



AGILE GROUP HOLDINGS LIMITED

雅居樂集團控股有限公司

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



ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT

2023

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ABOUT THIS REPORT

▶ Reporting Profile

Agile Group Holdings Limited (“Agile” or the “Company”) and its subsidiaries (“the Group”) is pleased to present its eighth 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 2023 to 31 December 2023 (the “Reporting Period” or the “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 Guide (the “ESG Reporting Guide”) as set out in Appendix C2 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 Guide 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 the “Balance” principle through review on negative issues and underperformance.

▶ Access to the Report

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

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



MESSAGE FROM THE CHAIRMAN

Dear stakeholders,

The Group is pleased to present its 2023 ESG Report for the purpose of addressing the concerns of its stakeholders regarding its sustainable development management performance.

During the Year, the board of directors of the Company (the "Board") continued to heighten its efforts to supervise ESG matters, place emphasis on ESG risk identification and management, and adopt practical measures to achieve ESG objectives. Therefore, the Group's MSCI ESG rating remained at BB, and we stayed ahead of our global peers in three aspects, i.e. product safety and quality, green building and corporate behavior. We delivered more than 72,000 housing units in total in 60 cities and 120 projects nationwide, demonstrating we were capable of fulfilling our undertaking to "ensure the delivery of buildings". We based our business on the principles of legal compliance, transparency, and integrity, adhered to business ethics standards, continually enhanced corporate transparency, and strived to create a benchmark for robust operation in the industry.

Delivering exemplary Agile projects boasting quality and originality. Our pursuit of high standards drives us to offer premium products and services. Through developing our quality management system which seeks "elegant quality and exquisite craftsmanship", acting on the safety philosophy of "life first", improving our customer services, and

leveraging digital empowerment, we can consistently satisfy the aspirations of owners and customers for a better life and buttress the building of modern cities in the hope of becoming a creator of better residence and better life. During the Year, the Group recorded zero major safety accidents and a 98% response rate to customer complaints.

Going deep into environment protection to keep lucid waters and lush mountains from contamination. To construct a green building means the requirements of land saving, water saving, energy saving, material saving, and environmental protection must be met, and thus green buildings greatly contribute to the building of Beautiful China. We support the national strategy of "carbon peaking and carbon neutrality" by factoring the notion of green development into every aspect of our strategies and operations and constantly invest in green building, green operation, and green construction to fully implement the Agile Green Property Development Plan. Among all the projects in process, 69 projects are all designed in line with the green building design standards by level, covering 9.92 million sq.m., which representing 100% of green building design.

Creating an engaging workplace with the belief that sincerity is the best policy. Talent is our foremost resource. Upholding the philosophy of "sincerity is the best policy", we are committed to providing our employees with fair and just



MESSAGE FROM THE CHAIRMAN

employment opportunities, a healthy and safe working environment, and a democratic and harmonious working atmosphere. In addition, keeping “construction safety comes first” as the basic approach, we have formed a three-tier Environmental Health and Safety (EHS) management structure centering around “industrial group – business region – project company”. We continued to enhance our safety management capabilities and standards to ensure the health and safety of employees.

Fulfilling our social responsibility with empathy.

Common prosperity is an innate characteristic of socialism and a significant feature of Chinese modernization. Empathy and compassion are always the reason for our dedication to charity. Cumulatively, we have donated nearly RMB2 billion and continued to fulfill our social responsibility in many fields such as education and Chinese culture, thereby giving back to communities with action.

Faithful to the brand philosophy of “lifestyle of a lifetime” and the welfare spirit of “empathy”, we care about people’s yearning for a better life, and the

sustainable development will be thoroughly applied to our business in various sectors such as property development, property management, environmental protection. Moving forward, we will stay committed to and act on propelling our ESG management toward higher standards and requirements while promoting diversified business development, and creating sustainable value together with our stakeholders, including employees, customers, investors, and business partners to help boost the high-quality and sustainable development of economy and society.

Chairman and President

CHEN Zhuo Lin

Hong Kong, 26 April 2024

ABOUT THE GROUP

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 is 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 32 years of development, through nationwide real estate project development, premium property management and community services, R&D and application of hazardous waste treatment and environmental protection technologies, and the innovation and exploration in the fields such as smart city and smart home, as of 31 December 2023, the Group has established presence in over 200 cities at home and abroad, with 100,863 staff members, of which, 96,018 worked at A-Living Group.



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 nearly 1.6 million owners. Currently, the Group has over 200 property projects in 79 cities at home and abroad.



A-Living Group plays a key role in the property segment under the Group’s diversified development strategy, providing the Group with a full range of quality property management services. As of the end of 2023, the contracted GFA and GFA under management of A-Living Group reached 767 million sq.m. and 591 million sq.m., respectively. It has 4,600 service projects, covering a total of 206 cities in 31 provinces, municipalities, and autonomous regions 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 40 industrial towns across 14 provinces, cities and autonomous regions, with a hazardous waste treatment capacity of nearly 3,000,000 tonnes per annum and a safe landfill storage capacity of 19 million cubic metres, ranking top in the industry.



A-City Technology Group has two major businesses: green ecological landscaping and intelligent decoration and home services. Adhering to the mission of creating a beautiful space through intelligent ways, the Group accelerated business development by taking advantage of its superior resources and strengthened its competitive advantages driven by its strength of science and innovation. The Group applied its ingenious technique to services to provide customers with comprehensive solutions for green ecological landscaping and intelligent decoration and home covering the entire industrial chain and continue to empower green ecological living experience.

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



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 Industry Index – Properties & Construction
- Hang Seng Composite MidCap & SmallCap Index
- Hang Seng Composite SmallCap Index
- MSCI China SmallCap Index

Index Inclusion for Crossmarket:

- Hang Seng Stock Connect Hong Kong Index
- Hang Seng Stock Connect Hong Kong MidCap & SmallCap Index
- Hang Seng Stock Connect Hong Kong SmallCap Index



ABOUT THE GROUP

Environmental Key Performance

Green Building Certification
Marks Projects

52

Percentage of Green Building
Designed Area

100%

Harmless Treatment Capacity of
Waste

877,300 tonnes

Projects Applied Prefabricated
Construction Technology

13

Projects Applying the Sponge
City Design Concept

39

Including:

Harmless incineration 268,000 tonnes

Harmless landfill 569,500 tonnes

Physicochemical treatment 39,800 tonnes



Social Key Performance

Material Safety Accident

0

Average Training Hours

17.76 hours

Number of Assistance Cases of
Agile Mutual Aid Association

936

Complaint Response Rate

98%

Charitable Contribution

Over 1,000 hours

Service Satisfaction Rate
Approximately

78%



Awards Received during the Year

During the Year, the Group ranked in a number of lists, such as Top 19 Outstanding Real Estate Enterprises by Quality Property Delivery in 2023, 2023 TOP 100 Real Estate Enterprises in China by Overall Strength, and TOP 10 Chinese Real Estate Enterprises by Diversified Development in 2023 and was granted a number of industry awards and titles, such as a 2023 Weibo Influence Platform Annual Award, the Real Estate Enterprise with Steady Development in 2023, and the Financial Stability Award for Chinese Real Estate Listed Companies in 2023 for its outstanding performance in prudent operation, product responsibility and technological innovation.



Real Estate Group Brand of 2023 Weibo Influence Platform Annual Award



Real Estate Enterprise with Steady Development in 2023



Financial Stability Award for Chinese Real Estate Listed Companies in 2023



Model Enterprise for High-quality Development in 2023

SUSTAINABLE DEVELOPMENT STRATEGY

Board Statement

Fully aware of the importance of sustainable development to the long-term development of an enterprise, the Board of the Group attaches great importance to the management of sustainable development, strictly complies with the requirements of the ESG Reporting Guide of the Hong Kong Stock Exchange, improves the ESG structure, and ensures the responsibilities are fulfilled and authorities exercised at all levels, so as to strengthen the Board's supervision and involvement in the ESG matters of the Group.

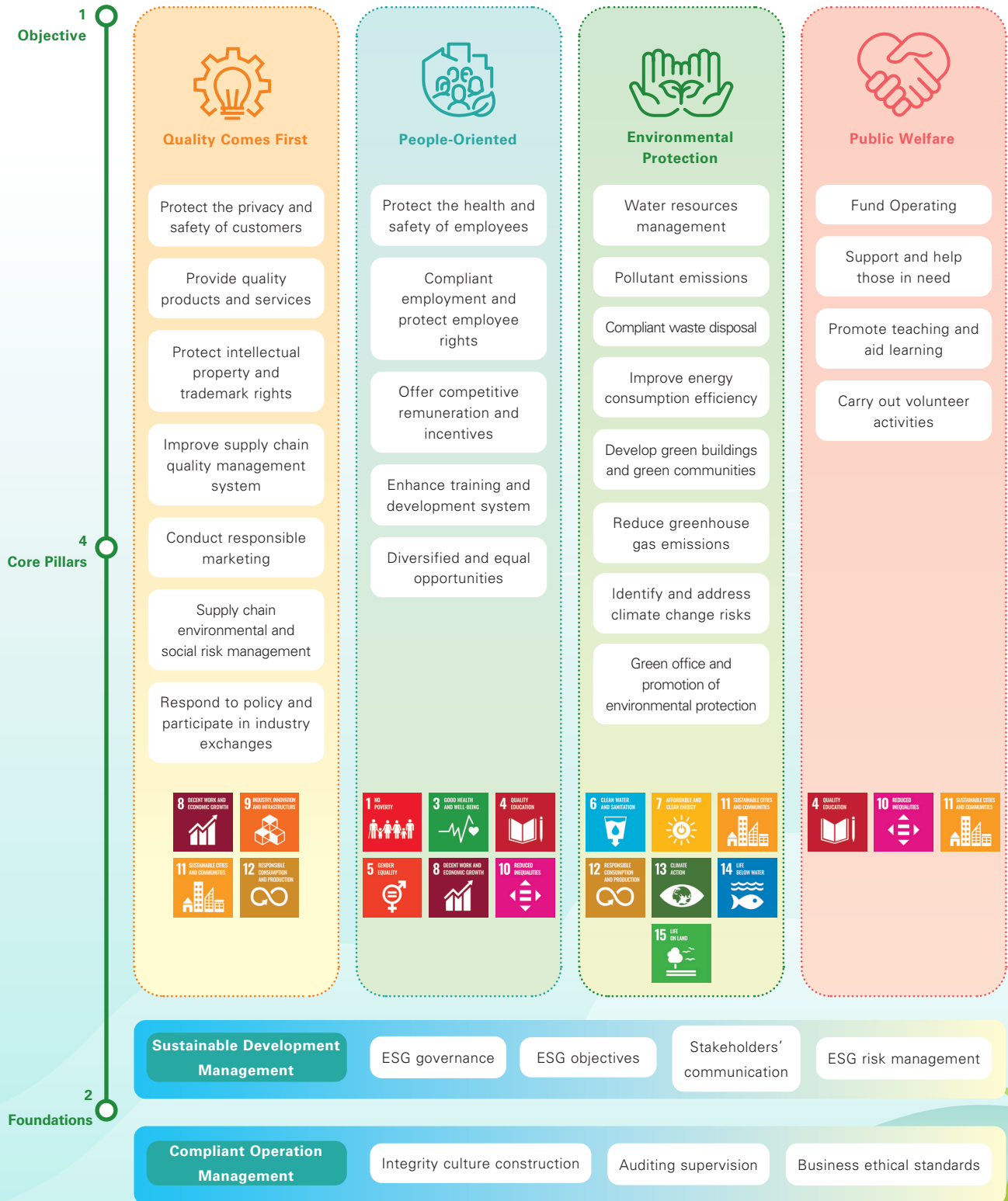
The Board takes full responsibility for establishing and reviewing the Group's vision, strategy, framework, and management guidelines for sustainable development and formulating related policies. The Group particularly strengthens the materiality assessment and reporting process, thoroughly reviews ESG-related risks and opportunities, continuously refines and sets clear ESG targets, and regularly reviews the progress of these targets thereby monitoring and evaluating the Group's sustainable development performance. Further, the "Risk Management Committee" of the Board has set up the Sustainable Development Steering Group which takes charge of the organised conduct of specific ESG work and ensuring the effective implementation of policies and initiatives to safeguard the sustainable development of the Group.

Sustainable Development Objectives

To proactively respond to China's appeal for developing an ecological civilization and promote the construction of green homes, the Group follows closely the pace of the global response to climate change and resolutely meets the requirements raised by the country to reach the carbon peaking and carbon neutrality goals. Deep in contribution to the United Nations Sustainable Development Goals, the Group has woven sustainable development strategies into its overall business operations as well as risk management and internal control systems, continues to explore and follow green and low-carbon development paths, and takes action to promote the achievement of its vision for sustainable development. The Group has formulated its vision for sustainable development and the core pillars and foundations that help fulfil the vision, which are set forth as follows:

SUSTAINABLE DEVELOPMENT STRATEGY

Striving to become a leading quality life service provider



SUSTAINABLE DEVELOPMENT STRATEGY

Summary of ESG Actions for the Year

During the Year, the Group has invested in various ESG efforts summarised as follows in six major aspects:



Quality Comes First •

Upholding the brand philosophy of “Lifestyle of a Lifetime” and the product philosophy of “Eight Touches of Elegance of Residence”, the Group continued to develop the “N - Happiness Module” ecosystem which demonstrates what a wonderful residence and a beautiful life can look like to enable its customers to lead quality lives. The Group further improved the system construction by enhancing the quality management system and leveraging digital empowerment to deliver “elegant quality and exquisite craftsmanship”.



People-Oriented •

The Group continued to provide fair and just employment opportunities for its employees and constantly improved its talent training system and talent management mechanisms. Moreover, it has enhanced the internal management measures for occupational health and safety to ensure that the occupational health and safety of its employees working on construction sites, in offices and other premises are fully guaranteed.



Environmental Protection •

The Group took the initiative to adopt measures to reduce its negative impact on the environment and achieved coordinated development of economy, society and environment; particularly, it has implemented the Agile Green Property Development Plan to continuously increase the percentage of green building projects in terms of area. In addition, the Group continued to translate its idea about green and low-carbon development into reality and advocate a green life, thereby promoting the achievement of the country’s carbon peaking and “carbon neutrality” goals.



Public Welfare •

The belief in empathy is an important component of the Group’s corporate culture. Giving full play to its strengths, the Group has been dedicated to public welfare undertakings in various areas such as education and traditional culture inheritance to promote urban renewal and development and fulfil its social responsibility.



Sustainable Development Management •

Taking sustainability as one of its core strategies, the Group continuously optimised the structure of sustainable development governance and enhanced its competitiveness and brand image to lay a solid foundation for its long-term development.



Operational Compliance Management •

In strict compliance with laws and regulations and industry norms, the Group has developed the Whistleblowing System, improved whistleblowing mechanisms, intensified integrity-building and anti-corruption efforts, and constantly optimised supply chain management, so as to promote the healthy, sound and sustainable development of the Group and the industry.

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 Network China, is always concerned about people’s pursuit of a beautiful life and strives to work with its stakeholders, including employees, customers, investors and partners, and continues to explore and implement 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; and
- Approve disclosures in ESG reports.

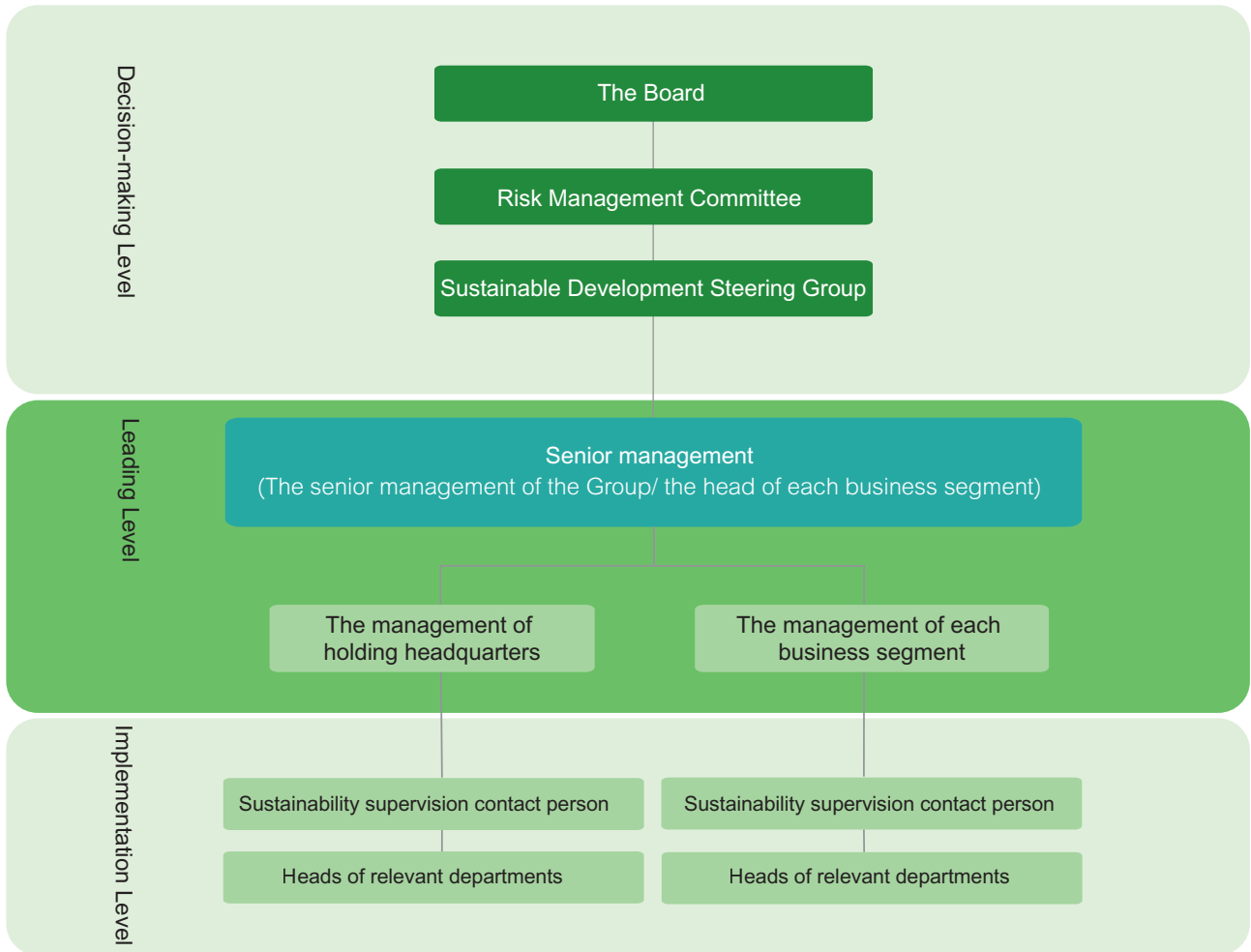
Risk Management Committee

- 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; and
- 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; and
- Hold ESG-specific meetings.

SUSTAINABLE DEVELOPMENT CONCEPT AND GOVERNANCE STRUCTURE



In order to promote the effective implementation of the Group’s ESG management work, the Group held 2 Board meetings and 2 Risk Management Committee meetings to discuss and report ESG-related issues and ESG risk management, as well as the progress of the annual ESG report during the Year.



SUSTAINABLE DEVELOPMENT CONCEPT AND GOVERNANCE STRUCTURE

Stakeholders' Communication

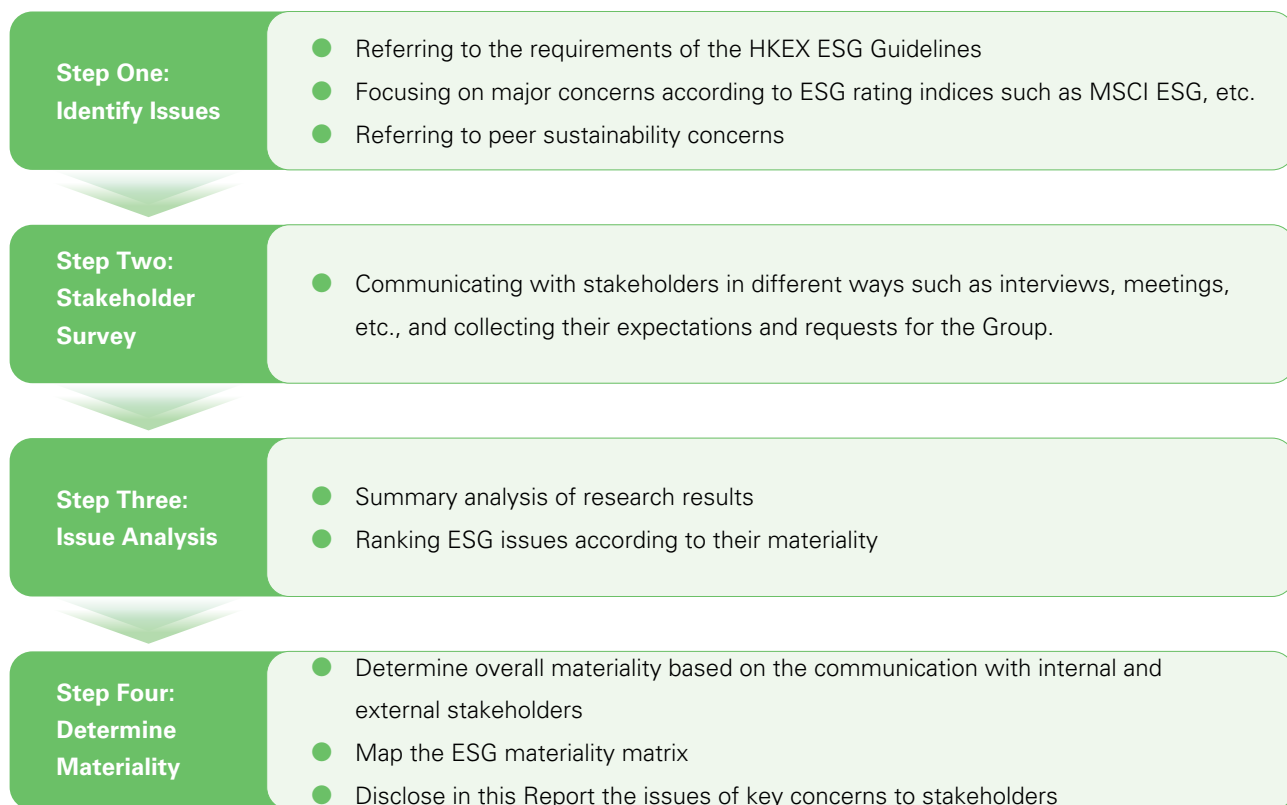
The Group is fully aware that communication with the stakeholders is the core driving force for the enterprise's continuous transformation and progress, helps the enterprise gain in-depth insights into potential risks and opportunities and also serves as verification and guidance for its commitment to sustainability. In order to better respond to the concerns of stakeholders on sustainability issues, the Group is committed to developing a multi-level communication channel, and builds a stable and diversified two-way communication mechanism, maintains close connection with stakeholders and actively adopts and responds to stakeholders' requests.

Stakeholders	Major Communication Channels	Major Requests	Response Measures
 Government and regulators	<ul style="list-style-type: none"> Partnership projects Working committee Tax information reporting 	<ul style="list-style-type: none"> Compliance with the law Pay taxes according to the law Support local development 	<ul style="list-style-type: none"> Operate in compliance with the law Pay taxes on time and in full Actively implement relevant policies
 Investors and shareholders	<ul style="list-style-type: none"> Annual general meeting Official website of the Group Investor contact number 	<ul style="list-style-type: none"> Financial performance Operational transparency Risk management and control Investor rights 	<ul style="list-style-type: none"> Improve profitability Sustain growth and guarantee returns Hold shareholders' meetings and disclose reports Regular disclosure of operational information Attend investor meetings
 Customers	<ul style="list-style-type: none"> Customer satisfaction questionnaire Customer interviews Customer communication hotline Community activities 	<ul style="list-style-type: none"> Service attributes Service quality Information privacy and safety Protection of customer rights 	<ul style="list-style-type: none"> Full range of personalized services Customer privacy protection Compliant marketing Enhance customer communication mechanism
 Employees	<ul style="list-style-type: none"> Questionnaire and interviews Employee engagement survey Opinions feedback platform Employee training 	<ul style="list-style-type: none"> Defend legal rights Compensation and benefits Healthy and safe environment Fair promotion 	<ul style="list-style-type: none"> Improve the remuneration system and benefit mechanism Provide employee trainings and conduct employee activities Enhance career promotion mechanism Reinforce safety management to ensure health and safety
 Suppliers and partners	<ul style="list-style-type: none"> Supplier assessments on a regular basis Supplier conferences Supplier recruitment visits Supplier skills exchange/training sessions 	<ul style="list-style-type: none"> Collaboration with integrity Business ethics and reputation Win-win cooperation 	<ul style="list-style-type: none"> Improve supplier management mechanisms, including managing environmental and social risks Promote green supply chain development Establish a communication platform for suppliers
 Industrial associations	<ul style="list-style-type: none"> Industry seminars and exchanges Partnership projects Forums and partnerships Seminars 	<ul style="list-style-type: none"> Promote industry development Set industry benchmarks 	<ul style="list-style-type: none"> Make suggestions for industry regulations Promote sustainable development of the industry Promote fair competition in the industry
 Community	<ul style="list-style-type: none"> Community activities Working committee Public information disclosure 	<ul style="list-style-type: none"> Protect community environment Promote community development Social welfare activities 	<ul style="list-style-type: none"> Practise green operations Promote community culture Provide employment opportunities Contribute to urban renewal
 Environment	<ul style="list-style-type: none"> Advocate green environmental protection Energy and resource utilisation Emissions and water resource management 	<ul style="list-style-type: none"> Efficient use of resources Reduce emission Respond to climate change Biodiversity conservation 	<ul style="list-style-type: none"> Green building Respond to climate change Information-based means to monitor energy consumption Control pollutant emission at the source

SUSTAINABLE DEVELOPMENT CONCEPT AND GOVERNANCE STRUCTURE

Materiality Assessment

The Group attached great importance to the needs of stakeholders and engaged a professional third-party consultant to conduct the Year's materiality assessment to collect, organise and analyse stakeholders' feedback, with the following steps:



SUSTAINABLE DEVELOPMENT CONCEPT AND GOVERNANCE STRUCTURE



Material Issues Assessment Results

Results of the Group's comprehensive assessment of material issues for 2023 are as follows:

Materiality	Rank	ESG Issues	Scope
Highly Important Issues	1	Provide quality products and services	Social
	2	Guarantee the health and safety of employees	Social
	3	Business ethics and anti-corruption	Governance
	4	Compliant Operation	Governance
	5	Develop green buildings and green communities	Environmental
	6	Protect customer privacy and information safety	Social
	7	Compliant employment and protect the rights and interests of employees	Social
Moderately Important Issues	8	Protect intellectual property and trademark rights	Social
	9	Employee welfare	Social
	10	Enhance training and development system	Social
	11	Promotion of green office and environmental protection	Environmental
	12	Diversified and equal opportunities	Social
	13	Improvement of energy consumption efficiency	Environmental
	14	Respond to climate change and carbon emission management	Environmental
	15	Carry out responsible marketing	Social
	16	Supply chain environmental and social risk management	Social
	17	Enhance quality management system of supply chain	Social
Generally Important Issues	18	Waste and wastewater management	Environmental
	19	Water resource management	Environmental
	20	Participate in charity and voluntary activities	Social
	21	Biodiversity	Environmental
	22	Community development and public participation	Social

Matrix of the Group's Material Issues



YEARLY THEME: ADDRESSING CLIMATE CHANGE FOR A SUSTAINABLE FUTURE

Climate change is becoming a serious threat and challenge to production and human development in the present and future, and it has become a global consensus to take active measures to address climate change. As a doer faithful to green and low-carbon development, the Group takes climate change risk management as one of its daily priorities, proactively identifies, assesses and responds to climate change-related risks, grasps climate change-related opportunities, and takes multiple measures to support the Group's low-carbon transformation. During the Year, referring to the recommendations for the framework for climate-related financial disclosures, the Group continued to further disclose its climate change-related priorities with respect to the four core elements, namely, governance, strategy, risk management, and metrics and targets, so as to promote sustainable development.

Governance: Monitoring Climate-related Risks and Opportunities

The Group has woven physical risks and transition risks related to climate change into the Enterprise Risk Management (ERM) Assessment System while the Board has authorised 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 operations and strengthen the Group's capabilities to withstand climate change. Besides, the Sustainable Development Steering Group reports to the Board and the Risk Management Committee on the progress of programs related to 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 identifies, assesses and analyses climate-related risks and opportunities in the short term (3 years and less), medium term (3-5 years) and long term (5 years and more), taking into account its business characteristics, to understand their potential financial impacts and take a two-pronged approach – mitigation and adaptation – to respond to climate change risks and seize development opportunities.

Risk Identification

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, any typhoon, rainstorm, snowstorm, flood, high temperature, drought and other extreme weather events caused by climate change may lead to delays in the Group's construction projects, damage to project facilities, increase in energy consumption required for the operation of projects and offices, increase in operating costs, decrease in revenue, and increase in costs of employee monitoring. However, transition risks such as stricter environment-related policies, pressure from technological reform, higher green building standards, and changes in market preferences may increase the difficulty in managing the internal environment and the cost of research and development of the Group, thus affecting the revenue and market competitiveness of the Group.






YEARLY THEME: ADDRESSING CLIMATE CHANGE FOR A SUSTAINABLE FUTURE

Climate change risks identified		Potential financial impacts	Time dimension	
Physical risks	Acute risk	<ul style="list-style-type: none"> • Typhoon • Rainstorm • Extreme high-temperature • Flood • Extreme cold weather • Drought 	<ul style="list-style-type: none"> • Increase in operating costs • Decrease in asset values • Decrease in operating revenue • Increase in insurance premiums 	Short term
	Chronic risk	<ul style="list-style-type: none"> • Sea level rise • Average temperature rise • Water resources stress 	<ul style="list-style-type: none"> • Increase in operating costs • Increase in employee health expenditure 	Medium to long term
Transition risks	Market risk	<ul style="list-style-type: none"> • Market preference changes • Cost and supply of raw materials 	<ul style="list-style-type: none"> • Decrease in operating revenue 	Medium to long term
	Technological risk	<ul style="list-style-type: none"> • Green building technologies • New eco-friendly materials 	<ul style="list-style-type: none"> • Increased investment in low-carbon technologies • Increased cost of new technology training 	Medium to long term
	Policy and legal risks	<ul style="list-style-type: none"> • Green building standards • Water resources management standards • Waste management standards • Energy use requirements • Litigation over climate change 	<ul style="list-style-type: none"> • Increased investment in building renovation • Increased cost of training in policies and regulations • Increase in fines for non-compliance 	Medium to long term
	Reputation risk	<ul style="list-style-type: none"> • Market competitiveness • Customer recognition 	<ul style="list-style-type: none"> • Reputational damage caused by negative publicity 	Short, medium and long term

Opportunity Identification

The Group also believes that climate change will bring development opportunities. For example, climate change risks will drive the Group to place greater emphasis on green operations, continuously improve energy use efficiency and water use efficiency, explore the use of renewable energy, and thus reduce operational costs and enhance efficiency. Meanwhile, with the green development philosophy in mind and by leveraging technology reforms, the Group will have a chance to develop more environment-friendly products and services, which will enhance the competitiveness of its products and thus improve the market reputation of the Group.

Climate change opportunities identified		Potential financial impact	Time dimension
Green Operation	 <ul style="list-style-type: none"> • Energy saving technology • Renewable energy use • Resource recycling and reuse 	<ul style="list-style-type: none"> • Improved resource use efficiency and energy use efficiency • Reduced operational costs 	Medium to long term
Green Building	 <ul style="list-style-type: none"> • People's preference for green buildings • Rising demand for eco-friendly materials 	<ul style="list-style-type: none"> • Enhanced product competitiveness • Increased operating income 	Medium to long term
Green Development Philosophy	 <ul style="list-style-type: none"> • Sustainable brand strategy 	<ul style="list-style-type: none"> • Enhanced corporate image • Increased operating income 	Long-term

YEARLY THEME: ADDRESSING CLIMATE CHANGE FOR A SUSTAINABLE FUTURE

Implementing Climate Actions

In response to the multiple risks posed by climate change, the Group advocates laying equal stress on mitigation and adaptation, that is, addressing the climate crisis through actively mitigating and adapting to climate change.

► Mitigation Actions

Energy conservation and emission reduction are at the core of climate change mitigation. The Group continues to promote green operations through energy conservation and optimisation of resource allocation and utilisation. 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 in the regions where it operates, has established and implements the Management Measures for Energy Conservation and Consumption Reduction in Office Premises, Administrative Measures for Energy Conservation and Consumption Reduction, Public Energy Consumption Management Regulations and other internal management systems, tracks the data on energy usage, and adjusts the strategies of energy consumption management and control in due course to achieve manageable and controllable energy consumption.

To realise the goal of energy efficiency, Environmental Protection Group, a subsidiary of the Group, requires each project team under its administration to pay attention to energy conservation, such as:

- ✓ The hazardous waste project teams are required to install additional variable-frequency drives on equipment that consumes the most power to achieve variable frequency regulation and reduce power consumption;
- ✓ Each project should use high calorific value waste liquid as much as possible instead of diesel, natural gas and other fuels when receiving wastes to save energy; and
- ✓ Energy monitoring is carried out through information systems such as centralised monitoring platforms, safety management platforms, laboratory management systems, and hazardous waste production management systems to effectively supervise and reduce energy consumption.

In addition, the Group actively explores the use of clean energy and vigorously develops the application of renewable energy in residential construction. In addition to adopting conventional energy-saving construction methods, the Group adopts solar power generation systems in a number of projects in various regions and supplies electricity generated from renewable and clean energy to the public areas of residential compounds.

► Adaptation Actions

The Group strictly complies with the Environmental Protection Law of the PRC, Energy Conservation Law of the PRC and other national laws and regulations. The Group and its various industrial groups have formulated and implemented relevant management systems based on their respective business operations and regularly conduct training and drills on natural disaster protection measures to strengthen the contingency response capability of employees in case of extreme weather.

Table of the Group's Emergency Management System

Emergency Management System	Main content
The Group's property business segment	Emergency Management Mechanism for Major Emergencies (Engineering) A mechanism regulating the reporting and handling of major emergencies, including extreme weather events
A-Living Group	Meteorological Disaster Prevention Ordinance Emergency Response Plan for Work Safety and Natural Disasters Specifying safety and contingency plans for meteorological disasters
Environmental Protection Group	Special Emergency Plan for Accidents Caused by Natural Disasters Special Emergency Plan for Flood Control Special Plan for Typhoon, Rainstorm and Flood Disaster Accidents Specifying countermeasures for extreme weather
A-City Technology Group	Contingency Plan for Safety Accidents Specifying contingency response measures for environmental emergencies

YEARLY THEME: ADDRESSING CLIMATE CHANGE FOR A SUSTAINABLE FUTURE

Emergency training and drills

Trainings on natural disaster protection measures



Drills for collapse accidents caused by extreme weather



Multi-pronged Approach to Frequent Extreme Weather Events

- Extreme precipitation event in Mentougou District, Beijing**
 In July 2023, Beijing was hit by an extreme rainstorm that had not been seen in a century, resulting in a serious debris flow disaster in Mentougou District. The Group tracked local weather changes in real time, took safety measures in advance, immediately evacuated all workers at the project site to avoid casualties, tackled post-disaster debris flow issues to prevent landslides, and took various measures to minimise the impact on the progress and quality of the project.
- Typhoons and heavy rainfall**
 In 2023, heavy rainfall and strong winds brought by large typhoons such as Doksuri, Saola and Haikui caused a serious impact on the construction sites. The Group appointed certain employees to track the typhoon weather, issued early warnings to project teams in the affected areas, and took precautionary measures such as construction site shutdown, evacuation of people, protection of finished and semi-finished products, and reinforcement of structures in order to safeguard the safety of people and equipment.

YEARLY THEME: ADDRESSING CLIMATE CHANGE FOR A SUSTAINABLE FUTURE

In addition, by actively applying the design concept of sponge city, the Group enhances the capacity of its projects for rainwater collection, infiltration and purification and strengthens its environmental resilience to extreme weather such as droughts, high temperatures and heavy rainfall, to ensure effective responses to physical risks such as extreme weather events and water shortages. Meanwhile, during the construction of sponge city projects, the Group introduces diverse vegetation planted in sunken green spaces and rain gardens to the residential compounds for creating multi-layered plant communities, thereby enriching and preserving the biodiversity of the ecosystem. In 2023, 39 projects of the Group, representing 29% of the total project area, have been designed according to the sponge city concept.

Principles of designing a sponge city

 <p>Low-impact development</p>	<p>Low-impact development facilities such as sunken green spaces, rain gardens, permeable pavement, and cisterns enable rainwater infiltration, retention, storage, and purification, thus reducing the impact of project development on the hydrological regime.</p>	
 <p>Synergy between centralised and decentralised green spaces</p>	<p>Taking into account the centralised green space system within the base when building rain gardens, we create sunken green spaces and plant grass swales as needed in the scattered green spaces elsewhere. With the synergy between centralised and decentralised green spaces, we construct a rain-absorbing network across different functional areas.</p>	
 <p>Green before grey, aboveground before underground</p>	<p>During rainwater discharge and treatment, above-ground green infrastructure is first used for natural rainwater infiltration, retention, storage, and purification. Excessive rainwater that cannot be managed through the green infrastructure is discharged through the underground pipeline network and other grey infrastructure.</p>	
 <p>Construction of rainwater collection systems</p>	<p>Rainwater from roofs enters surrounding sunken facilities through downspout disconnection, or is collected and conveyed through pipes to the terminal storage ponds; rainwater from roads and pavements is controlled by cross slopes and transferred through plant grass swales to the rain gardens or sunken green areas first, with excessive rainwater discharged through the underground pipe network.</p>	
 <p>Improving the use of rainwater as resources</p>	<p>We make full use of the purification function of the green facilities and store the purified rainwater for road watering and green space watering in the projects.</p>	

YEARLY THEME: ADDRESSING CLIMATE CHANGE FOR A SUSTAINABLE FUTURE

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

The Group determines the potential impacts of climate risks on the Group, assesses the current risk status and analyses future risk trends through multiple means and methods such as internal and external risk databases, interviews and questionnaires.

Based on the identification and analysis of risks, the Group formulates and implements measures to address climate change. The Sustainable Development Steering Group is responsible for following the implementation of the measures and incorporating the management of and response to climate risks into the day-to-day ESG work, so as to ensure that the Group remains forward-looking and proactive in addressing the challenges of climate change.

Metrics and Targets: Metrics and Targets for Assessing and Managing Climate-related Risks and Opportunities

Well aware of its corporate responsibility for addressing climate change, the Group has formulated a comprehensive medium and long-term plan for green development with defined targets of energy use efficiency, waste reduction, emission and water use efficiency, and has taken diversified measures to continuously promote the achievement of the targets. In addition, the Group continues to disclose Scope 1 and Scope 2 GHG emissions data, while focusing on the statistical work and refined management of Scope 3 GHG emissions. To promote low-carbon travel, the Group encourages employees to prioritize public transport when taking a business trip in the Business Travel Management System and vigorously promotes the use of teleconferencing systems to reduce indirect GHG emissions generated by business travels.



1. ROBUST GOVERNANCE AND COMPLIANT OPERATION

The Group adheres to the principle of “longtermism”; maintains a prudent management style, continuously promotes corporate governance in accordance with laws and regulations, actively improves the risk governance system, promotes the whole-process risk management including ESG risks, keeps a clean and honest business environment, and further optimises supply chain management to contribute to the healthy and stable development of the Group and the industry.

Important Issues Addressed in this Section

- Business ethics and anti-corruption
- Compliant Operation
- Management of environmental and social risks in the supply chain
- Enhancement of supply chain quality management system

Indicators Addressed in this Section

HKEX Key Performance Indicators

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

SDGs Issues



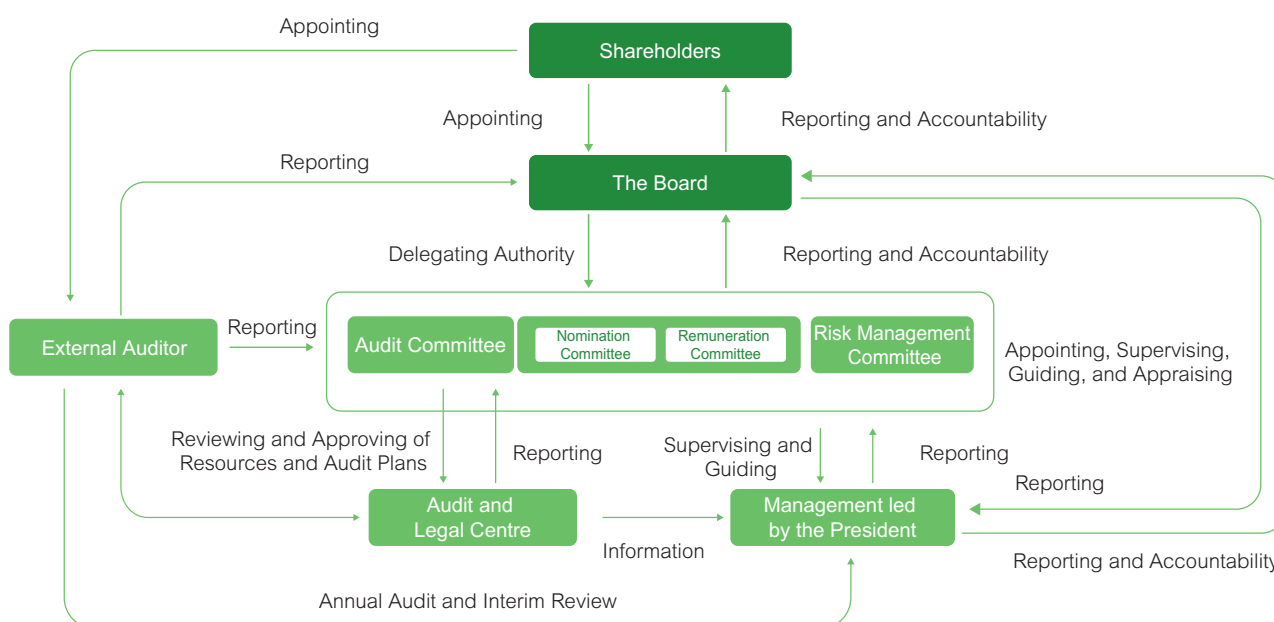


1. ROBUST GOVERNANCE AND COMPLIANT OPERATION

1.1 Internal Control

Compliance management system

The Group complies with the Company Law of the PRC, the Securities Law of the PRC and other relevant laws and regulations, and regulates the corporate governance in accordance with the provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules of the Hong Kong Stock Exchange. The Board of the Group is responsible for ensuring that the Group has set up proper ESG risk management and internal control mechanisms, and the Board and its Audit Committee, Nomination Committee, Remuneration Committee and Risk Management Committee are responsible for overseeing and managing the implementation of the Group's corporate governance issues, such as issues relating to commercial ethics and corruption. The Audit Committee of the Group has granted authorization to the Audit and Legal Centre to oversee and manage the internal control and risk assessment in various departments of the Group, and make regular report to the Audit Committee to improve the operation efficiency of the internal control mechanism, as well as ensure the effective operation of the internal control mechanism through regular internal audit and assessment (including those on commercial ethics and corruption).



Audit Supervision

The Audit Committee of the Board is responsible for overseeing the internal audit and monitoring, reviewing and evaluating the effectiveness of the Group's internal control procedures, and improves the internal control procedures in a timely manner, taking into account the external auditor's assessment of internal controls and management recommendations. A dedicated department responsible for risk management and audit continuously monitors the compliance of the Group's procedures in each department and supervises the implementation of the Group's financial management and the effective use of funds to avoid embezzlement risks. Meanwhile, the Group reviews and checks the audit on the code of the business conduct on a regular basis, and updates and improves relevant systems as per the review results. The Group conducts a comprehensive integrity audit on all business segments (including the real estate, property management, environmental protection and other segments) every year. During the Year, the Group included the businesses accounting for 100% of the corresponding items in the consolidated financial statement in the scope of internal audit to ensure that the Group maintains a high standard of business ethics and corporate governance.

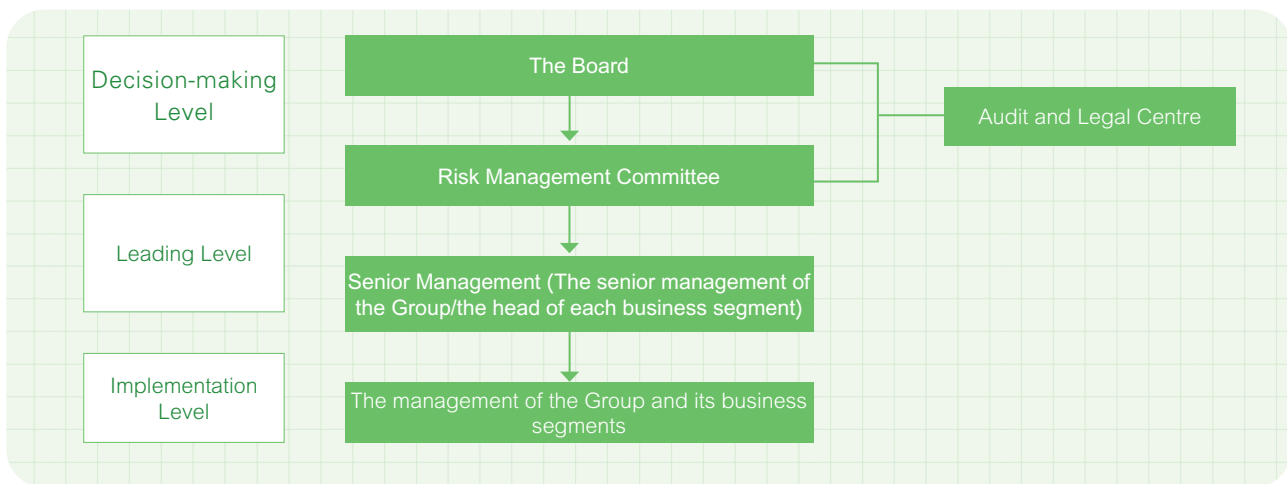
1. ROBUST GOVERNANCE AND COMPLIANT OPERATION

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 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 Board on a regular basis.

Risk Management Organizational Structure



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

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 in regularly assessing core operational risks, setting early warning indicators, continuously monitoring the trend of changes in indicator data, and issuing risk warnings, and conduct comprehensive evaluations 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.

1. ROBUST GOVERNANCE AND COMPLIANT OPERATION

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 System Linked to Performance

The Group has established an appraisal mechanism linking ESG performance to executive remuneration, with relevant performance appraisal indicators covering energy uses, greenhouse gas emissions and labour health and safety, etc. Meanwhile, the Group regularly reviews and evaluates the risk management performance of the relevant businesses and grants performance bonuses related to risk management (including ESG risks). In addition, the annual risk management results are directly linked to the annual performance of each relevant business executive and are used as a deduction from the annual performance.

1.3 Professional Integrity

Integrity system development

As a member of the China Anti-Fraud Enterprise Alliance, the Group strictly complies with the relevant laws and regulations in the regions where it operates, including the Anti-Money Laundering 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. The Risk Management Committee and Audit Committee under the Board of the Group are the supervisory and executive bodies for risk management and internal control, and the Audit and Legal Centre is responsible for guiding, assisting and overseeing the implementation of the Group's systems relating to business ethics and corporate governance to ensure the effective implementation of the Code of Business Conduct.

Digital integrity monitoring

The Group actively enhances integrity monitoring through digital means. Through a digital operation platform, the Group sets up digital models for risk points that are frequent and can be quantifiably monitored to automatically determine the existence of risks, suspected violations, and other abnormal behaviours, and conduct real-time monitoring and early warning of violations and abnormal behaviours after screening and processing. As of the end of the reporting period, the digital operation platform has provided a total of 41 indicators (excluding iterative indicators), covering marketing, procurement, finance, operation, cost, human resources and administration and other segments.

1. ROBUST GOVERNANCE AND COMPLIANT OPERATION

Integrity training and communication

The Group attaches importance to the cultivation of integrity awareness to senior management, member enterprises and suppliers, etc., and conducts integrity education and promotion in various forms on a regular basis to firmly establish a robust “safety valve” for professional integrity. The Group requires its directors and senior management to participate in the annual integrity oath-taking and sign the Anti-corruption Management Responsibility Certificate; promotes integrity culture to member enterprises and conducts integrity promotion activities to reinforce the integrity atmosphere; and requires all the employees of the Group to attend at least one integrity training session, and the trainings involve professional ethics, relevant laws and regulations and internal systems, etc. Meanwhile, the Group promotes the construction of an integrity culture on a daily basis and promotes the spirit of integrity through various measures such as monthly integrity reports, quarterly work meetings and OA columns for integrity cases.

During the Year, the anti-corruption training figures are as follows:

Directors attending anti-corruption training	17
Employees attending anti-corruption training	19,549
Anti-corruption training hours	273,291



Taking a vow of integrity



Employee Training on Professional Integrity in the Workplace

In addition, the Group participated in the Corporate Compliance and Anti-fraud Industry Summit organised by the China Enterprise Anti-Fraud Alliance in February 2023, sharing views and discussing at the symposium on anti-fraud investigation practice cases and big data thinking, to improve the level of information technology application in anti-fraud work. In December of the same year, the Group took part in the China Enterprise Anti-Fraud Alliance’s Third Session of Member Representative Meeting and Corporate Risk Governance Symposium, sharing views on and discussing topics such as corporate anti-fraud and compliance system construction and digitalised risk control transformation, to further broaden its horizon and get some experience dealing with compliance and anti-corruption work.

1. ROBUST GOVERNANCE AND COMPLIANT OPERATION

Reporting and Protection

The Group maintains a zero-tolerance attitude towards corruption, and encourages the employees and outsider to report integrity and discipline violation. The Group has established and implemented a Reporting System, which outlines reporting channel and handling procedures, and has established and improved incentive and protection mechanisms for whistleblowers. In 2023, there were no lawsuits against the Group or its employees involving corruption.

► Integrity Reporting Channels

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 Group's Confidentiality System. Employees who leak information about the whistleblower, leak integrity investigation process and material, threaten or retaliate against the whistleblower, will be demoted/ 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.



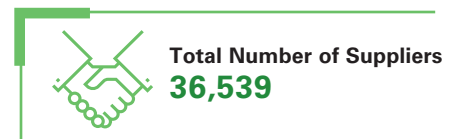
1. ROBUST GOVERNANCE AND COMPLIANT OPERATION

1.4 Supplier Management

The Group strictly complies with the laws and regulations such as the Law of the PRC on Tendering and Bidding and the Anti-unfair Competition Law, and has formulated internal management systems such as the Manual on Procurement Management Operation, the Management System for Materials Bidding and Purchase, and the Supplier Management Measures. These systems clearly define the requirements for supplier management and procurement work at each stage. With the premise of safeguarding supplier rights, the Group has established a supplier management mechanism to promote suppliers to actively fulfill environmental and social responsibilities, thereby contributing to the creation of a sustainable supply chain ecosystem. The Group has established a robust online supplier resource base and realised organic synergy among the Group’s recruitment and procurement platform, Supply Chain Middle Office system and e-commerce centre to effectively enhance the efficiency of supplier management.

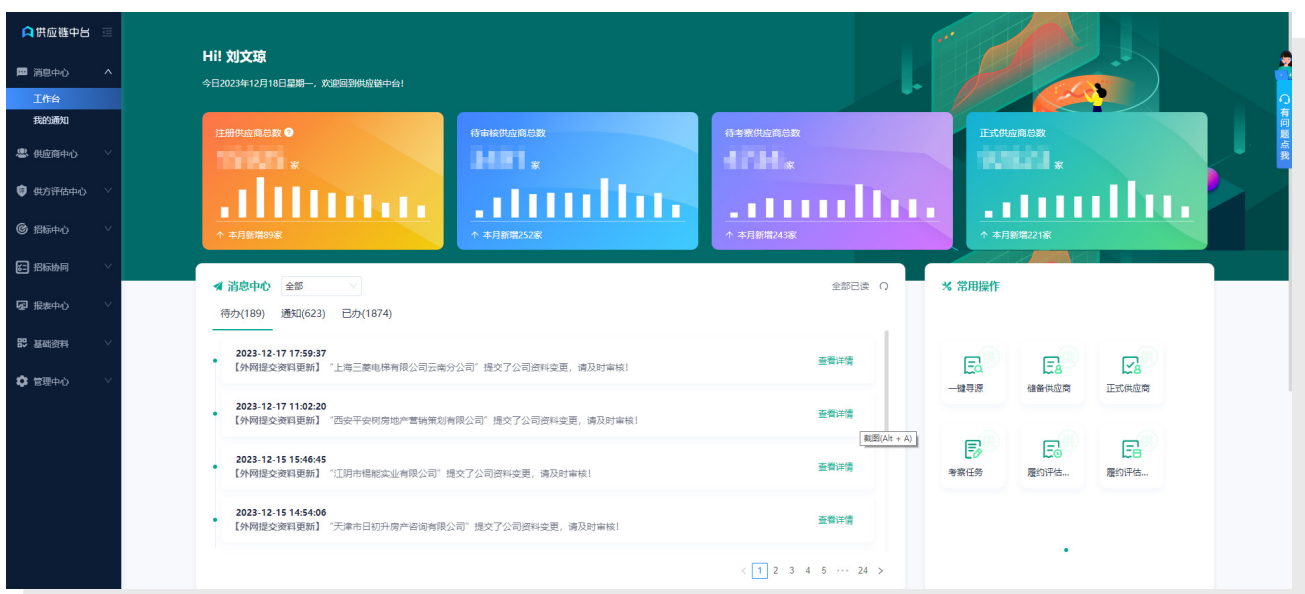
Number of suppliers by regions

Region	Number
Chinese mainland	36,508
Hong Kong, Macau, Taiwan, and Overseas	31



Supplier Lifecycle Management

The Group implements full lifecycle management of suppliers through the Supply Chain Middle Office system. All suppliers of the Group are required to register at the Supply Chain Middle Office system and will not be allowed to enter the supplier resource pool until verified. A “supplier profile” will be generated after information registration, preliminary review of materials, inspection and inclusion, evaluation and grading. The Group’s industrial groups can get the whole picture of the basic information, bidding status, contract status, evaluation status, business risks and other information of a supplier, which improves the supplier management efficiency while enabling effective sharing and efficient synchronisation of supplier information. In addition, the Group regularly provides a package of training on quality management, project management, and construction technology for relevant suppliers to further strengthen their ability to perform contracts and responsibilities.



Supply Chain Middle Office System

1. ROBUST GOVERNANCE AND COMPLIANT OPERATION

Supplier Evaluation

The Group conducts regular evaluations of its suppliers from the dimensionalities of project quality, safety and civilization, cooperation and responsivity, and delivery and maintenance of repairment, and classifies its suppliers into four levels, namely A, B+, B and C, based on the evaluation results. 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 be engaged on a restricted basis 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, when necessary, the Group conducts on-site inspections of suppliers, contractors, subcontractors and other partners or obtains information from them to verify that these partners comply with the Group's supplier management requirements. The partners are responsible for properly managing relevant supporting documents and measurement data. During the Year, the Group reinforced the evaluation requirements for supplier partners in categories such as landscaping, high-end civil works, high-end decoration, and construction, effectively improving the project quality.

Supplier Chain ESG Risk Management

The Group integrates environmental and social risk factors into the supplier evaluation and cooperation process to enhance environmental and social risk management at all stages of the supply chain and boost the healthy and sustainable development of upstream and downstream plays along the supply chain. The major measures include:

- For metal material processing suppliers, they are required to conduct regular occupational health checks for their employees and participate in the Training on Occupational Disease Prevention and Control for Employers organised by the local Health Commission;
- Require suppliers to reduce the emission of dust and exhaust gas and discharge of wastewater from construction sites to mitigate adverse impacts on the environment and climate; and
- Advocate for suppliers to improve the efficiency of resource use through technical transformation and material reuse.

Meanwhile, the Group requires suppliers to provide certifications for ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System. As of the end of 2023, the status of the Group's suppliers in the material and equipment category which have obtained third party system certification was 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%

Besides, the Group actively implements the concepts of 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, 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 have the features of heat insulation, sound insulation, aging resistance, freezing resistance, etc.; and
- Use of Polyurethane (PU) artificial stone and stone brick in the landscape area of the demonstration zone to replace stone materials, which helps reduce the extraction and waste of stone resources, effectively protecting the ecological environment.

1. ROBUST GOVERNANCE AND COMPLIANT OPERATION

Clean procurement

The Group strictly complies with the 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.

The Group requires its suppliers to establish anti-corruption policies in parallel, carry out relevant anti-corruption procedures and measures, maintain all anti-corruption policy documents or relevant records, and should provide the necessary documents as per the Group's requirements. The Group is entitled to review the internal anti-corruption policies, relevant businesses, relevant facilities, products and services of suppliers by itself or by entrusting a third party upon reasonable notice. At the stage of supplier qualification examination and contract signing, the Group consistently requires suppliers to sign an Anti-corruption Agreement, clarifies responsibility of integrity and specifies various penalties to eliminate the possibility of any misconduct arising in the supply chain. 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.



Supplier Communication

The Group actively establishes long-term and close business cooperation with suppliers, strengthens communication with suppliers through mechanisms such as high-level mutual visits, supplier training conferences and supplier satisfaction assessment, and makes efforts on establishment of a fair and competitive environment for suppliers to achieve a win-win cooperation.



High-level Mutual Visits

A mechanism for high-level exchange visits has been established. The Group's Cost Procurement Centre and various industrial purchasing departments will, according to their own business needs, formulate annual plans for exchange visits and establish high-level, manager-to-manager contacts to deepen cooperation.



Training Conference

The Group's Purchasing Department regularly holds supplier training conferences according to their needs, through which the relevant policies and requirements of the Group are publicised to suppliers, and those with excellent ratings will be rewarded, so as to ensure that suppliers meet the standards and requirements of the Group.



Satisfaction Assessment

The Group has established a supplier reverse evaluation mechanism, in which the Purchasing Department will randomly distribute questionnaires to suppliers through the Supply Chain Middle Office system every six months, anonymously collect suppliers' evaluation and satisfaction of the Group's relevant business departments in the process of contract performance, and improve the internal management according to the results.

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

The Group actively develops real estate projects including residential, commercial complexes, hotels and others, and drives high-quality products and services with high standards. Through the quality management construction of “elegant quality and exquisite craftsmanship”, the implementation of the safety philosophy of “life first”, the improvement of customer service and the empowerment of digital technology, the Group continues to satisfy the aspirations of owners and customers for a better life, supports the modernized construction of cities.

Important Issues Addressed in this Section

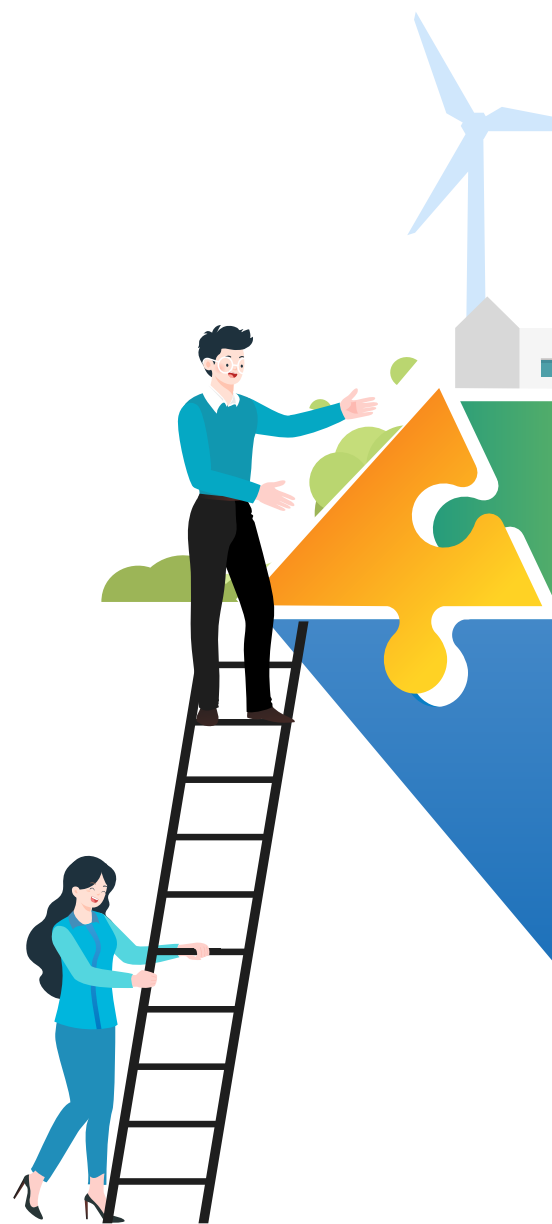
- Provide quality products and services
- Ensure the health and safety of employees
- Protect the customer privacy and information security
- Protect intellectual property rights and trademark rights
- Carry out responsible marketing
- Community development and public participation

Indicators Addressed 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





2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

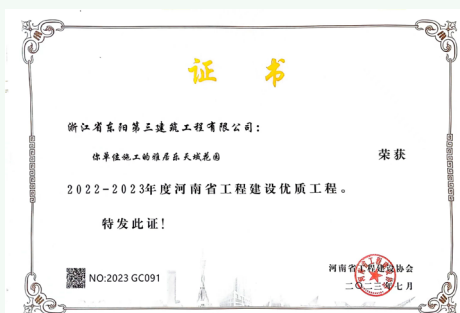
2.1 Focus on Quality Management

Quality Management System

The Group 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 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 standardising 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 worked out detailed operation guidelines to further optimise the quality management system in combination with the actual needs.

For real estate business, 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, forming a full-cycle quality management plan from stages of planning, support, pile foundation and earthwork, basement and main body, roughing-in, fine fitment and landscaping to completion and delivery. In addition, the Group 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.

During the Reporting Period, the Group’s projects won a total of 17 national, provincial and municipal product quality awards, with no product quality-related violations occurred.



“Agile Celestial Garden (雅居樂天域花園)” was awarded “High-quality Engineering Construction Project of Henan Province for 2022-2023 (2022-2023 年度河南省工程建設優質工程)”

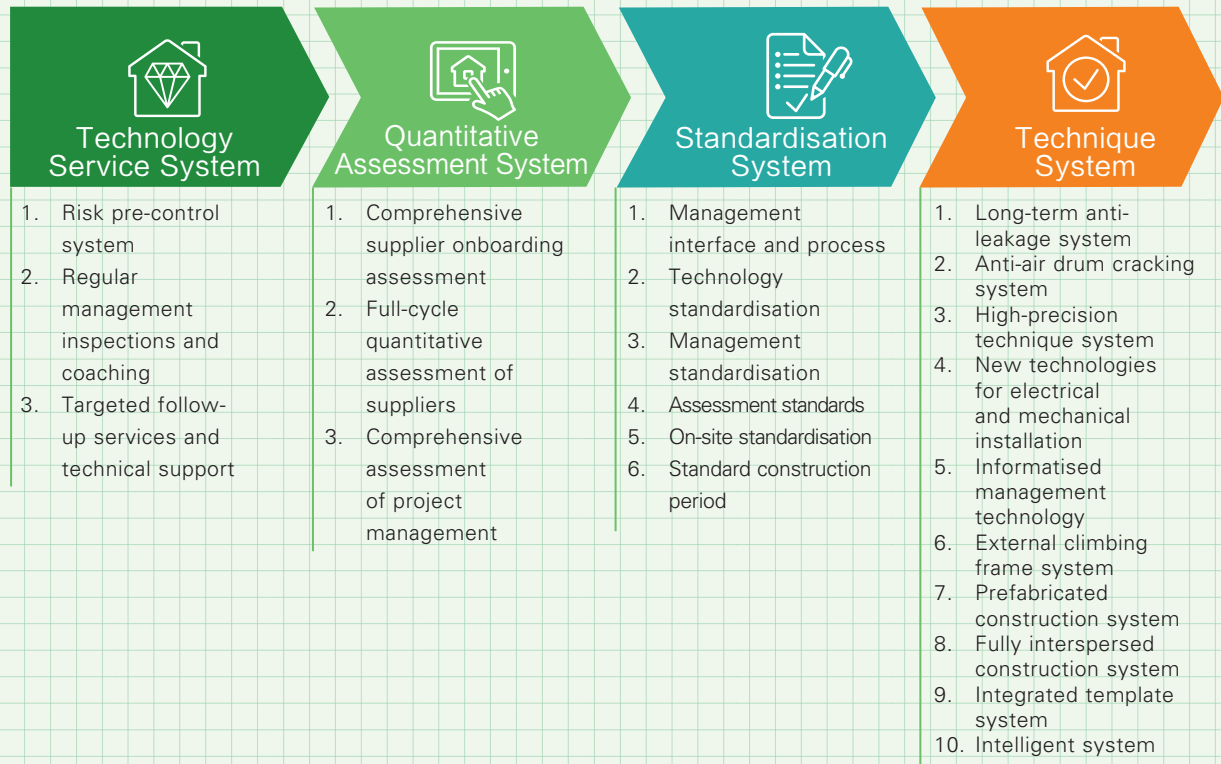


“Agile Shenzhen Garden (Phase 1) Project (雅深花園(一期)工程項目)” was awarded “Demonstrative Site for Safe and Civilised Construction of Municipal Housing Projects and Standardised Safe Production Site of Construction Projects in Guangdong Province”

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

“Four Types of Security System + Three Core Tasks”

Four Types of Security System



Three Core Tasks

Continuous improvement of management tools

- Construction process assessment
- Delivery assessment
- Maintenance assessment
- Satisfaction assessment
- Post construction assessment
- Construction management effectiveness assessment
- Mobile Internet APP platform
- Construction site remote visualization
- Technical solution transmission method

Team building and training

- Building an engineering academy
- Activating talent promotion channels
- Building a talent knowledge base
- Publishing a white paper on industry development

Supplier selection and maintenance

- Supplier competition landscape of the three-three-system
- Continuous improvement of evaluation mechanism
- Strategic bulk procurement
- Leading the repossession and delivery of the building by the construction unit directly
- Creating an “Inquirer Academy”

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

Digital Empowerment

During the 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

During the Year, the Group implemented the “Skynet” action, an excavation safety monitoring technology, in all newly commenced projects, and required full video coverage of the construction process of pile foundations and excavations in all projects. Through the “Skynet” online monitoring, the safety and quality risks of underground construction are controlled in real time to achieve the safety and quality goal of zero accidents and create a strong and safe home for customers.



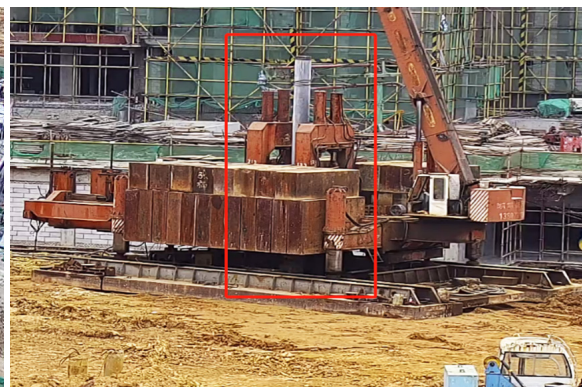
Requirements for video monitoring equipment in “Skynet” action

- The cameras shall cover construction work surfaces such as pile foundations and excavations.
- The cameras shall be installed on lighting poles around the site or on towering structures.
- At least four “high-speed dome cameras” shall be installed in one section.
- The cameras can rotate 360° and support 30X optical zoom and 16X digital zoom.
- The host shall store videos for no less than 30 days, and the video data of the entire project process shall be archived for management.
- The acceptance of video monitoring equipment shall be conducted before the start of the project.
- The video monitoring equipment shall be installed when entering the site and dismantled when exiting the site by the construction unit.



Surveillance camera at the edge of the excavation

At the same time, the Group required all project contractors to install cameras in accordance with the requirements of the “Skynet” action and add new special “Skynet” management expenses to the value of the contracts and also required the project department and supervision units to inspect the deployment of cameras on site in strict compliance with the requirements of the “Skynet” action. The Group and regional companies in the real estate business stepped up their efforts in real-time spot checks, with “zero tolerance” for quality and safety issues, and each case of quality issue dealt with when found: if such quality issues 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 issues involved external parties, the parties would be punished and rectifications would be imposed according to the corresponding system, so as to strengthen project quality control and improve project quality levels.



Examples of on-site monitoring video from “Skynet” cameras

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

► “Agile Cloud” System

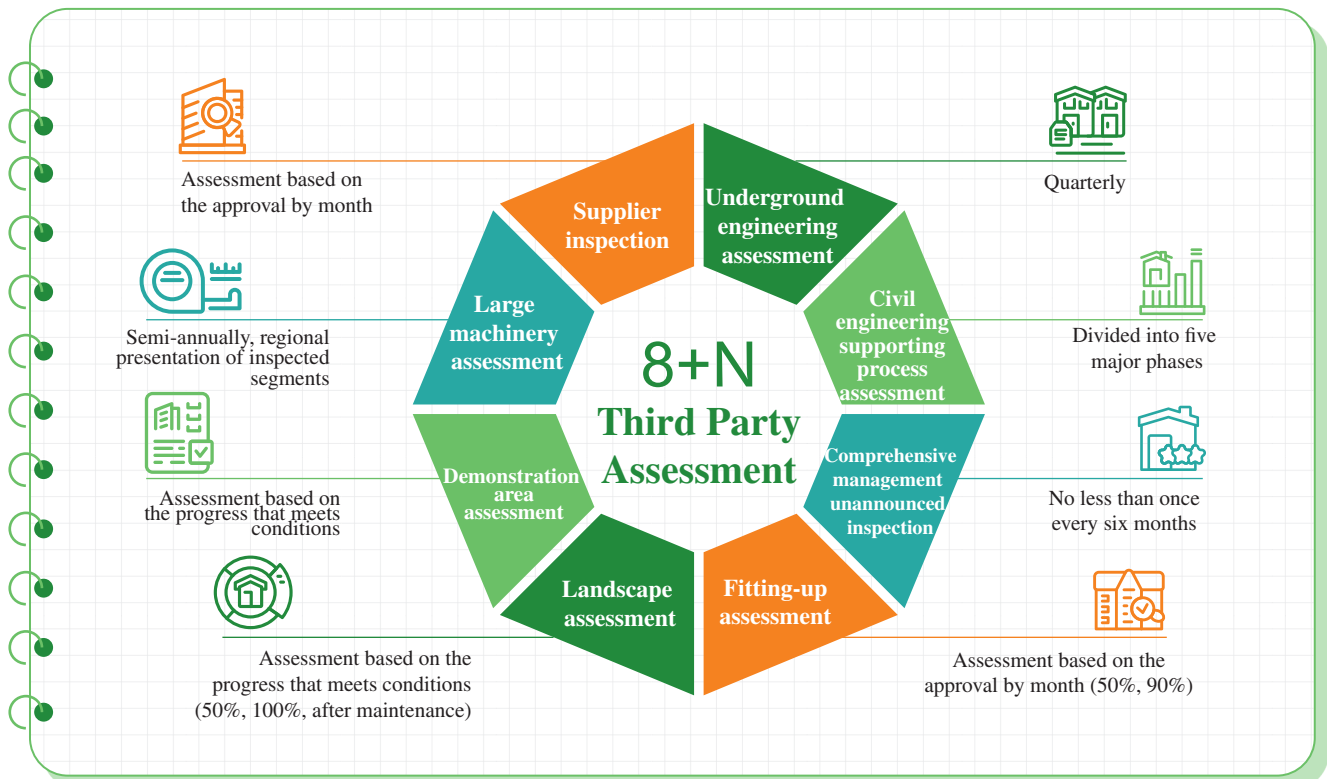
The “Agile Cloud” System of the Group covers the management modules such as quality management, safety management, progress management, training management, interior work management, data aggregation, and design inspection. At the same time, “Agile Cloud” integrates the “Skynet” video monitoring equipment, and the project manager can inspect the construction status and quality of the project in real time through the “Agile Cloud” platform, and 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 the collaboration with 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. In addition, the Group analyzes the assessment results, prepares and publishes a brief report of the assessment results, and strengthens the construction management shortcomings to ensure the high-quality delivery of projects.



Third-party Assessment Methods and Key Points

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

Quality Management Certification

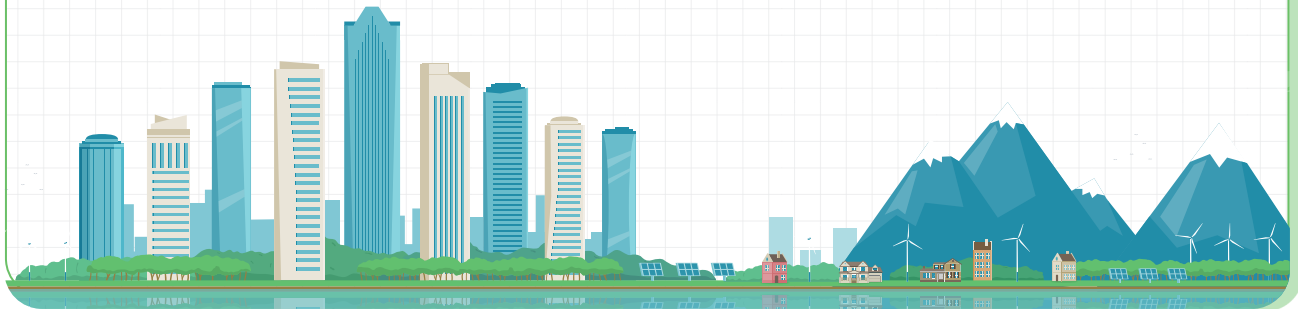
The Group strengthens the qualification management of construction contractors and suppliers, and strictly audits their qualifications, safety management and service quality to ensure that the contractors are qualified, responsible and capable of serving project construction. During the Year, nearly 100% of the construction contractors (including the Group's subsidiaries with external cooperative relationship) in the cooperation period with the Group passed the ISO 9001 quality management system certification.

Decoration Quality Management and Certification of Shixing Decoration

- Zhongshan Shixing Decoration Co., Ltd. (hereinafter referred to as "Shixing Decoration"), a subsidiary of A-City Technology Group of the Group, constantly improves the construction quality management in the field of architectural ornament and 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.
- During the Year, Shixing Decoration formulated a project quality improvement program to refine and implement the requirements of the quality management system through measures such as prototype first, actual measurements, data on the wall, project inspection summary, centralised processing area management and promotion of visual site management system.

Construction Quality Management and Certification of Yayue Landscape

- Guangzhou Yayue Landscape Engineering Co., Ltd. (hereinafter referred to as "Yayue Landscape"), a subsidiary of A-City Technology Group under the Group, has the qualifications such as Grade I General Contracting for Municipal Public Works, Grade A Special Design for Landscape Engineering, Afforestation and Greening Construction Unit, and Professional Contractor of Environmental Protection Engineering, and has won the certifications of ISO9001 Quality Management System, ISO14001 Environmental Management System, and Occupational Health and Safety Management System.
- During the Year, Yayue Landscape revised the Quality Control Management Measures to further refine the quality control methods and assessment measures, and clarify the "yellow line" of accountability, so as to effectively strengthen the process management of engineering projects and promote the standardisation of quality and safety management.



ISO9001 Quality Management System Certification of Shixing Decoration



ISO9001 Quality Management System Certification of Yayue Landscape

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

2.2 Strictly Observe the Bottom Line of Safety

The Group firmly establishes the safety concept of “life first”, puts health and safety at the core of daily management, continuously improves the safety capability and safety level, actively promotes the construction of safety management systems, and builds a long-term mechanism for safety management. The Group’s Sustainable Development Steering Group is responsible for the formulation of health and safety management strategies and performance reviews, and regularly reviews the effectiveness of health and safety-related policies.

Construction of Safety Management System

The Group complies with the relevant laws and regulations of the regions where it operates, such as 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, formulates the Health and Safety Management Policy covering all employees in the regions where it operates and requires suppliers and partners to implement this policy. Meanwhile, 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 with reference to the requirements of the Occupational Health and Safety Management System (OHSAS) 18000/ISO 45001 standards, and has formulated and implemented corresponding control measures such as engineering technology, safety management, education and training, individual protection, emergency response, internal and external safety inspection and assessment through the identification and assessment of hazardous and harmful factors, so as to ensure that the health and safety risks of employees, suppliers and contractors are controllable.

Safety Management Mechanism

The Group adheres to the basic policy of “construction safety first” and has formed a three-tier Environmental Health and Safety (EHS) management structure, with “industrial group – regional – project company” as the main body, to supervise and guide the Group’s industrial groups and suppliers to continuously improve project safety management, and strive to provide customers with comprehensive, safe and secure products and services. In addition, the Group links the remuneration of senior management with safety performance to further strengthen the main responsibility for construction safety.

► 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, and effectively implements the safety management requirements through emergency drills, assessment and supervision, management system certification and other measures. As of the end of the Reporting Period, 10 projects under the Environmental Protection Group, such as Shanghai Canzhou and Suzhou Xitu, have obtained ISO 14001 Environmental Management System Certification; 9 projects have obtained ISO 45001 Occupational Health and Safety Management System Certification; and 10 projects have obtained ISO 9001 Quality Management Certification.

Construction of EHS Systems

The Environmental Protection Group has formulated 17 safety production-related systems including the EHS Responsibility System of Environmental Protection Group, Management System of Sudden Safety and Environmental Accidents and Safety Work Management Manual. 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.

Project Safety Inspection

During the Year, the Environmental Protection Group conducted comprehensive inspections, special inspections of landfill and sewage treatment, EHS special comprehensive assessment, and special inspections of hidden dangers review on the project companies for four consecutive quarters, and conducted in-depth inspections and training exchanges on EHS special work, operation standardisation of environmental protection facilities, and investigation and management of hidden dangers of each company. The results of each quarterly inspection were included in an inspection report for feedback, and the hidden dangers were followed up by specialists for closed-loop management.

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY



Project Safety Inspection on Site

EHS Training

According to the Annual Emergency Drill Plan, the Environmental Protection Group requires all its subordinate project companies to organise EHS professional trainings, and trainings for each department and team regularly; special emergency drills are conducted every month, general manager's safety training sessions every six months, and comprehensive emergency drills once a year. In addition, the Environmental Protection Group evaluates the results of trainings and drills to ensure their quality and effectiveness.



EHS Emergency Drill

EHS Assessment and Supervision

The Environmental Protection Group conducts uninterrupted EHS professional supervisions on each project company, covering the implementation of EHS system, major risk management and control, accident prevention and rectification, and operation of fire/security/environmental protection facilities. During the Year, Environmental Protection Group conducted comprehensive assessment in 8 aspects, including three prevention systems, safety training, weekly inspection by general manager, safety committee, emergency drills, management of related parties, EHS internal supervision and assessment and hidden danger rectification and review, to reward the advanced, spur the backward, and comprehensively promote the safety work of each project company.

In addition, the Environmental Protection Group regards all-employee assessment as one of the safety priorities, comprehensively promotes the revision and improvement of assessment systems and assessment standards for each project, and strictly applies the assessment results to various awards and punishments, evaluations, promotions; 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.

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

EHS Performance Assessment of Project Companies	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.
EHS Performance Assessment of Employees	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. 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.
Accident Assessment (one-vote veto)	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

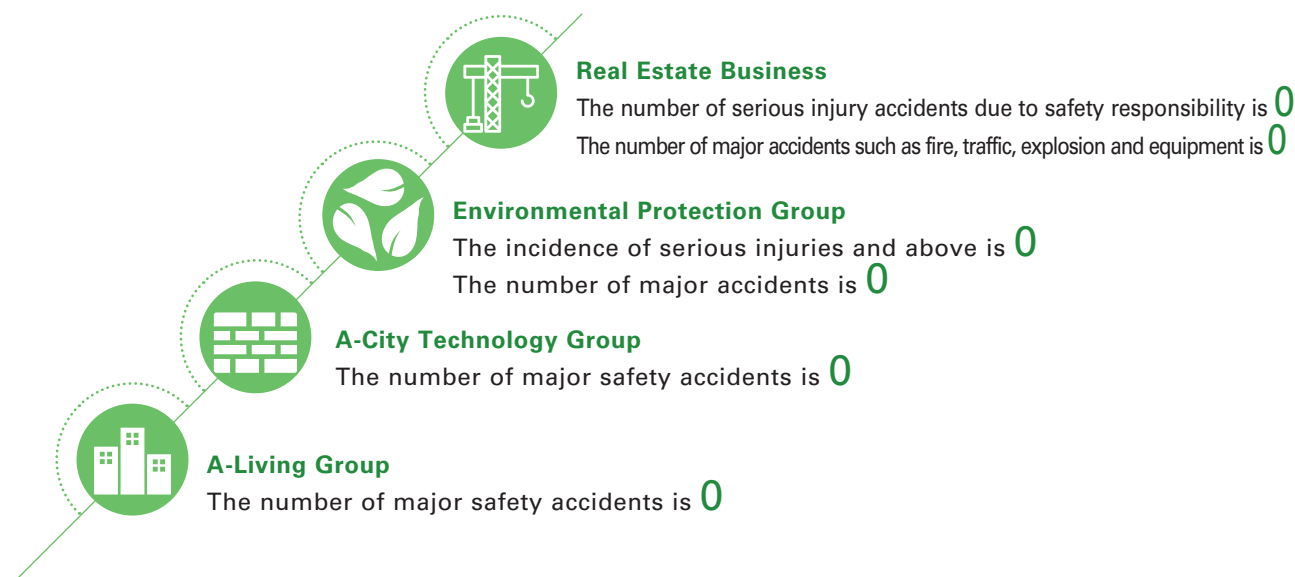
A-City Technology Group formulates and implements the internal management systems such as Management Measures for Safe and Civilised Construction and Yayue Garden Safety Accident Emergency Plan, sets standards, behavioral norms and management bottom lines for general projects, technical quality projects and safe and civilised 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 standardisation of quality and safety management.

► A-Living Group

A-Living Group has formulated and implemented internal systems such as the Measures for Occupational Health Management, Regulations on Management of Work Safety Inspection, Work Procedures of Fire Safety Management and Emergency Response Plan for Work Safety and Natural Disasters to clearly regulate the workflow and management requirements for the protection of the occupational health and safety of all employees including outsourced workers. During the Reporting Period, A-Living Group provided its employees with a healthy and safe working environment by conducting regular health and safety training, strengthening inspections of potential safety hazards, and enhancing the formulation of contingency plans for emergencies such as firefighting, earthquakes, rainstorms and floods.

► 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, as well as regularly reviewing the achievement of objectives. In 2023, the safety management assessment objectives of all segments of the Group are as follows, and all relevant objectives have been achieved.



2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

Safety Management Measures

The Group continuously improves the project safety management, and through management measures such as construction site safety management, information-based means 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 Civilised Construction in the employment contract. 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.

Publicity and Training: The Group organises the publicity of construction safety knowledge, emphasizes 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 standardised 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, striving to improve staff awareness of prevention, emergency self-rescue capability and project safety management level.

At the same time, in order to further enhance the ability and awareness of safety and fire prevention and emergency response to accidents, and to enhance the ability of personnel to rescue each other and themselves in case of fire and other accidents, the Group requires construction units to consider fire protection of the project at the bid-winning stage, to prepare a fire emergency drill plan and an accident rescue emergency plan before the start of construction and have them approved by the technical person in charge and the chief supervisory engineer, and to require that fire drills or on-site disposal actions be organised every six months, in order to reduce safety risks; the Group conducts health and safety training annually for all its employees and contractors to ensure their physical and mental health and safety. During the Year, the Group conducted a total of 145,205 hours of health and safety training for all its employees and conducted over 3,180 fire drills.



Safety Morning Briefing and Safety Drill

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

In addition, the Group implements the Underground Engineering Safety Supervision Plan to establish a safety management mechanism for underground works covering the commencement stage, foundation pit stage, piling stage, basement stage, lifting machinery, formwork/external frame, safety of temporary electricity and third-party unannounced inspection, so as to carry out periodic and regular control over the safety of engineering projects; and implements the Control and Management of Major Risk Sources, to clarify the key points of control and management of major safety and quality risks and the key points of control and management of concealed projects, so as to classify and control the potential safety risks.

During the Year, the Group utilised multiple management tools to supervise the major risks of project pit slopes in parallel, adopted regular and random inspections, and took multi-dimensional, multi-nodal and multi-method management measures, including online inspections by Skynet cameras, daily inspections by project supervisors, offline inspections of the Group's regional areas, third-party inspections, and stopping-point inspections, to effectively control the major on-site risks and achieve the goal of zero safety accidents.



Anchoring and Shotcreting Pit Support



Concrete Bracing Pit Support

► Health and Safety Management of Contractors

The Group continuously improves 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 the completion quality and contractors' payment conditions are linked. 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; and
- Factors affecting health and safety are included in the safety assessment of project sites, and contractors are urged to implement protective measures.

During the Year, nearly 100% of the construction contractors (including the Group's subsidiaries with external cooperative relationships) in cooperation with the Group have been certified to the OHSAS18000 Occupational Health and Safety Management System, ISO 45001 Occupational Health and Safety Management System, GB/T28001 Occupational Health and Safety Management System, and ISO14001 Environmental Management System.

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

2.3 Lean Digital Intelligence Empowerment

Leveraging on the development trend in the era of big data and based on frontier technologies such as the Internet and the Internet of Things, the Group works to develop a digital management platform covering its real estate, construction, property, and environmental protection activities, while taking practical and effective measures to ensure customer data privacy and information security, enhance operational efficiency, and maintain brand value.

Digital Application Scenarios

The Group's achievements in promoting digital transformation cover the informatization construction in fields such as real estate, construction sites, communities, and offices, some of which are set out below:



Smart Real Estate

- The operation, marketing, cost, financial and sensitivity analysis modules of the intelligent investment strategy ABC system and the full-cycle profitability measurement platform have been further improved;
- The online VR touring module has been introduced to the online property sales platform E Legou; and
- 5S+ customer service system and real estate 400 calling platform are approaching the goal of 100% delivery of online services for the convenience of customers.



Smart Construction Site

- "Skynet" action for on-site video surveillance, "Agile Cloud" Intelligent Management Platform, Yazhu Cloud System, U9 Manufacturing Management System, and MES Manufacturing Execution Management System help employees to check the construction status of a project in real time and manage quality and process of manufacturing, enabling intelligent project management.



Smart Community

- Systems such as the A-Steward applet, Lexianghui Mall applet, Ya Chang Intelligent Parking Surveillance System, and Production and Operation Management System are used to strengthen the digital management of quality and enhance the efficiency of operation and service.



Smart Office

- Promoting the intelligent integrated management platform to intelligently control buildings; and
- Systems such as the office, industry-finance integration platform, robotic process automation (RPA) application, and comprehensive budget control center are in place to improve data management efficiency, ensure real-time monitoring and control of business systems, simplify the operation and maintenance process, and promote the standardisation and transparency of financial budget management.



Smart Waste Treatment

- The hazardous waste-related production management system and the medical waste management platform track and manage the whole life cycle of waste to achieve efficient, timely, and standardised management, while enhancing the safe disposal of medical waste.

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY



Case Intelligent Income Calculation – Full-cycle Profitability Measurement Platform

During the Year, the Group formally commissioned a full-cycle profitability measurement platform to further promote the information management of the real estate business by reviewing monthly measurements, formulating upgrading plans while considering the operational plans, costs, and projected revenues of a project, and improving the analysis of operations, marketing, costs, finances, and sensitivities, with a focus on the three-year planning and measurement model.

- **Full-cycle measurement** - The platform produces regular measurement results for individual projects and monthly measurement results of the Group.
- **Sensitivity analysis** - The platform accurately simulates the impact of changes in selling prices and unilateral cost adjustments on core indicators such as profits, providing powerful data support for decision-making.
- **Three-year planning** - The platform arranges resources for a project and provides accurate data analysis based on the Group's three-year strategic planning goals, thus contributing to the achievement of the goals.



Interface of the Full-cycle Profitability Measurement Platform

thus contributing to the achievement of the goals.

Information Security

The Group complies with relevant laws, regulations and regulatory requirements, such as the Cybersecurity Law of the PRC. The Group has actively formulated and implemented 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 Regulations on Server Usage and Account Management, so as to standardise and strengthen the information security.

The Group has established a sound information security management mechanism, deeply implemented hierarchical data management and control strategies, and focused on enhancing network security management. Through a security protection middle-platform, it collects and comprehensively analyses the log information of security equipment at all levels, simplifies the operation and maintenance process, and improves the monitoring and prevention capabilities. At the same time, the Group strengthens its risk identification and response mechanism, achieves automatic handling of security events, and improves vulnerability patching and monitoring levels, to ensure the stability of information management security. Moreover, the Group's third-generation Enterprise Resource Planning (ERP3) system has passed the national network security level 2 protection assessment, providing strong support for the stable operation of information systems and the security of information assets.



Filing Certificate of National Network Security Level 2 Protection

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

During the Year, the Group furthered its special work on information protection, covering six areas, namely, security vulnerability scanning, penetration testing, daily security operation and maintenance, Internet exposure convergence, security compliance, and weak password monitoring, helping to enhance its information security protection capability on all fronts and maintain stable and healthy business operations.



Security Vulnerability Scanning

The Group conducted comprehensive checks of its computer networks, applications and systems regularly every quarter to timely identify and deal with various potential security vulnerabilities. At the same time, an immediate response mechanism has been established for timely remedial measures to address security vulnerabilities of medium risk or above found during the checks to reduce security risks.

Daily Security Operation and Maintenance

A multi-level monitoring approach covering network traffic monitoring, system log analysis, and abnormal behaviour detection has been developed to get real-time updates on the system operation status and quickly discover and respond to abnormal situations.

Security Compliance

Relevant employees searched for and gathered all the regulations associated with information security to ensure that the Group's information security system is highly compatible with the regulatory and legal framework; the Group has built a sound regulatory compliance system to ensure that the Group can meet the compliance requirements and robustly prevent risks.

Penetration Testing

Testing tools and manual techniques were employed to simulate various scenarios of attacking the designated system to ensure the comprehensiveness of security assessment, and remediation plans have been formulated for the vulnerabilities and weaknesses found in penetration testing to improve system security.

Exposure Convergence

Checking tools and manual techniques were applied to periodically sort out and analyse the Group's Internet exposure and collect and manage the information such as the Group's services, ports, and protocols on the Internet; based on the results of risk assessment, the Group adopted measures such as shutting down non-essential services, and upgrading and repairing critical systems to reduce the Internet exposure and improve system security.

Weak Password Monitoring

Periodical monitoring of the user passwords used to get access to the internal systems, servers, and databases of the Group was conducted through weak password checking to promptly discover and correct potential security risks; the weak password management strategy has been constantly adjusted and optimised based on the industry's best practices and the latest security threat intelligence.



2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY



Case Participating in a Network Attack and Defence Drill in Guangzhou Municipality

In July 2023, the Group took part in a network attack and defence drill organised by the competent authorities of Guangzhou Municipality. The Group swiftly responded to the simulated attack on its network launched by 32 attack teams by accurately identifying potential threats and defended against all the attacks by leveraging the network monitoring and intrusion detection systems. This attack and defence drill identified potential security risks from an attack and defence perspective, which significantly improved the Group's ability to respond to information security incidents.



Employees participating in the network attack and defence drill



Case Organizing Data Disaster Tolerance and Recovery Drill

In December 2023, the Group organised a data disaster tolerance and recovery drill to test critical business systems such as ERP and the financial system NC. The drill was aimed at verifying if the systems were secured and improving the team's ability to cope with risks, as well as enhancing the practicability of the disaster tolerance and recovery plan to ensure the rapid recovery of the information systems in the event of an emergency.



Employees taking part in the data disaster tolerance and recovery drill

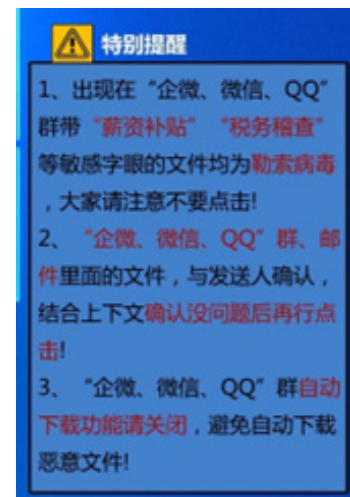
Meanwhile, the Group strengthened information security publicity and education. In particular, employees' awareness of information security issues was enhanced through posts, videos related to information security, phishing drills and tests, and other forms with vivid content; and employees were reminded to stay aware of information security in day-to-day work through computer desktop alerts sent from time to time, so an information security culture has been cultivated with all employees engaging.



Posts related to information security publicity



Videos related to information security publicity



Computer desktop alerts

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

Privacy Data Protection

Strictly complying with the Law of the PRC on the Protection of Personal Information and other relevant laws and regulations, the Group has formulated and implemented internal systems such as the Management System for Safety of Sensitive Privacy Data within Information System and the Regulations on Server Usage and Account Management and ensures the safe storage and transmission of user information by strengthening data encryption, access control, and other technical means. Meanwhile, the Group actively standardises the process of collecting customer information and clarifies the purpose, scope, and retention duration of collection to safeguard users' right to know and choose. Through transparent privacy policies and standardisation management, the Group aims to establish a reliable data management system that balances the commercial needs of information collection with personal privacy rights.

In 2023, the Group's Information Centre issued the Privacy Data Protection Specification to bolster the data security management of information in collection, transmission, storage, use, exchange, and destruction through strict access control and a clear privacy policy, to regulate the use of personal information within the organization, thus adequately safeguarding the privacy of customers. During the Reporting Period, the Group did not receive any significant complaints about infringement of customer privacy or loss of information.



Privacy Data Access Control

- Restrict data access privilege and follow the principle of least privilege;
- Standardise account management: display verification to make sure that an account can be used by only one user;
- Adopt authorisation in time to elevate privileges;
- Desensitise sensitive information;
- Clarify requirements for transmission over private and public networks, data storage, file sharing, etc.;
- Conduct data security audits periodically to ensure that data is not infringed upon;
- Export the data of customers in other regions after applying and gaining the Group's approval; and
- Employees not compliant with regulations are subject to strict penalties and are held legally accountable.



Customer Privacy Data Collection Specifications

- Establish clear data collection specifications to ensure that all collection activities follow laws and regulations and the Group's policies;
- Minimise the amount of sensitive information during data collection and retain only necessary data;
- Provide clear privacy notices which explain to users the purpose of collection, usage, and protection measures, and ensure user consent;
- Apply data desensitization and encryption technologies to safeguard data in storage and transmission and prevent potential security threats; and
- Establish an oversight and examination mechanism to review data collection practices regularly to ensure meeting specifications and ongoing compliance.



Notice on facial image collection to visitors of a sales centre

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

Protection of Intellectual Property Rights

The Group attaches great importance to the protection of intellectual property, and all business entities strictly comply with local related 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 observed by business operations in Chinese mainland. The Group actively applies for patents and trademarks to ensure the legal ownership of the fruits of innovation and unique brands. Meanwhile, the Group has formulated and implemented the Agile Code of Business Conduct, so as to effectively protect the legitimate rights to the intellectual property rights of the Group and related persons. As of the end of the Reporting Period, Guangzhou Yatian Network Technology Co., Ltd. of the Group has 73 intellectual property rights cumulatively, including 53 software copyrights, 12 authorizations for utility model patents, 4 authorizations for design patents, 2 patents for inventions, and 2 soft works for patents for inventions in the actual examination stage.

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 and other relevant laws and regulations. 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 revitalise the city through revitalisation of old cities, redevelopment of brownfields, mixed use properties and construction of affordable housing, so as to improve the living standards of residents and promote the inclusiveness and sustainability of urban development.



Case

Assisting the Industrial Zone Transformation Project Featuring First and Second-tier Linkage in Lunjiao Town, Shunde District, Foshan

The Group continued to assist in the urban renewal project of the Shibao Industrial Zone in Lunjiao Town, Shunde District, Foshan, promoting the upgrading of industrial structure. The total land area of the transformation project is 25.21 hectares, which involves the transformation of a village-level industrial park with mixed property rights. This project is the first in Shunde District to adopt a composite model of first and second-tier linkage plus direct acquisition and storage by the government. By integrating old industrial land and transforming original low zinc-iron sheds and inefficient industrial buildings, the project is expected to provide 20,000 square metres of industrial properties for the village collective, ushering in a new development outlook for the old industrial area.



The Pictures of Construction Site of Shibao Industrial Zone Transformation Project Featuring First and Second-tier Linkage



Case

Contribute to Guo Bei Village Renewal and Transformation Project in Xi'an

The Group continued to assist in the Guo Bei Village urban renewal and transformation project in Xi'an. Currently, the Group is planning a new resettlement community with a total floor area of approximately 365,000 square metres, with an area of approximately 175,000 square metres already under construction. It is expected to be completed and delivered by the end of June 2024. The new resettlement community includes 14 high-rise residential buildings and podium commercial buildings, equipped with kindergartens, primary schools and community elderly care centres, which will greatly improve the living conditions of the villagers and offer them housing security and a better and more convenient living environment.



Aerial View of Resettlement Community in Guo Bei Village

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY



Case Urban Renewal Project in Ji Tang, Guangzhou

The Group continued to assist in the urban renewal and transformation project in Ji Tang Village, Huangpu District, Guangzhou, with a total transformation area of approximately 143 hectares. In addition, to ensure the harmonious co-existence of urban regeneration and the cultural heritage and old trees in Ji Tang Village, the Group has extensively solicited expert opinions and 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. All 94 listed old trees, 13 immovable cultural relics, and 2 traditional architectural features are preserved on-site, ensuring a harmonious balance between urban renewal and ecological conservation.



Illustrative Diagram Depicting the Preservation Planning in Ji Tang Village



Conservation of Old and Valuable Trees

2.5 Delicately Professional Services

The Group actively builds a comprehensive customer service system, engages in responsible marketing practices, and proactively addresses and responds to customer needs. From project planning to delivery, the Group is dedicated to offering transparent and considerate services, ensuring that customers enjoy the best experience possible. The Group conducts regular customer feedback surveys and continuously enhances its service processes, endeavouring to create cosy homes for customers and foster long-term trusted relationships.



Case Clearwater Bay Project Promotion Event

In September and October 2023, the Group organised the “Setting Sail to the Sea” themed event at Hainan Clearwater Bay, inviting property owners, customers, and tourists to join. The venue was decorated with dopamine-toned selfie spots and tent camping areas. A variety of energetic beach activities such as frisbee, tennis, and volleyball were organised. The Group collaborated with surf shops, food vendors, and major businesses in the bay area to offer National Day discounts. Through these activities, the Group enhanced interaction with property owners, customers, and tourists, thus bolstering the Group’s brand image.



The Pictures Depicting the Ongoing Clearwater Bay Project Promotion Event

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

Customer Service System

The Group continues to focus on customer needs and has formulated 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. It strictly stipulates the sales service image and reception procedures to be followed by employees and strives to integrate excellent service into daily operations. During the Year, the Group continues to improve the “5S+ customer service system,” striving to enhance service efficiency and quality through technological means.

“5S+ Customer Service System”

During the Year, the Group continued to optimise the “5S+ customer service system” by building a unified and smart real estate customer service platform to achieve online handling of complaints, repairs, consultations, etc., and upgrading the system architecture to enhance autonomous management and scalability.

- Improvements include mobile house inspection functions, adding online household guides, integrating house inspection with daily work orders, and introducing satisfaction evaluations and missing order inspection mechanisms;
- Smart service management is employed to address customer demands across various channels and oversee the entire process, aiding employees and contractors in mobile operations;
- The 400 call platform has been upgraded for quicker call handling and unified callbacks, aimed at improving efficiency; and
- A risk control system is added, which covers all stages from sales to delivery and preemptively identifies risk points to ensure more efficient and secure services.



The Mobile Interface of the 5S+ Customer Service System

Compliance and Responsible Marketing

The Group has consistently upheld the principle of integrity and placed consumers at the forefront, integrating integrity, transparency, and compliance throughout its marketing activities. It 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. By formulating and implementing various internal regulations for marketing, 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, the Group ensures that marketing endeavours are truthful and accurate, eliminating false advertising and safeguarding consumers’ right to information. At the same time, the Group prioritizes communication and interaction with consumers, listening to their needs and feedback, constantly refining products and services, and boosting consumer satisfaction.

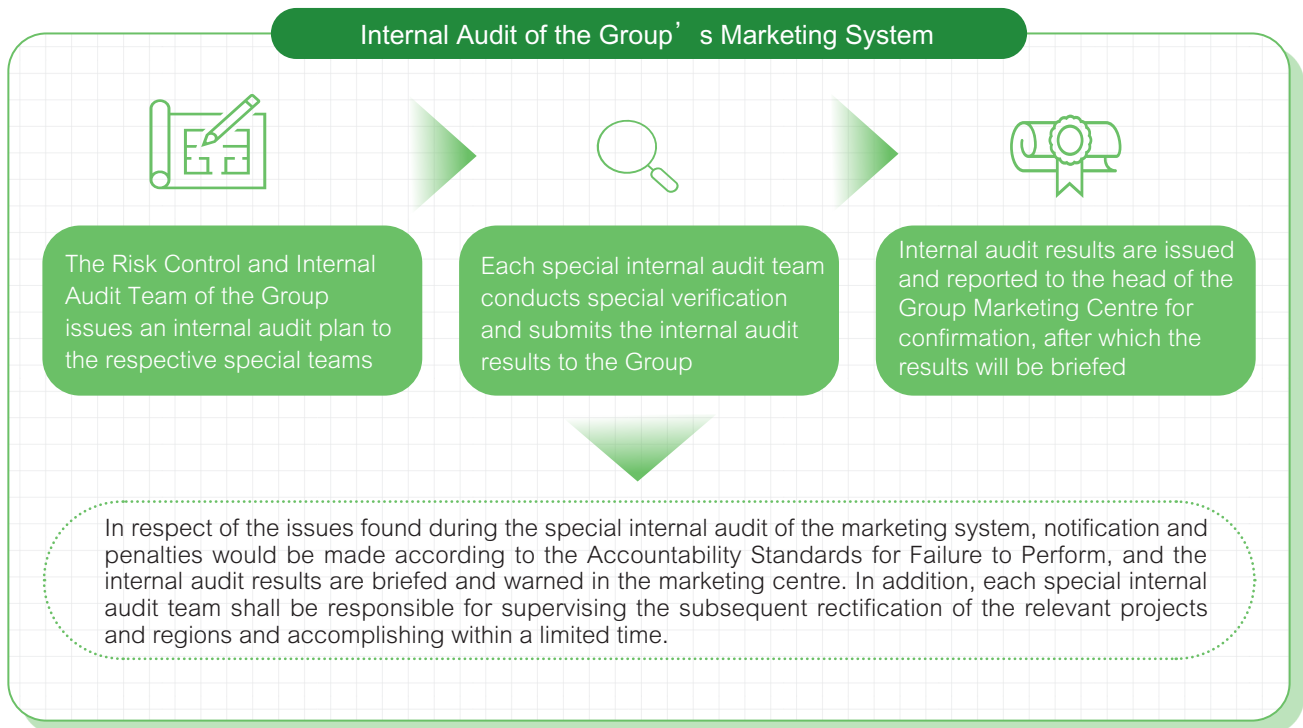
Responsible Marketing Management

The Group rigorously oversees the review of external publicity data, brand promotion and publicity information, sales wording, and other content. The Group has formulated the 5S+ Sunshine Covenant on Material Display to ensure that the information conveyed during the sales process is true, reliable, accurate, effective, and compliant with standard regulations. During the Year, to ensure the uniformity and consistency of our promotional tone, the Group actively carried out the merger of public accounts, combining public accounts of projects with similar customer bases, and closing accounts for sold-out projects or those not updated in the past year. The integrated public accounts are managed by dedicated personnel. Through integrating resources and content from various public accounts, the Group aims to present a professional brand image, providing consumers with clearer and more coherent information and services, thereby strengthening compliance and accuracy in brand information delivery.

2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

Responsible Marketing Inspection

The Group has established robust marketing inspection procedures. The Group conducts regular inspections, scoring and ranking for its respective marketing sites in terms of standardised marketing under the Sales Site Inspection System, to ensure the quality of marketing services thereat. Furthermore, the Group strictly follows internal policies such as the Management Measures for Internal Audit of Marketing System to ensure compliance throughout the sales cycle. Also, 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 customers and the Group to the maximum extent. During the Year, the Group has completed a total of 7 internal audits for the marketing system in terms of matters such as compliance and responsible marketing, and these audits covered a total of 170 projects across all real estate business areas.



Responsible Marketing Training

The Group attaches great importance to compliant marketing and conducts regular training activities related to responsible marketing, and at least one training is conducted at the marketing sites each month, which covers the standards of marketing at marketing sites and sharing of refined property management at marketing sites to enhance employees' comprehension of compliant marketing and standardise employees' marketing behaviour. During the Year, the Group placed emphasis on copyright matters within marketing activities. Training sessions have been held for all marketing department employees concerning font libraries, fonts, and copyright issues to ensure the legality and compliance of all visual elements, including images and graphics, used in marketing endeavours. This initiative aims to mitigate potential infringement risks effectively and augment employees' understanding of copyright laws. In the future, the Group will persist in refining responsible marketing practices, constantly enhancing employees' awareness of compliance and professional skills, and collaborating to drive industry progress and development.

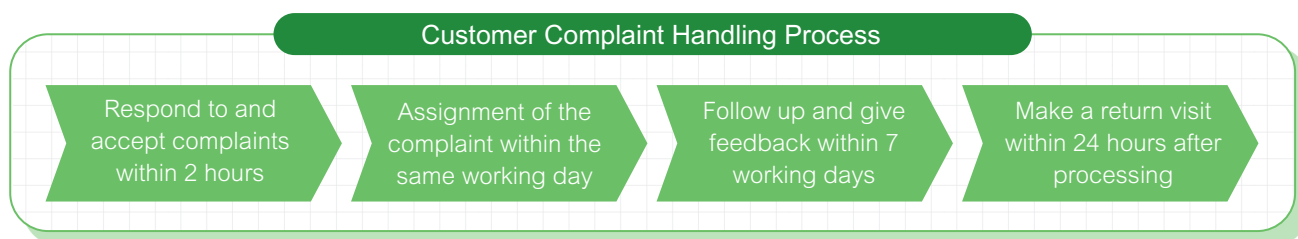
2. DELIVERING EXEMPLARY AGILE PROJECTS BOASTING QUALITY AND ORIGINALITY

Response to Customer Opinions and Feedback

The Group has formulated and implemented internal management systems such as Standardised Actions for Handling Customer Complaints and has established a standard customer complaint handling process, to ensure that customer feedback is promptly and reasonably addressed, thereby continuously enhancing service quality.

Customer Complaints and Resolution

The Group continuously improves its customer opinion collection mechanism and widely collects customers' opinions and suggestions on the Group's services, products, marketing and other aspects through various channels such as the 400 hotline, email, official WeChat account and visit reception. Besides, the Group has established a clear customer complaint handling process to ensure timely and effective handling of complaints. As at the end of the Reporting Period, the Group's property business received a total of 6,102 customer complaints, with response rate of 98%.



Customer Satisfaction Survey

To effectively protect the rights and interests of customers and continuously enhance customer satisfaction, the Group actively conducts satisfaction surveys, customer demand surveys and "Construction Site Open Day" to gain an in-depth understanding of customer concerns and the satisfaction level, and takes it as a basis to constantly improve the product and service quality.

During the Year, the Group continued to engage a third party to assist in conducting customer service satisfaction survey and a total of 12 satisfaction surveys were conducted, covering 14,261 property owners with an overall satisfaction rate of 78%. The surveys were focused on sales services, design, construction quality and delivery service, covering all the links from contract signing to post-occupancy. Meanwhile, the Group made a thorough analysis on the survey results and formulated clear guidelines for improvement by benchmarking against industry leading companies, in order to continuously improve the customer experience and meet their expectations and needs.



3. CREATING AN ENGAGING WORKPLACE WITH THE BELIEF THAT SINCERITY IS THE BEST POLICY

Talents are the cornerstone of enterprises and a crucial support for enterprises to seek high-quality development. Upholding the philosophy of “sincerity is the best policy” all the time, the Group is committed to providing employees with fair and just employment opportunities, a healthy and safe working environment, and a democratic and harmonious working atmosphere. In the meantime, the Group has established a rich training platform and emphasized the development and growth of employees to build an excellent professional team.

Important Issues Addressed 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
- Employees’ well-being

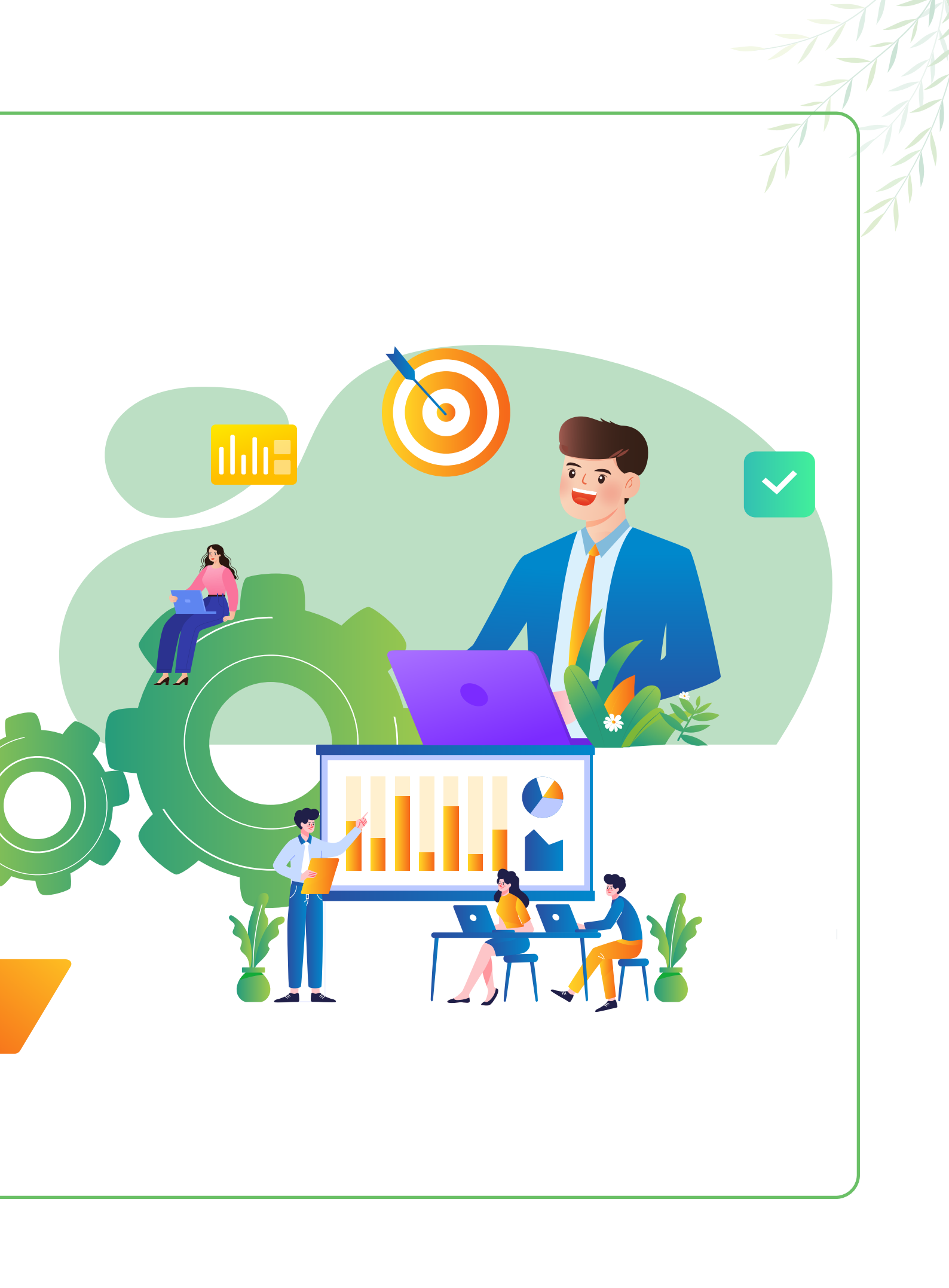
Indicators Addressed in this Section

HKEX ESG Indicators

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

SDGs Issues





3. CREATING AN ENGAGING WORKPLACE WITH THE BELIEF THAT SINCERITY IS THE BEST POLICY

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 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 and continuously improved its employment management system to regulate the management of employment (including regular employees, labour dispatch, interns and retired staff) and to strictly implement full-process compliance from recruitment interviews to retirement or dismissal, thereby effectively safeguarding the legitimate rights and interests of employees and the Group.

The Group prepares recruitment plans each year according to its business needs, selects talents through campus recruitment, social recruitment and internal recommendation, and other forms, and establishes a sound talent introduction mechanism to attract outstanding talents who meet the Group's business requirements.

During the Year, the Group had a total of 100,863 employees, with a breakdown by gender, age, position and region as follows:

		Unit	2023
Total number of employees		person	100,863
Gender	Male	person	55,371
	Female	person	45,492
Age	30 or below	person	13,816
	31–49	person	39,685
	50 or above	person	47,362
Position	Top management	person	21
	Senior management	person	30
	Middle management	person	125
	General staff	person	100,687
Region	Chinese mainland	person	100,799
	Hong Kong, Macau, Taiwan and Overseas	person	64



3. CREATING AN ENGAGING WORKPLACE WITH THE BELIEF THAT SINCERITY IS THE BEST POLICY

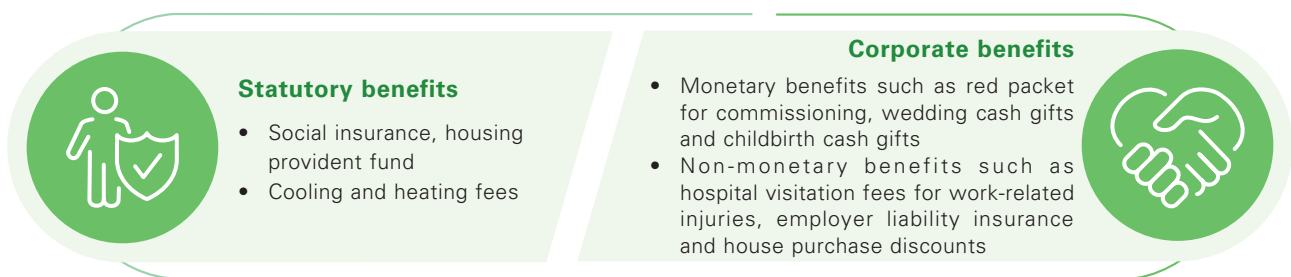
Equal Employment and Diversification

The Group upholds the value of “respecting employees”, strictly complies with the Provisions on the Prohibition of Using Child Labour of the PRC 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 or forced labour.

The Group adheres to the principle of equal employment, treats each employee with care, and respects and embraces the differences of employees in all aspects. 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, supports equal employment for people with disabilities, and provides employment opportunities and corresponding welfare guarantees for them based on employment needs, fulfilling corporate social responsibilities. 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 is dedicated to promoting the well-being of employees. It has a well-established remuneration incentive mechanism which supports the Group to carry out remuneration management based on value, respects employees’ values, and strives to establish a fair and competitive remuneration system to attract and retain excellent talents. 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 builds a sound welfare system and arranges adequate and reasonable benefits for employees, to effectively improve employees’ happiness and sense of belonging.



Major employee benefits

3. CREATING AN ENGAGING WORKPLACE WITH THE BELIEF THAT SINCERITY IS THE BEST POLICY

3.2 Caring for Employee Development

The Group pays attention to the growth and development of employees, provides employees with a broad platform for development, and offers diversified career development channels and learning opportunities, in order to promote the improvement of comprehensive quality and career advancement of employees and support their all-round development.

Talent Promotion Mechanism

The Group respects the career development direction of each employee, organically combines the personal career paths of employees with enterprise development plans, establishes a comprehensive talent promotion mechanism and continues to improve its efforts for talent incentives, in order to achieve employees' growth driven by the development of enterprises and the development of enterprises supported by employees' growth. In order to develop talents through comprehensive channels, the Group formulates and strictly 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, and conducts objective and fair evaluations for each employee.

Employee Training Mechanism

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 cultivation 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.

Distribution of Trained Employees

Gender	Male	%	53.97
	Female	%	46.03
Position	Top management	%	0.002
	Senior management	%	0.01
	Middle management	%	0.13
	General staff	%	99.86

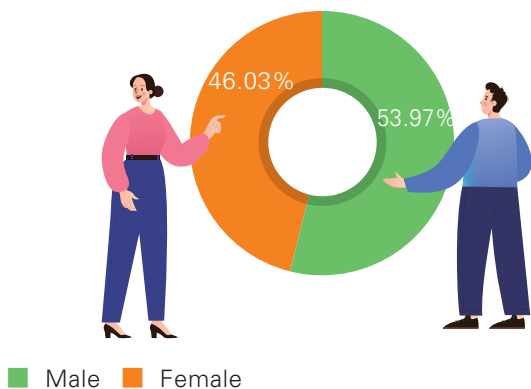
Average Training Hours of Employees

Gender	Male	hour	18.27
	Female	hour	20.70
Position	Top management	hour	0.35
	Senior management	hour	4.00
	Middle management	hour	30.85
	General staff	hour	19.36

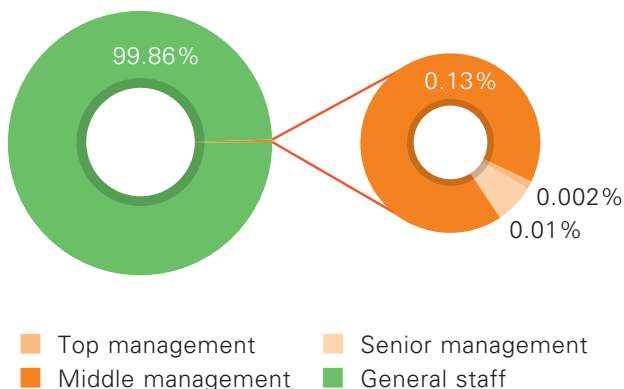
3. CREATING AN ENGAGING WORKPLACE WITH THE BELIEF THAT SINCERITY IS THE BEST POLICY

The training received by the Group's employees during the Year is shown in the following tables:

By Gender



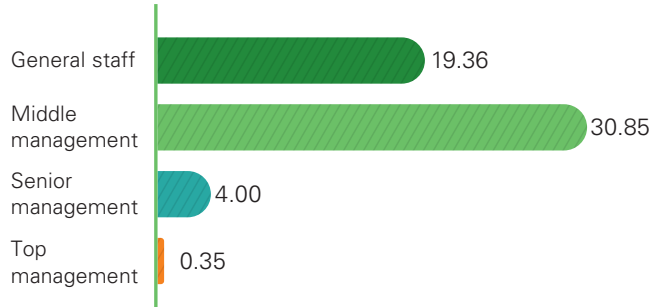
By Position



Training Hours by Gender



Training Hours by Position



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. This endeavour aims to cultivate a professional team of high calibre to solidly support the Group's sustained growth. 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 strategist talents 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, helping them to acquire fine expertise, skills, and methods in various aspects



Staff Quality Enhancement

- Centring around the two themes of cultural integration and professionalism, build a large learning platform featuring a mix of online lessons and offline lectures for all staff

3. CREATING AN ENGAGING WORKPLACE WITH THE BELIEF THAT SINCERITY IS THE BEST POLICY

The Group continues to iterate and optimise its OA online learning portal, "Lexue", to meet the learning needs of employees anytime, anywhere through resource sharing, thereby stimulating employee creativity. During the Year, over 270 online training courses were launched on the "Lexue" platform, covering management, profession, general knowledge, psychological growth, etc. At the same time, the courses on the platform are widely recognised by employees, with an average of 1,867 visitors per month and the peak number of visitors reaching 2,636 by December 2023.

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 commended by the Group's staff for its unique and comprehensive content concerning mindset enhancement. In addition, the Group continuously offers the "Green Pine Program (青松計劃)" for employees in positions from senior managers to directors, comprehensively and systematically enhancing their managerial, leading, and professional skills. This program aims to nurture high-quality management talents with team spirit to support the development of the Group.

Case Have a Good Lesson

In order to create an atmosphere of learning for all staff and to enhance their comprehensive skills, the Group launched the "Have a Good Lesson" column for all staff based on the monthly common priorities, which conducts weekly push learning through corporate WeChat and the online learning platform "Lexue" of the Group's OA official website in the form of online short video learning. The courses under the column focus on two major modules, namely career enhancement and expression upgrade, providing strong support for the Group's talent development.



Courses under the "Have a Good Lesson" Column (Partial)

Case Green Pine Program

From September to December 2023, the Group carried out the empowering program for general management ability, "Green Pine Program", aiming to improve the general ability of the management in a comprehensive and systematic manner, and facilitate the increase of knowledge reserve and general ability of the management members. During the Year, the "Green Pine Program" focused on four modules, including market tendency, operating abilities, leadership and general management, with a total of 118 participants, assisting management to enhance the comprehensive management ability and adapt to the current market environment effectively.



Open Courses of "Green Pine Program"



3. CREATING AN ENGAGING WORKPLACE WITH THE BELIEF THAT SINCERITY IS THE BEST POLICY

In addition, the Group has formulated and implemented the Internal Trainer Management Measures to encourage staff to share their views on 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 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. This system not only provides a vast development platform for employees to express themselves, but also promotes the sharing and inheritance of knowledge within the Group.

Case Internal Trainer Recognition Event

To actively advocate the knowledge-sharing spirit, and stimulate the internal innovation vitality of the team, the Group held the teachers' day activities with "Salute to Original Aspiration" as the theme, recognised the excellent lecturers with outstanding performance in their teaching work, and their hard work.

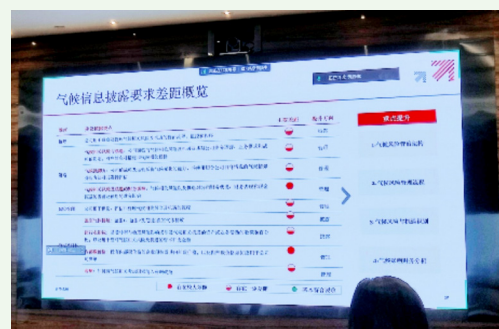


A Group Photo of Internal Trainer Recognition

With the increasing prevalence of the concepts of green buildings and carbon neutrality, the importance of ESG knowledge and skills has become increasingly prominent for professionals in the real estate industry. The Group places emphasis on cultivating employees' ESG awareness, conducts special ESG training to help employees gain a deep understanding of the Group's sustainable development strategies and goals, guides employees to actively practise the concept of sustainable development in work and effectively improves employees' professional quality and skills, in order to facilitate the long-term development of the Group and its employees.

Case Special ESG Training

In September 2023, the Group invited an external consultant team to provide a special ESG training session for employees, which covered topics such as basic ESG knowledge, industry trends of green development and compliance requirements for climate change disclosure. The training was aimed at helping employees better understand the relevance between their duties and ESG, broaden their knowledge and improve their personal qualities and professional skills.



ESG training session

3. CREATING AN ENGAGING WORKPLACE WITH THE BELIEF THAT SINCERITY IS THE BEST POLICY

3.3 Spreading of Warmth and Care

Advocating the concept of healthy work and happy life, the Group takes multiple measures to safeguard the physical and mental health of employees, provides employees with smooth communication channels and creates a warm and humane work environment to enhance employees' sense of identity and belonging and ensure that every employee can work with peace of mind and live with comfort.

Occupational Health Protection

The Group protects the health and safety of its employees during office operations subject to the highest standards, and strictly complies with the Occupational Disease Prevention and Control Law of the PRC, the Measures for the Categorised Administration of Occupational Disease Hazards in Construction Projects, the Measures for the Administration of Occupational Health Monitoring and the laws and regulations of the regions where it operates. With reference to the standard requirements of the Occupational Health and Safety Management System OHSAS 18000/ISO 45001, the Group has formulated and implemented internal management systems such as the Occupational Health Management System, the Occupational Disease Hazard Warning Message System and the Occupational Health Medical Examination System, and implements various health and safety protection measures, to comprehensively safeguard the physical health and life safety 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 informs 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.

In addition, the Group attaches great importance to the physical and mental health of its employees, regularly carries out health medical examination for all employees every year, actively organises medical and health activities such as shoulder and neck massage, traditional Chinese medicine consultation, eye examination and oral examination, and encourages employees to join sports clubs after work to enhance their physical conditions. In the meantime, the Group provides psychological counselling and organises mental stress release activities for employees to protect their mental health.



Case LOHAS-style Relaxation - Health Care Activities for Employees

In order to relieve the physical stress of employees, the Group elaborately planned and organised a series of health care activities for employees in August 2023, including professional services such as eyelid examination, shoulder and neck massage, traditional Chinese cupping and dampness removal, taking pulse for consultation, etc., and prepared steam eye masks, toothbrushes and toothpaste, Sanfutie patches and other items for employees' daily care, bringing convenient, elaborate and comfortable health experience to employees and comprehensively safeguarding their physical health.



"EYE sees a ray of light" - Eyelid Examination



"LOHAS-style Health Maintenance" - Traditional Chinese Medicine Consultations

3. CREATING AN ENGAGING WORKPLACE WITH THE BELIEF THAT SINCERITY IS THE BEST POLICY

Sincere Communication and Care

Adhering to the concept of sincere communication, mutual respect and mutual assistance, the Group attaches importance to the opinions and feedback of its employees 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 Mutual Aid 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 936 cases with a total amount of approximately RMB7.28 million.

Assistance by the Agile Mutual Aid Association in 2023



Total number of cases

936



Total amount of funding approximately

RMB 7.28 million

In addition, the Group attaches great importance to the rights and interests of female employees in the workplace, 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, gives great concerns about the protection of women’s physical and mental health by setting up the caring maternal and child room, which is equipped with the refrigerator, padded seats, curtains, warm lighting and other perfect facilities to provide intimate and comfortable personal space for female employees. At the same time, the Group recognises the performance of female employees and organises a variety of female caring activities, so as to ensure female employees deeply experience the sense of value and belonging.



Case Expressing Emotions with Flowers: Grateful for You – Mother’s Day Themed Floral Event

In May 2023, the Group’s Hainan regional company organised a floral event with the theme of “Expressing Emotions with Flowers: Grateful for You”. Florists were invited to teach female employees the basic techniques for arranging flowers in flower baskets, flower colour coordination, flower pruning and other flower knowledge. Through careful conceiving and meticulous trimming, the employees could experience the art and charm of flower arrangement, improve their aesthetic sense and enjoyment of life, and find joy and stress relief amidst their busy work schedules.



Floral art learning



Flower baskets made

3. CREATING AN ENGAGING WORKPLACE WITH THE BELIEF THAT SINCERITY IS THE BEST POLICY

Balance between Work and Life

The Group firmly believes that it is a dialectical relationship between work and life. Taking “combination of work and leisure” as its work philosophy, it advocates a healthy culture and a culture of physical activity, actively carries out diversified and colourful activities such as team-building activities, holiday celebrations, birthday blessings, and care and support initiatives, and shows warm care for employees, allowing them to enjoy a vibrant life and improve their sense of happiness and cohesion.



Case Riding the Waves and Bravely Moving Forward - Executive Team Integration Activity

To enhance team cohesion and cooperation and enrich the employees' leisure activities, the Group organised an executive team integration activity, in which over 50 core managers participated. The activity was designed with many links including a summary meeting, a camping music festival and dragon boat racing, to enhance employees' fighting tenacity and foster trust and collaborative spirit among team members in a relaxing and joyful atmosphere.



Dragon boat racing



Group photo of the activity

3. CREATING AN ENGAGING WORKPLACE WITH THE BELIEF THAT SINCERITY IS THE BEST POLICY



Case Following the People-oriented Principle for A Lifestyle of A Lifetime – “Summer Coolness Delivery” Activity

In July 2023, the Group’s Hainan regional company organised an employee care activity themed “Summer Coolness Delivery”, through which it delivered refreshing drinks, milk and “care packages” to the employees who worked at high temperatures. Meanwhile, the employees were advised to prioritize their health and safety and maintain a balance between work and leisure. The activity was aimed to provide frontline employees with a sense of coolness and deep care during the scorching summer and improve their happiness and satisfaction.



Distributing “care packages”



Showing care for frontline employees

4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

The Group deeply understands the value of a green ecological environment and insists on the coordinated development of business development and ecological protection. By taking the green, low-carbon and environmental protection concept as the guiding principles for its business management, the Group improves its green management system, fulfils its commitment to green building and always implements the requirements for green buildings, green construction and green operation. In addition, the Group actively promotes green environmental protection businesses by establishing energy-saving and environmental protection industrial parks and developing new environmental protection technologies to propel the development of a green and low-carbon industry and the transition to green economy.

Important Issues Addressed in this Section

- Improvement of energy efficiency
- Promotion of green office and environmental protection
- Water resource management
- Waste and sewage management
- Development of green buildings and green communities
- Biological diversity
- Response to climate change and carbon emissions management

Indicators Addressed 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. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

4.1 Green Management System

Green Development Concept

“Lucid waters and lush mountains are invaluable assets”. The Group factors the concept of green development into every aspect of its strategies and operations, attaches importance to harmony among economic, environmental and social benefits, and cares about people’s pursuit of a better 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





- Proactively shouldering its responsibility for environmental protection in the development and operation process and remaining committed to 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; and
- 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

To clarify the environmental management direction and boost management efficiency, the Group has set green development targets in four areas: energy use efficiency, waste reduction, emission and water efficiency and is driving the achievement of these targets, making a contribution to safeguard a green earth and build a beautiful homeland. During the Year, the Group’s progress towards its green development targets was as follows:

4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

Target	Progress during the Year	
 <p>Energy use efficiency targets</p>	<ul style="list-style-type: none"> Further enhance energy use efficiency for the purpose of energy-saving operations. Implement and execute medium and long-term plans for green development, including: promoting the full application of new materials and technologies from 2022 onwards; 100% of development projects designed in accordance with Agile's green building standards/healthy building standards by 2022; the percentage of buildings adopting prefabricated techniques reaching more than 80% by 2025, etc. to improve energy use efficiency. 	<ul style="list-style-type: none"> Energy use efficiency was further enhanced Diversified new materials and technologies were used, with a wider range of application 100% of development projects were designed in accordance with Agile's green building standards/healthy building standards in 2023 The percentage of buildings adopting prefabricated techniques reached 51.7%
 <p>Waste reduction targets</p>	<ul style="list-style-type: none"> Strive to lower the office waste intensity value (total annual office waste generation/ total annual revenue) year by year from 2021 onwards. Implement and execute the medium and long-term plans for green development, including the percentage of buildings adopting prefabricated techniques reaching more than 80% by 2025 and more than 90% by 2030, etc., in order to reduce waste generation and increase the waste recycling rate. 	<ul style="list-style-type: none"> Constant efforts were made to promote recycling of office waste The percentage of buildings adopting prefabricated techniques reached 51.7%
 <p>Emission target</p>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Greenhouse gas emissions were reduced compared to the previous year through a combination of energy-saving and emission reduction initiatives
 <p>Water efficiency targets</p>	<ul style="list-style-type: none"> Strive to reduce the Group's water and electricity consumption intensity value (water and electricity energy consumption/ revenue) by 10% by 2030. Implement and execute 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 designed in accordance with Agile's green building standards/healthy building standards by 2022; the percentage of buildings adopting prefabricated techniques reaching more than 80% by 2025, etc., in order to reduce water and electricity consumption. 	<ul style="list-style-type: none"> Total water consumption decreased compared to the previous year Total electricity consumption decreased compared to the previous year Diversified new materials and technologies were used, with a wider range of application 100% of development projects were designed in accordance with Agile's green building standards/healthy building standards in 2023 The percentage of buildings adopting prefabricated techniques reached 51.7%

In addition, the Group has set up respective risk assessment indicators for the Property Business, A-Living, 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. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

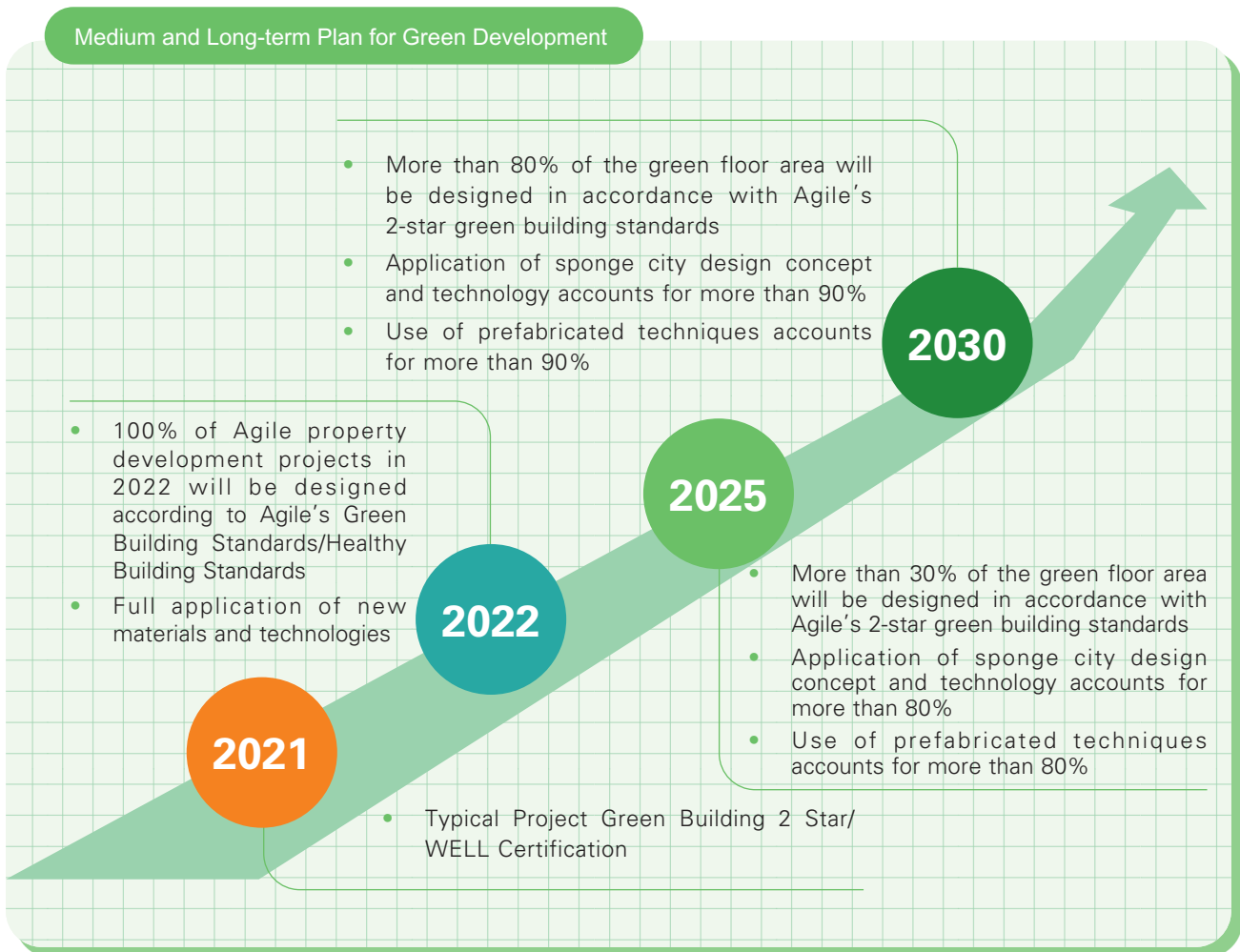
4.2 Deepening Green Buildings

Green building is an important proposition on the path of green development of the Group. From research and design to practical implementation, the Group integrates the low-carbon concept and the sustainable development idea into the whole lifecycle of buildings, in order to demonstrate the Group's low-carbon, green and eco-friendly image through green buildings, green home decoration and green landscapes.

Green building concept

► Green development planning

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, design coordination, and energy-saving oriented design, and actively promotes the development of green buildings. The Group has formulated a medium and long-term plan for green development, actively embraced green and WELL building standards, explored prefabricated buildings, and built sponge cities, fulfilling environmental protection responsibilities in the development and operation process and striving to provide the public with a green and healthy lifestyle.



4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

During the Year, the Group achieved 100% of property development projects designed according to Agile's Green Building Standards/Healthy Building Standards, with the use of prefabricated techniques accounting for 51.7%. Besides, the Group has made the following achievements in green building:

Achievements in green building in 2023

No. of Green Buildings Designed According to Green Building Star Level

Design Standards **69**, Project Area

9.92 million square meters

Percentage of Green Building Designed Area

100%

No. of Green Buildings Meeting Green Building Star Design Standards

42, Percentage **61%**

Total number of Green Buildings Obtaining the Green Building

Certification Mark **52**,

Percentage **75%**

Total number of Green Buildings Awarded the 2-star Certification Mark

7, Percentage **10%**

Achievements in green building as of the end of 2023

Total number of Projects Meeting

Green Building Standards **153**,

total area of Projects Meeting Green Building Standards over

527.6 billion square meters



4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

► Green Materials and Technologies

The Group incorporates site-specific climatic characteristics, building energy-saving categories, and energy-saving levels into its planning process to maximise natural ventilation and lighting and reduce energy consumption and carbon emissions throughout the building's lifecycle. The major green materials and technologies currently employed by the Group include:

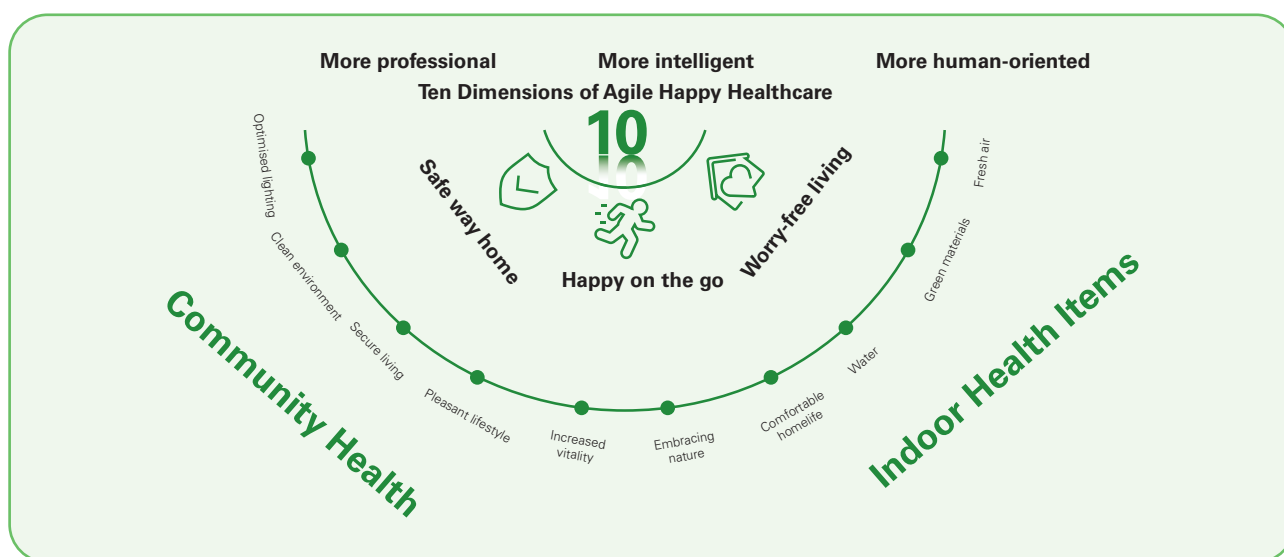
 <p>Air-source heat pump water heater</p>	<p>By utilizing advanced new energy air-source heat pump technology, the equipment ensures efficient heat transfer through a comprehensive multi-flow channel design and incorporates safety features such as overheating protection, automatic fault monitoring, fully automated temperature control, and windproof ducting. This technology optimises the use of renewable energy sources while ensuring safety.</p>	
 <p>Thermal insulation materials</p>	<p>The Group adopts new environmentally friendly wall materials such as aerated concrete blocks, EPS blocks, concrete hollow blocks, and mesh concrete. These materials effectively reduce environmental pollution, land resource consumption and energy consumption, and are extensively used in the Group's projects.</p>	
 <p>Solar energy streetlights</p>	<p>These 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. This lighting technology is not affected by power supply, does not need to dig trenches and bury wires, and does not consume regular electric energy.</p>	
 <p>Rainwater recycling system</p>	<p>The system directs the rainwater collected from roofs, green areas, and roadways through outdoor rainwater pipes and surface runoff to a rainwater cistern. After treatment, the rainwater is utilised for water features, drip irrigation, single-plant sprinkler irrigation, and lawn sprinkler irrigation, effectively conserving water resources.</p>	
 <p>Reclaimed water pump room</p>	<p>The Group implements proper treatment and reuse of used water, reducing the consumption of fresh water and promoting the rational recycling and utilisation of water resources. Additionally, centralised treatment and discharge of wastewater are carried out to minimise negative impacts on the natural environment.</p>	

Green materials and technologies used by the Group (partial)

4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

Green Building Standards and Certification

With reference to the dual authoritative standard system of WELL Construction Standard and Healthy Construction Evaluation Standard of the People's Republic of China (T/ASC 02-2016), the Group creates the internal healthcare residence standard, i.e. "Agile Happy Healthcare" system, from two aspects, including indoor health and community health, and ten dimensions, namely optimised lighting, clean environment, secure living, pleasant lifestyle, increased vitality, embracing nature, comfortable homelife, water, green materials and fresh air, in a bid to offer residential products with natural elements and humanistic care in a more professional, more intelligent, and more human-oriented manner and ensure comprehensive protection for the community and indoor health as well as residents' physical and mental well-being.



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 well-being.

4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

As of the end of the Reporting Period, the Group obtained WELL Gold/Platinum Precertification for 3 projects.

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

Green Building Action

► Prefabricated buildings

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.

During the Year, the Group applied prefabricated construction technology in 13 projects, with the area of prefabricated buildings reaching 716,000 sq.m., accounting for 51.7% of the gross design area of projects.

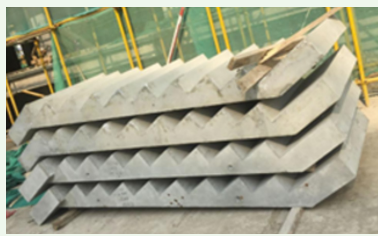


Case Application of Prefabricated Construction Technology in Beijing Mentougou Project

The Beijing Mentougou project of the Group incorporated a significant amount of prefabricated construction technology, including prefabricated floor slabs, prefabricated stairs, and prefabricated wall panels, with an impressive prefabrication rate of 60%. Additionally, BIM technology was utilised to facilitate the design and construction process, effectively achieving the goals of energy conservation, emission reduction and quality and efficiency improvement.



Prefabricated floor slabs



Prefabricated stairs



Prefabricated wall panels

► Green construction

Throughout the implementation of specific projects, the Group took into account their impact on the environment and adjacent communities, and adopted stringent measures to control dust and noise levels at construction sites in response to the principle of green environmental protection. While focusing on energy saving, land saving, water saving, material saving and environmental protection (the “Four Saves and One Environmental Protection”), the Group was committed to establishing a construction environment that is clean, comfortable, and safe to maximise resource efficiency and minimise the adverse effects of construction activities on the environment and individuals.

4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION



Construction site with fence

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 on floors must be transported in containers
- Closed refuse collection points must be set up at construction sites to promise regular collection of refuse
- In case of strong wind above level 4, earthwork demolition will be suspended and covered to minimise dust



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 entering a site, would be guided by a particular person and forbidden to sound the horn, and the roads passed by the vehicles would be sprinkled to reduce dust
- Reasonable arrangement of construction schedule, strengthen civilised construction education for construction personnel and control noise pollution
- Strictly enforce the operation system by arranging concrete pouring during the 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
- For the night construction approved by the construction administrative department, regular noise tests will be carried out at the fixed sites, and the equipment with strong noise shall be subject to the enclosed operation. If the operation noise exceeds the standards, stop operation immediately



Measures to prevent water pollution

- Set up flushing sedimentation tanks to flush ground pumps and concrete trucks
- Set up grease traps adjacent to canteens, set up septic tanks at toilets with regular cleaning and emptying, and discharge the sewage into municipal pipes before sedimentation
- Sewage pipes are connected through ceramic pipes, with a strip of anti-permeation cement mortar to prevent oil from polluting groundwater
- Set up grooves guiding the flow of the sewage produced during construction directly into the sedimentation tank and regularly clean the flow guiding tanks
- Forbid to discharge garbage into the rainwater pipes to prevent from polluting rainwater

Measures to dispose of solid waste

- Segregated storage for toxic and hazardous waste with marks
- Waste on sites shall be sorted before delivering to refuse ponds. In particular, the Company will arrange relevant entities to collect the waste of recycling value, engage third parties with disposition qualifications 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 projects must be applied to and approved by the construction administrative authorities before the 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 the municipal level

4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

► Green development

The Group remains steadfast in its dedication to greenfield development, and is committed to developing and constructing only in areas outside the World Heritage List and the International Union for Conservation of Nature (IUCN) Category I-IV Nature Reserves, ensuring strict adherence to ecological protection guidelines and constantly advancing the harmonious coexistence of people, cities, and nature. Moreover, 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. and actively improve, optimise and correct the environmental problems associated with the project land, so as to minimise the adverse impact of its business operations on biodiversity and ecosystems.



Case Establishing an Ecological Wetland Park to Promote Nature Conservation

The Group's initiative, the Egret Lake Wetland Park project, aims to safeguard the indigenous natural ecology and protect endangered wildlife species through innovative environmental planning. The project encompasses a range of wetland habitats, including marshes, ponds, reed beds, mud puddles, and grasslands, forming a diverse wetland landscape that emulates the beauty of "lush vegetation and gentle streams". Additionally, the project incorporates a wetland science corridor, allowing visitors to delve into the world of sponge wetlands and fostering a deeper connection between humans and nature.



Actual view of the Egret Lake Wetland Park



► Green home decoration

Dedicated to creating a comfortable and healthy eco-habitat environment, the Group extends the concept of environmental protection and sustainable development to the field of home decoration. It utilises green building materials in the production of decoration materials and throughout the decoration process to reduce the loss of production materials, ensuring a high quality of living while minimising pollution.

Technical reform of the paint spraying line for the production of wood products:

We have implemented a robot automatic spraying system to enhance the efficiency of paint application, reduce the amount of spraying, and achieve energy savings and consumption reduction.



Design for a new process of eco-friendly multi-colour delicate veneer

Adoption of natural, green, and pollution-free veneer raw materials and dyes can effectively mitigate the negative impact on the environment.

Construction technology for exquisite and eco-friendly background wall decorations

We have adopted a construction model featuring production automation and highly efficient technology, promoting sustainable development through energy savings and consumption reduction.



4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

Green Ecological Landscape

Green ecological landscape plays a crucial role in safeguarding the ecological environment and boosting sustainable urban development. It also serves as a key aspect of the Group's overarching strategy to promote green building action. By employing a range of green and environmental technologies and green ecological equipment, the Group focuses on creating high-quality and diversified green landscape and strives to enhance the ecological integrity and the surroundings of the residential compounds.

Green and environmental technologies

- Comprehensive treatment technology of water environment by ecological regulation
- Environmental technology of solid waste in landscape maintenance
- Recycling and reprocessing technology of landscape waste
- Rainwater collection and drainage technology of landscape

Green ecological equipment

- Anti-waterlogging grass-planting manhole cover
- Fixed-point water-saving sprinkler irrigation equipment
- Mosquito killing landscape light



Anti-waterlogging grass-planting manhole cover



Fixed-point water-saving sprinkler irrigation equipment



Mosquito killing landscape light



Case Agile Skyline 715 Project

As a prime example of a green ecological landscape initiative undertaken by the Group, the Agile Skyline 715 Project employs a diverse range of innovative environmentally friendly and ecological technologies to create lush green landscapes of exceptional quality. Notably, the stone landscapes feature the application of anti-alkali coatings and techniques to achieve weathering effects. These coatings, once cured, form a film layer that exhibits strong adhesive properties, preventing easy detachment and resulting in an appealing antique aesthetic. By integrating contemporary aesthetics and ecological principles, the project offers a fresh landscape and experience and has been honoured with the Quality Award of the 16th Kinpan Awards for the Best Demonstration of the Year in the Southern Region.



Landscapes using anti-alkali stones

4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

4.3 Advocating Green Operations

The Group firmly embeds the concept of green operations into its core values and practices. Through pollution prevention, water conservation, and eco-friendly office practices, we actively enhance our awareness and capabilities in green operations, striving to create a sustainable and eco-friendly building environment. Additionally, the Group establishes a comprehensive green leasing management mechanism, collaborating with tenants to imbue buildings with environmental and humanistic values.

Waste, Emissions and Water Resource Management

► 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 and Measures for the Management of Municipal Domestic Waste in Chinese mainland and other relevant laws and regulations of the regions in which it operates. 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.

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.

► 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 Reporting Period, the Group did not have any problems in seeking suitable water sources.

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; and
- The Environmental Protection Group engages in 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 provides 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 all 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.



4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

Green Business

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 practises 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 a comprehensive green lease management mechanism. It is 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, wastewater and noise;
- Strictly enforce the use of environmentally friendly materials by tenants in the decoration process, require tenants to properly sort and dispose of decoration waste and regulate decoration practices; and
- Encourage tenants to make extensive use of environmentally friendly packaging materials which are renewable, recyclable, reusable and not harmful to the environment, and to clean contaminated work sites in a timely manner after completion of work.



4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

Green Office

The Group is dedicated to promoting the concept of a green office, following the principle of cutting costs and eliminating waste. The Group actively implements various green office measures in different office spaces to raise awareness of resource conservation and environmental protection among all employees, thereby fostering a low-carbon and environmentally friendly office environment.

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; and
- Each office is required to evaluate the option of replacing barreled water with direct drinking water based on the number of staff 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 lights when a room is unoccupied;
- Arrange a reasonable running time and temperature for air conditioning and turn it 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; and
- 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; and
- Set up "special boxes for the recycled paper" and "storage area for the secondary paper", and use recycled paper as much as possible for printing documents that are not important, not confidential, or not for filing with government authorities.



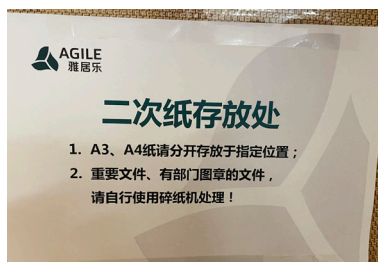
Save Office Supplies

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



4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

Simultaneously, the Group attaches great importance to energy conservation publicity and education. By organizing energy conservation campaigns, displaying energy-saving slogans, and other means, we aim to enhance employees' awareness and sense of responsibility towards energy conservation, thereby actively practising energy conservation and emission reduction in practical work. We strengthen energy-saving inspections in office spaces, clarify the supervision responsibilities for energy conservation and consumption reduction, regularly inspect the lighting and equipment power-off status in office spaces, and promptly identify and correct energy wastage behaviours.



Slogan for recycling of used paper



Slogan advocating the use of eco-friendly paper



Night time patrol for energy conservation



Slogan for recycling of used battery



Slogan for air conditioning temperature setting



Slogan for electricity conservation



4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

4.4 Powering the Green Economy

The green economy has gradually emerged as a significant force driving sustainable development and the transition to green initiatives. The Group actively incubates industrial parks and develops waste management technologies, providing robust support for the sustainable growth of green industries. This fosters a harmonious coexistence between economic growth and environmental conservation.

Ecological Industry Incubation

The Group is committed to striking a balance between economic development and ecological preservation. We invest in the establishment of three green ecological and energy-saving industrial parks, aiding park enterprises in reducing pollution, conserving resources, and safeguarding ecosystems. Meanwhile, we leverage industrial agglomeration to propel the development of the entire industrial chain, empowering local economic growth. This endeavour contributes to advancing sustainable development and the transition to a green economy.



Case Yulin (Fumian) Energy-saving Environmental Protection Industrial Park

Yulin (Fumian) Energy-saving Environmental Protection Industrial Park is the first professional environmental demonstration park in Guangxi, dedicated to environmental supply-side reform and promoting industrial upgrading. It stands as the first comprehensive environmental protection industrial park in South China, featuring a unified supply of water, electricity, gas and heat, unified pollution control, facility construction prior to enterprise establishment, sewage treatment meeting Grade A standards, and intensive land and energy use. It has been awarded the titles of “Green Textile Light Industry Park in Fumian, Guangxi” and “National Pilot Park for Textile Industry Transfer”.

► Environmental benefits

- **Wastewater treatment and reuse**
Having centralised sewage treatment, centralised water supply, and reclaimed water reuse projects, it ensures the uniform discharge of sewage to meet standards and effectively enhances the rate of water resource reuse and the quality of reclaimed water.
- **Environmental heating and power equipment**
It utilises a circulating fluidized bed boiler for combined heat and power, which accommodates a wide range of fuels and outputs, boasting high combustion efficiency and low emissions. This significantly enhances combustion efficiency and reduces emissions of pollutants such as NO_x and SO₂.
- **Energy-saving and consumption-reduction technologies**
Utilizing variable frequency energy-saving technology to manage large-scale pumps, fans, and motors, and employing an advanced DCS intelligent management system to oversee production, including power generation systems, enables it to increase project power supply capacity while achieving energy-saving and consumption reduction during production.
- **Intelligent electricity monitoring**
Enterprises in the park install real-time monitoring systems to track energy usage, including changes in pressure and temperature, and conduct energy consumption analysis and anomaly alerts to promptly adjust energy usage and enhance energy efficiency.

► Economic benefits

- **Industrial cluster development**
This industrial park encompasses various sectors of the textile industry, including dyeing and finishing, denim yarn and washing, and wool weaving, among others, radiating to outstanding garment production enterprises nationwide in the Pearl River Delta, Yangtze River Delta, and other regions, thus promoting the comprehensive development of the textile service industry chain.
- **Driving local economy**
Covering an area of 3,500 acres with a total investment exceeding RMB10 billion, this industrial park continues to attract foreign investment and outstanding talents, injecting vitality into the local economic development. Simultaneously, it creates more employment opportunities for the local community, enhances residents’ income levels, and promotes regional economic prosperity.



Real Image of Yulin (Fumian) Energy-saving Environmental Protection Industrial Park

4. GOING DEEP INTO ENVIRONMENT PROTECTION TO KEEP LUCID WATERS AND LUSH MOUNTAINS FROM CONTAMINATION

Solid Waste Management and Utilisation

The Group prioritizes the development of green environmental protection technologies. Our environmental protection subsidiary upholds the corporate vision of “Clean and Beautiful Homes, Lifestyle of A Lifetime”. We focus on hazardous waste disposal and closely monitor environmentally friendly equipment manufacturing and other light asset business sectors. We are dedicated to providing comprehensive solutions and integrated environmental services for cities and towns, safeguarding clean water, blue skies, and beautiful landscapes in China.

Environmental Protection Group has a comprehensive layout in hazardous and general solid waste fields, possessing mature solid waste treatment technologies and extensive project experience. We dispose of waste through various methods such as solidification landfill, incineration, physicochemical treatment, comprehensive utilisation, and biochemical treatment. The Environmental Protection Group strictly adheres to internal management regulations such as the Hazardous Waste Transportation Management System (AER-R-HW-127) and the Guidelines for the Development of Hazardous Waste Project Systems. It rigorously controls hazardous waste generated during the operation, covering the entire process of hazardous waste generation, identification, storage, transportation, utilisation and disposal. Supported by sophisticated equipment, each hazardous waste project is meticulously managed to ensure the proper handling and disposal of both general and hazardous waste.

During the Reporting Period, the Environmental Protection Group disposed of an aggregate of 877.3 thousand tonnes of waste in a harmless manner, of which 268 thousand tonnes, 569.5 thousand tonnes and 39.8 thousand tonnes were disposed of 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 12 provinces, disposing thousands of hazardous wastes, covering 45 major categories in Directory of National Hazardous Waste. In addition, the Environmental Protection Group upgraded the following environmental protection processes and obtained eight patents during the Year, bringing the total number of patents acquired to 27.

Environmental protection processes upgraded in 2023



5. FULFILLING OUR SOCIAL RESPONSIBILITY WITH EMPATHY

In line with the “empathy” philosophy, the Group has been actively involved in public welfare and earnestly fulfilled its social responsibility. Since the establishment of the Agile Public Welfare Foundation in 2012, the Group has consistently upheld the spirit of benevolence, continuously contributing to society through various initiatives such as education assistance, promotion of Chinese culture, and sustainable development.

Important Issues Addressed in this Section

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

Indicators Addressed in this Section

HKEX ESG Indicators

B8.1|B8.2|

SDGs Issues





5. FULFILLING OUR SOCIAL RESPONSIBILITY WITH EMPATHY

5.1 Supporting the Cause of Education

Education is the foundation of the nation’s long-term prosperity. The Group actively shoulders the responsibility of supporting students’ growth and development, promoting the cause of education, and caring for the future of our country. We engage in diverse forms of educational support activities, investing abundant resources to improve rural teaching facilities, providing children in rural areas with broader learning resources and opportunities, and enhancing the quality of rural education.



Case Act of Kindness in the Name of Love – Charity Bazaar for Students

In October 2023, Agile Garden of the Group carried out activities of charity bazaar for students, advocating merchants, property owners and other good-hearted people to participate in the charity bazaar and donate, whether online or offline, by ways of onsite shows, auction and others, to subsidize the “Campus Beautification and Improvement” (“美化校園、亮化校園”) construction work of Xinfeng Primary School in Lushan Town, Weining County, Bijie, Guizhou Province, delivering love and warmth to the students in mountain area.



Donation



Charity bazaar



5. FULFILLING OUR SOCIAL RESPONSIBILITY WITH EMPATHY

5.2 Promoting Chinese Culture

The Group actively supports the “Chinese Cultural Heritage Project” and cares for the development of Cantonese opera. We provide comprehensive and multi-level resources and platforms to support its development, allowing this unique art form to rejuvenate and thrive in contemporary society.



Case Glorious Cantonese Charm: Heritage of Elegant Melodies - Cantonese Opera Showcase Event

In September 2023, two classic Cantonese opera productions, Princess Wencheng and The Story of Burning Incense, generously supported by the Agile Public Welfare Foundation, graced the stage of the Grand Theater of Zhongshan Culture & Art Center, treating the citizens of Zhongshan to a splendid Cantonese opera feast. Through the exquisite performances of these productions, audiences were immersed in the beauty of Cantonese opera culture and Chinese heritage, thereby contributing to the continuation of our cultural heritage and the enhancement of cultural confidence.



Princess Wencheng, a Cantonese opera



The Story of Burning Incense, a Cantonese opera

5. FULFILLING OUR SOCIAL RESPONSIBILITY WITH EMPATHY

5.3 Creating a Clean and Beautiful Home

Environmental protection and advocating for sustainable development are another focal point of the Group in the charity field. The Group actively organises diverse and wide-ranging environmental protection activities, aiming to provide the public with more diversified and attractive ways to participate, igniting environmental protection awareness and action among the masses, and collectively safeguarding our beautiful home.



Case Clean Beach Initiative: Safeguarding the Azure Ocean - Ocean Care Public Welfare Initiative

In January 2023, the Agile Clearwater Bay under the Group launched the Ocean Care Public Welfare Initiative, advocating for the public to pick up litter and debris while enjoying beach activities. Moreover, distinctive beverages were offered to individuals practising environmental protection, fostering a collective effort to safeguard the azure ocean and beaches.



Litter Collection

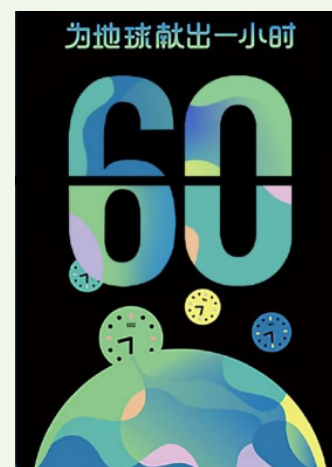


Promotional Poster for Clean Beach Initiative



Case Caring for the Earth Starts with Me - Earth Hour Event

On 25 March 2023, the “Give an Hour for Earth” event was held at the Sheraton Bailuhu Resort, Huizhou of the Group. From 20:30 to 21:30 that day, lights were turned off for an hour, as we joined hands with customers and employees to speak up for nature and environmental protection.



Promotional Poster for Earth Hour Event

APPENDIX I — LIST OF DATA

Environmental Key Performance Table

ESG Indicator	Unit	Consumption/ Emissions in 2023
A1.1 Category and Relevant Data of Emissions		
Nitrogen Oxides (NO _x) emissions	KG	2,280.69
Sulphur Oxides (SO ₂) emissions	KG	3.08
Particulate Matter (PM) emissions	KG	147.33
A1.2 Greenhouse Gas Emissions		
Total GHG emissions ¹	tonne of carbon dioxide equivalent	39,766.36
Direct GHG emissions (Scope 1) ²	tonne of carbon dioxide equivalent	3,375.37
Indirect GHG emissions (Scope 2) ³	tonne of carbon dioxide equivalent	36,390.99
A1.3 Hazardous Waste Generated		
Total waste batteries	KG	25.18
Total waste light tubes	piece	918
Total toner cartridges	unit	288
Total hazardous waste generated ⁴	tonne	29,013.59
A1.4 Non-hazardous Waste Generated		
Total non-hazardous waste generated ⁵	tonne	96.66
A2.1 Total Energy Consumption and Intensity		
Total energy consumption ⁶	kWh in '000s	80,108.61
Energy consumption intensity	kWh in '000s/RMB million	2.78
Non-renewable fuel (direct) consumption ⁷	kWh in '000s	14,756.66
Piped natural gas consumption	kWh in '000s	8,502.30
Liquefied petroleum gas consumption	kWh in '000s	26.81
Total gasoline consumption	kWh in '000s	1,746.76
Total diesel consumption	kWh in '000s	3,789.75
Total fuel oil consumption	kWh in '000s	691.05
Purchased energy (indirect) consumption ⁸	kWh in '000s	65,351.94
Electricity consumption	kWh in '000s	65,351.94

- 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, LPG, etc.
- 8 Indirect energy consumption includes the indirect consumption of purchased electricity.

APPENDIX I — LIST OF DATA

ESG Indicator	Unit	Consumption/ Emissions in 2023
A2.2 Water Resources Consumption and Intensity		
Total water consumption	m ³	587,954.74
Water consumption intensity	m ³ /RMB million	20.43
Government water consumption	m ³	587,954.74

Scope of Statistics:

The Group's 2023 environmental data statistics include the headquarters of the Group, the property business segment, the Environmental Protection Group, and A-City Technology Group. Particularly, the Environmental Protection Group includes operating projects under the management of the head office and divisions of the Environment Protection Group. The environmental statistics of A-Living Group are 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 Chinese mainland are referenced to the latest national grid average emission factor issued by the Ministry of Ecology and Environment;
- 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 2023.

Social Key Performance Table

ESG Indicator		Unit	2021	2022	2023
Total number of employees		person	98,466	101,906	100,863
Gender	Male	person	54,629	56,166	55,371
	Female	person	43,837	45,740	45,492
Age	30 or below	person	18,323	16,386	13,816
	31-49	person	43,128	46,746	39,685
	50 or above	person	37,015	38,774	47,362
Position	Top management	person	15	18	21
	Senior management	person	276	332	30
	Middle management	person	2,051	3,839	125
	General staff	person	96,124	97,717	100,687
Region	Chinese mainland	person	98,362	101,823	100,799
	Hong Kong, Macau, Taiwan and Overseas	person	104	83	64
Total employee turnover rate		%	42.42	36.25	37.00
Gender	Male	%	23.39	35.64	33.84
	Female	%	19.03	37.00	40.84
Age	30 or below	%	11.32	65.87	54.17
	31-49	%	14.66	29.10	29.39
	50 or above	%	16.44	32.36	38.37
Region	Chinese mainland	%	42.41	36.25	37.00
	Hong Kong, Macau and Taiwan	%	0.01	32.14	14.29
	Overseas	%	0.00	49.09	41.67
B2.	Health and Safety				
B2.1	Number of Work-related Fatalities				
	Number of work-related fatalities	person	1	0	2
	Work-related fatality rate	‰	0.01	0	0.20
B2.2	Number of Lost Days due to Work Injury				
	Number of Lost Days due to Work Injury	day	5,739.5	2,437.50	3,063.00

APPENDIX I — LIST OF DATA

ESG Indicator		Unit	2021	2022	2023
B3.	Development and Training				
B3.1	Percentage of Employees Trained: Breakdown by Gender and Position				
Trained employees as a percentage of total employees		%	50.47	94.89	95.14
Gender	Male	%	54.27	55.73	53.97
	Female	%	45.73	44.27	46.03
Position	Top management	%	0.02	0.01	0.002
	Senior management	%	0.76	0.32	0.01
	Middle management	%	4.83	3.75	0.13
	General staff	%	94.39	95.91	99.86
Average training hours of employees		hour	51.20	16.26	19.36
Gender	Male	hour	50.10	16.11	18.27
	Female	hour	52.60	16.43	20.70
Position	Top management	hour	11.92	2.33	0.35
	Senior management	hour	33.43	14.25	4.00
	Middle management	hour	113.05	20.51	30.85
	General staff	hour	48.81	16.10	19.36
B5.	Supply Chain Management				
B5.1	Number of Suppliers by Region				
Region	Chinese mainland	/	37,606	34,744	36,508
	Hong Kong, Macau, Taiwan and Overseas	/	422	40	31
B6.	Product Responsibilities				
B6.2	Number of Complaints Received about Products and Services				
Number of complaints received		/	6,969	6,504	6,102

APPENDIX I — LIST OF DATA

ESG Indicator	Unit	2021	2022	2023
B7. Anti-corruption				
B7.1 Number of Legal Cases regarding Corruption				
Number of filed or concluded legal cases regarding corruption	case	1	0	0
B7.3 Anti-corruption Training Provided to Directors and Employees				
Directors attending anti-corruption training	person	9	17	17
Employees attending anti-corruption training	person	39,000	18,465	19,549
Anti-corruption training hours	hour	45,018	36,964	273,291
B8. Community Investment				
B8.2 Resources Contributed to the Focus Area				
Employees involved	person	539	2,309	346
Time invested	hour	1,400	2,314	1,056
Money invested	RMB yuan	71,365,121	5,245,962.44	2,109,200.00

* This year, due to the adjustment of the position classification of employees in A-Living Group, there have been some changes in the percentage of employees classified by position and the percentage of trained employees in the Group.

Reference standards for data calculation:

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

APPENDIX II — LIST OF POLICIES AND REGULATIONS

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

APPENDIX II — LIST OF POLICIES AND REGULATIONS

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

APPENDIX II — LIST OF POLICIES AND REGULATIONS

Aspects of ESG	Compliance with Laws and Regulations	The Group's Internal Policies and Systems
B2 Health and Safety	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 Measures Management System for Safe and Civilised Construction Accident Management Measures Engineering Project Process Evaluation System Red Light Early Warning Management System of Engineering Quality and Safety Risks Engineering Bottom Line Management Measures 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 Regulations on Management of Visible Light and Infrared Temperature Detection System

APPENDIX II — LIST OF POLICIES AND REGULATIONS

Aspects of ESG	Compliance with Laws and Regulations	The Group's Internal Policies and Systems
		<p>Code of Practices for Handling Exceeded Online Monitoring Data</p> <p>Management Measures for the Three Prevention System</p> <p>Measures for Monthly Performance Appraisal of Principals in Charge of EHS of the Project Companies under Environmental Protection Group</p> <p>Measures for EHS Comprehensive Management Performance Appraisal for Principals of the Project under Environmental Protection Group</p> <p>Emergency Plan Management System</p> <p>Management Measures for Safe and Civilised Construction</p> <p>Management System for Sudden Safety and Environmental Accidents</p> <p>Contractor EHS Management System</p> <p>Guidelines on Risk Assessment and Management of New Processes, New Equipments and New Businesses for Hazardous Waste Projects</p> <p>Standards of Conduct for Project Engineering Management</p> <p>Occupational Health Management System</p> <p>Occupational Health Management Manual</p> <p>Occupational Health Examination System</p> <p>Occupational Disease Hazard Warning Message System</p> <p>Health and Safety Management Policy</p> <p>Fire Management Manual</p> <p>Management System of Personal Protective Equipment</p> <p>Management System of Labour Protective Equipment</p> <p>Maintenance and Warranty Team Assessment and Management Measures (2021 Edition)</p> <p>Safety Management Regulations for Barrier-Free Facilities</p> <p>Code of Practices for Operational Safety Management</p> <p>Emergency Preparedness and Emergency Response Control Procedures</p> <p>Annual Emergency Drill Plan</p>
B3 Development and Training	<p>Labour Law of the PRC</p> <p>Labour Contract Law of the PRC</p> <p>Social Insurance Law of the PRC</p>	<p>Administrative Measures for Training</p> <p>Guidelines on Internal Trainer Management</p> <p>Internal Trainer Management Measures</p> <p>Administrative Measures for Recruiting and Training Graduate Management Trainee</p> <p>Guidelines on Orientation Training for New Employees</p> <p>Administrative Measures for Career Mentors</p> <p>Rotation Management System of Cross-industry Training for Employees of the Group</p>
B4 Labour Standards	<p>Labour Law of the PRC</p> <p>Labour Contract Law of the PRC</p> <p>Social Insurance Law of the PRC</p> <p>Provisions on the Prohibition of Using Child Labour</p> <p>Special Regulations on Labour Protection for Female Employees</p> <p>Regulations of Guangdong Province on Population and Family Planning</p>	<p>Human Resources Management System Compilation</p> <p>Induction Management System</p> <p>Resignation Management System</p> <p>Labour Contract Management System</p>

APPENDIX II — LIST OF POLICIES AND REGULATIONS

Aspects of ESG	Compliance with Laws and Regulations	The Group's Internal Policies and Systems
B5 Supply Chain Management	<p>Company Law of the PRC</p> <p>Civil Code of the PRC</p> <p>Tendering and Bidding Law of the PRC</p> <p>Regulation on the Implementation of the Bidding Law of the PRC</p> <p>Product Quality Law of the PRC</p> <p>Anti-Unfair Competition Law of the PRC</p>	<p>Supplier Management System</p> <p>Bidding Management System</p> <p>Manual on Procurement Management Operation</p> <p>Manual on Rights and Responsibilities</p> <p>Administrative Measures of Bidding for Materials Suppliers</p> <p>Measures for Identification and Handling of Quality Problems Concerning Materials Supplied by Party A</p> <p>Administrative Measures for Anti-corruption in Procurement System</p> <p>Management System for Materials Bidding and Purchase</p> <p>Marketing Suppliers Management Measures of Agile Property</p> <p>Suppliers Management Measures (for Engineering Construction)</p> <p>Rules of Introduction of Suppliers (for Engineering Construction)</p>
B6 Product Responsibility	<p>Product Quality Law of the PRC</p> <p>Urban Real Estate Administration Law of the PRC</p> <p>Advertising Law of the PRC</p> <p>Consumer Rights and Interests Protection Law of the PRC</p> <p>Cybersecurity Law of the PRC</p> <p>Patent Law of the PRC</p> <p>Copyright Law of the PRC</p> <p>Trademark Law of the PRC</p> <p>Law of the PRC on the Protection of Personal Information</p> <p>Measures for the Administration of the Sale of Commercial Properties</p>	<p>Unified Promotion Practices for Construction</p> <p>Engineering Project Process Evaluation System</p> <p>Unified Standard Atlas for Civilised Construction</p> <p>Manual for Prevention and Control of General Quality Problems</p> <p>Project Delivery Guidelines</p> <p>Technical Guidelines on Construction of Lightweight Slatwall</p> <p>Management of Geotechnical Monitoring and Testing</p> <p>Guidelines on Acceptance of Showering (Storage) Water for Agile Properties</p> <p>Management Measures for Joint Acceptance of Residential Project Delivery</p> <p>Residential Construction Drawing Design Guide</p> <p>Management Process on Structural Limit Design</p> <p>Standardised Actions for Dealing with Customer Complaints</p> <p>Management System for Safety and Operation of Information System</p> <p>Management Regulation of Cybersecurity</p> <p>Management System for Changes of Information System</p> <p>Management System for Safety of Sensitive Privacy Data within Information System</p> <p>Marketing System Control Measures</p> <p>Marketing Site Inspection System 2021 Edition</p> <p>Management Measures for the Operation of Public Disclosure of Disadvantages Inside and Outside the Red Line</p> <p>Implementation Rules of Sales Offices Management for Hainan Regional Company</p> <p>Ordinance on Customer Complaint about Services at Agile Clearwater Bay Sales Office</p> <p>Regulation of Online Speech</p> <p>Information Systems Password Management Regulation</p> <p>Waterfall Software Development Process Regulation</p>

APPENDIX II — LIST OF POLICIES AND REGULATIONS

Aspects of ESG	Compliance with Laws and Regulations	The Group's Internal Policies and Systems
		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 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) Quality Control Management Measures Regulations on Server Usage and Account Management Privacy Data Protection Specification
B7 Anti-corruption	Criminal Law of the PRC Anti-Money Laundering 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 Management Measures for Failure of Performance 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
B8 Community Investment	Charity Law of the PRC	Articles of Association of Agile Public Welfare Foundation

APPENDIX III — INDEX OF THE ESG REPORTING GUIDE OF THE HONG KONG STOCK EXCHANGE

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

APPENDIX III — INDEX OF THE ESG REPORTING GUIDE OF THE HONG KONG STOCK EXCHANGE

ESG Indicator	Description	Section
A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Going Deep into Environment Protection to Keep Lucid Waters and Lush Mountains from Contamination
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix I – List of Data
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix I – List of Data
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Going Deep into Environment Protection to Keep Lucid Waters and Lush Mountains from Contamination
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Going Deep into Environment Protection to Keep Lucid Waters and Lush Mountains from Contamination
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A
A3: Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Going Deep into Environment Protection to Keep Lucid Waters and Lush Mountains from Contamination
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Going Deep into Environment Protection to Keep Lucid Waters and Lush Mountains from Contamination

APPENDIX III — INDEX OF THE ESG REPORTING GUIDE OF THE HONG KONG STOCK EXCHANGE

ESG Indicator	Description	Section
A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact the issuer.	Yearly Theme: Addressing Climate Change for a Sustainable Future
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Yearly Theme: Addressing Climate Change for a Sustainable Future
B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Creating an Engaging Workplace with the Belief that Sincerity is the Best Policy
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Creating an Engaging Workplace with the Belief that Sincerity is the Best Policy Appendix I – List of Data
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix I – List of Data
B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Creating an Engaging Workplace with the Belief that Sincerity is the Best Policy Delivering Exemplary Agile Projects Boasting Quality and Originality
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix I – List of Data
KPI B2.2	Lost days due to work injury.	Appendix I – List of Data
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Creating an Engaging Workplace with the Belief that Sincerity is the Best Policy Delivering Exemplary Agile Projects Boasting Quality and Originality

APPENDIX III — INDEX OF THE ESG REPORTING GUIDE OF THE HONG KONG STOCK EXCHANGE

ESG Indicator	Description	Section
B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Creating an Engaging Workplace with the Belief that Sincerity is the Best Policy
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Creating an Engaging Workplace with the Belief that Sincerity is the Best Policy Appendix I – List of Data
KPI B3.2	The average training hours completed per employee by gender and employee category.	Creating an Engaging Workplace with the Belief that Sincerity is the Best Policy Appendix I – List of Data
B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Creating an Engaging Workplace with the Belief that Sincerity is the Best Policy
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Creating an Engaging Workplace with the Belief that Sincerity is the Best Policy
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Creating an Engaging Workplace with the Belief that Sincerity is the Best Policy

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ESG Indicator	Description	Section
B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Robust Governance and Compliant Operation
KPI B5.1	Number of suppliers by geographical region.	Robust Governance and Compliant Operation Appendix I – List of Data
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Robust Governance and Compliant Operation
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Robust Governance and Compliant Operation
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Robust Governance and Compliant Operation
B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Delivering Exemplary Agile Projects Boasting Quality and Originality
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Delivering Exemplary Agile Projects Boasting Quality and Originality Appendix I – List of Data
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Delivering Exemplary Agile Projects Boasting Quality and Originality
KPI B6.4	Description of quality assurance process and recall procedures.	Delivering Exemplary Agile Projects Boasting Quality and Originality
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Delivering Exemplary Agile Projects Boasting Quality and Originality

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



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