans for Work Safety Incidents Regulations on Safety Supervision over Special Equipment Regulation on Emergency Responses to Work Safety Accidents Measures for the Administration of Emergency Response Plans Measures for the Categorised Administration of Occupational Disease Hazards in Construction Projects Measures for the Administration of Occupational Health Monitoring	Safety Work Management Manual Safety and Quality Red Line Management Handbook of Safe and Civilised Construction Safety Bottom Line Management Management System for Safe and Civilised Construction Accident Management Approach Engineering Project Process Evaluation System Red Light Early Warning Management System of Engineering Quality and Safety Risks Engineering Bottom Line Management Approach EHS Responsibility System of Environmental Protection Group EHS Hidden Danger Identification and Control Management System of Environmental Protection Group EHS Information Reporting System of Environmental Protection Group EHS Pre-Acceptance System for Newly Commissioned Projects of Environmental Protection Group Management Measures for Volunteer Fire Brigade Specification for Management of Visible and Infrared Temperature Detection System Code of Practice for Handling Exceeded Online Monitoring Data Management Measures for the Three Prevention Systems Measures for Monthly Performance Appraisal of Principals in Charge of EHS of the Project Companies under Environmental Protection Group Measures for Comprehensive Management Performance Appraisal of Principals in Charge of EHS of the Project Companies under Environmental Protection Group Emergency Plan Management System Management System for Sudden Safety and Environmental Accidents Contractor EHS Management System Guidelines on Risk Assessment and Management of New Processes, Equipment and New Businesses for Hazardous Waste Projects Standards of Conduct for Project Engineering Management Occupational Health Management System Occupational Health Management Manual Occupational Health Examination System Occupational Disease Hazard Warning Message System Health and Safety Management Policy Fire Management Manual Management System of Personal Protective Equipment Management System of Labor Protective Equipment





Aspects of ESG	Compliance with Laws and Regulations	The Group's Internal Policies and Systems
		Maintenance and Warranty Team Assessment and Management Measures (2021 Edition) Safety Management Regulations for Barrier-Free Facilities Code of Practices for Operational Safety Management Emergency Preparedness and Emergency Response Control Procedures
<b>B3 Development and Training</b>	Labour Law of the PRC Labour Contract Law of the PRC Social Insurance Law of the PRC	Administrative Measures for Training Guidelines on Internal Trainer Management Internal Trainer Management Measures Administrative Measures for Recruiting and Training Graduate Management Trainee Guidelines on Orientation Training for New Employees Administrative Measures for Career Mentors Rotation Management System of Cross-industry Training for Employees of the Group
<b>B4 Labour Standards</b>	Labour Law of the PRC Labour Contract Law of the PRC Social Insurance Law of the PRC Provisions on the Prohibition of Using Child Labour Special Regulations on Labour Protection for Female Employees Guangdong Province Population and Family Planning Regulations	Human Resources Management System Compilation Induction Management System Resignation Management System Labour Contract Management System
<b>B5 Supply Chain Management</b>	Company Law of the PRC Civil Code of the PRC Bidding Law of the PRC Regulation on the Implementation of the Bidding Law of the PRC Product Quality Law of the PRC Anti-Unfair Competition Law of the PRC	Supplier Management System Bidding Management System Manual on Procurement Management Operation Manual on Rights and Responsibilities Administrative Measures of Bidding for Materials Suppliers Measures for Identification and Handling of Quality Problems Concerning Materials Supplied by Party A Administrative Measures for Anti – Corruption in Procurement System Management System for Materials Bidding and Purchase Marketing Suppliers Management Measures of Agile Property Suppliers Management Measures (for Engineering Construction) Rules of Introduction of Suppliers (for Engineering Construction)





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



Aspects of ESG	Compliance with Laws and Regulations	The Group's Internal Policies and Systems
		Management Measures of Agile Real Estate Marketing Elites Management System of Public Opinion Incidents of Agile Management System for Red Light Warning of Construction Quality and Safety Risks Technical Guidelines for Prefabricated Building Construction Ten Red Line Pulling Systems for Projects (Ten Safety Rules) Implementation Rules for Interpenetrating Construction (Safety Guarantee Measures)
<b>B7 Anti-corruption</b>	Criminal Law of the PRC Anti-Money Laundry Law of the PRC Criminal Procedure Law of the PRC Civil Code of the PRC Company Law of the PRC Securities Law of the PRC Anti-Unfair Competition Law of the PRC Interim Provisions on Banning Commercial Bribery Supervision Law of the PRC Labour Law of the PRC Public Security Administration Punishment Law of the PRC Bribery Prevention Ordinance	Anti-corruption System Whistle-blowing System Code of Business Conduct Accountability System for Defaults Administrative Measures for Anti-Corruption in Procurement System Articles of Association Certificate of Responsibility for Anti-corruption Management Employee Manual Accountability Management Measures for Failure of Performance Confidentiality System Anti-corruption Agreement Certificate of Responsibility for Anti-corruption Management Implementing Rules on Accountability for Misconduct in Project Management (2021 Edition) Risk Management System of Agile Risk Management System of Agile Group Holdings Limited
<b>B8 Community Investment</b>	Charity Law of the PRC	Articles of Association of Agile Public Welfare Foundation

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

ESG Indicator	Description	Section
<b>A1: Emissions</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Protect The Green And Ecological Environment For A Clean And Beautiful Home
KPIA1.1	The types of emissions and respective emissions data.	Appendix I – List of Data
KPIA1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I – List of Data
KPIA1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I – List of Data
KPIA1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I – List of Data
KPIA1.5	Description of emission target(s) set and steps taken to achieve them.	Protect The Green And Ecological Environment For A Clean And Beautiful Home
KPIA1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Protect The Green And Ecological Environment For A Clean And Beautiful Home
<b>A2: Use of Resources</b>		
General Disclosure	Policies on efficient use of resources including energy, water, and other raw materials.	Protect The Green And Ecological Environment For A Clean And Beautiful Home
KPIA2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility).	Appendix I – List of Data
KPIA2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix I – List of Data
KPIA2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Protect The Green And Ecological Environment For A Clean And Beautiful Home
KPIA2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Protect The Green And Ecological Environment For A Clean And Beautiful Home
KPIA2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A



ESG Indicator	Description	Section
<b>A3: Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Protect The Green And Ecological Environment For A Clean And Beautiful Home
KPIA3.1	Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them.	Protect The Green And Ecological Environment For A Clean And Beautiful Home
<b>A4: Climate Change</b>		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Protect The Green And Ecological Environment For A Clean And Beautiful Home
KPIA4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Protect The Green And Ecological Environment For A Clean And Beautiful Home
<b>B1: Employment</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Grow with Employees in Resilience towards Work in a Respect and Contributed Manner  Grow with Employees in Resilience towards Work in a Respect and Contributed Manner
KPIB1.1	Total workforce by gender, employment type, age group and geographical region.	Grow with Employees in Resilience towards Work in a Respect and Contributed Manner Appendix I – List of Data
KPIB1.2	Employee turnover rate by gender, age group and geographical region.	Appendix I – List of Data
<b>B2: Health and Safety</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Grow with Employees in Resilience towards Work in a Respect and Contributed Manner
KPIB2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix I – List of Data
KPIB2.2	Lost days due to work injury.	Appendix I – List of Data
KPIB2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Grow with Employees in Resilience towards Work in a Respect and Contributed Manner



ESG Indicator	Description	Section
<b>B3: Development and Training</b>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Grow with Employees in Resilience towards Work in a Respect and Contributed Manner
KPIB3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Grow with Employees in Resilience towards Work in a Respect and Contributed Manner Appendix I – List of Data
KPIB3.2	The average training hours completed per employee by gender and employee category.	Grow with Employees in Resilience towards Work in a Respect and Contributed Manner Appendix I – List of Data
<b>B4: Labour Standards</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Grow with Employees in Resilience towards Work in a Respect and Contributed Manner
KPIB4.1	Description of measures to review employment practices to avoid child and forced labour.	Grow with Employees in Resilience towards Work in a Respect and Contributed Manner
KPIB4.2	Description of steps taken to eliminate such practices when discovered.	Grow with Employees in Resilience towards Work in a Respect and Contributed Manner
<b>B5: Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Deliver Steady and Sustainable Development with Integrity and Honesty
KPIB5.1	Number of suppliers by geographical region.	Deliver Steady and Sustainable Development with Integrity and Honesty Appendix I – List of Data
KPIB5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Deliver Steady and Sustainable Development with Integrity and Honesty
KPIB5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Deliver Steady and Sustainable Development with Integrity and Honesty
KPIB5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Deliver Steady and Sustainable Development with Integrity and Honesty





ESG Indicator	Description	Section
<b>B6: Product Responsibility</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Lifestyle of a Lifetime Offers A-Life Experience
KPIB6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
KPIB6.2	Number of products and service related complaints received and how they are dealt with.	Lifestyle of a Lifetime Offers A-Life Experience Appendix I – List of Data
KPIB6.3	Description of practices relating to observing and protecting intellectual property rights.	Lifestyle of a Lifetime Offers A-Life Experience
KPIB6.4	Description of quality assurance process and recall procedures.	Lifestyle of a Lifetime Offers A-Life Experience
KPIB6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Lifestyle of a Lifetime Offers A-Life Experience
<b>B7: Anti-corruption</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud, and money laundering.	Deliver Steady and Sustainable Development with Integrity and Honesty
KPIB7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Deliver Steady and Sustainable Development with Integrity and Honesty Appendix I – List of Data
KPIB7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Deliver Steady and Sustainable Development with Integrity and Honesty
KPIB7.3	Description of anti-corruption training provided to directors and staff.	Deliver Steady and Sustainable Development with Integrity and Honesty Appendix I – List of Data
<b>B8: Community Investment</b>		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities takes into consideration communities' interests.	Empathize And Take Responsibility For A Harmonious Society
KPIB8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Empathize And Take Responsibility For A Harmonious Society
KPIB8.2	Resources contributed (e.g. money or time) to the focus area.	Empathize And Take Responsibility For A Harmonious Society Appendix I – List of Data

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