Glodon 广联达

Glodon Company Limited

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

2021

BUILDING THE FUTURE WITH DIGITAL TECHNOLOGY

About this Report

Introduction

This Report reviews Glodon's achievements, opportunities and challenges in 2021, and presents Glodon's key initiatives and fruitful results regarding its high-quality sustainable development in 2021. It aims to demonstrate to the society and stakeholders Glodon's practice and performance in fulfilling its social responsibilities and promoting corporate ESG management in order to gain wider understanding, support and help from all walks of life.

Release Cycle

This Report is an annual report and is the third report on corporate ESG information publicly disclosed by Glodon Company Limited.

Reporting Period

This Report mainly covers the period from January 1, 2021 to December 31, 2021, and will be traced back to important years in the development of Glodon if necessary.

Appellation

For the convenience of expression and reading, Glodon Company Limited is also referred to as "Glodon", "the Company", and "we" in this Report.

Scope of Organization

With "Glodon Company Limited" as the main entity, the organization herein includes its affiliated branches, subsidiaries and directly affiliated institutions.

Reference Standards

- *Self-discipline Guidelines of Shenzhen Stock Exchange for Listed Companies No. 1 - Standardized Operation of Companies Listed on the Main Board.*
- China National Standard GB/T 36001-2015 *Guidance on Social Responsibility Reporting.*
- *Transforming our World: The 2030 Agenda for Sustainable Development* by the United Nations.
- *GRI Standards* by Global Sustainability Standards Board.
- *ISO 26000: Guidance on Social Responsibility (2010)* by International Organization for Standardization.

Data Description

The data in this Report comes from the 2021 annual report, official documents, statistical reports and financial reports of Glodon Company Limited, as well as the ESG practice summary and statistics of its affiliated branches, subsidiaries and directly affiliated institutions. Some data are imperfect due to statistical and caliber reasons. Glodon will continue to improve the data indicator statistics system to ensure the provision of more comprehensive information.

Report Acquisition

This Report is published in hard copy and electronically. Please contact us if a printed version is desired. At the same time, you can also log in to the official website of Glodon Company Limited (www.glodon.com) to download the electronic version of this Report.

Contact Information

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Glodon 广联达   ABOUT GLODON   CORPORATE GOVERNANCE   CUSTOMER SUCCESS   OPEN AND WIN-WIN   SMART ECOLOGY   COMMON DEVELOPMENT AND SHARED GROWTH   SPECIAL TOPIC

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SPECIAL TOPIC

Message from the Chairman

2021 is the first year of the "14th Five-Year Plan". It is also a critical year for promoting synergy of emission reduction and carbon reduction, facilitating a comprehensive green transformation of economic and social development and realizing the qualitative improvement of the ecological environment. In this context, China's construction industry is accelerating its digital transformation. As a leading enterprise that implements informatization in the construction industry, Glodon adheres to the concept of "digital building", and focuses on the use of BIM and cloud computing, big data, IoT, mobile Internet, artificial intelligence and other information technologies. We transform and upgrade our construction industry based on lean construction theory. We work with partners from all walks of life to promote the transformation and upgrading of the construction industry, and realize the goals of making every project a success and helping every practitioner have achievements.

Sticking to original aspiration and being diligent on the right path. Digitization has made the construction industry full of vigor and hope. Glodon has always adhered to the lofty mission to "develop a better working and living environment with technology", and insisted on continuously integrating technology and ideals into the construction field. We have been promoting the transmission and implementation of digitalization with professionalism, and creating a new ecosystem of the industry chain with the platform concept of openness, interconnection, sharing and coordination. We have launched a series of digital products and solutions around the concept of digital building, integrated virtual building and physical building services, connected the supply side and the demand side, and systematically improved the allocation of resources in the entire industry chain. By promoting the coordination and collaboration of the whole process, all elements and all participants of construction projects, we have improved the productivity of the industry and injected new momentum into the digital transformation of the construction industry.

Pooling efforts together to achieve a lofty cause. Nothing is impossible if we pool together efforts and gather the wisdom of the crowd. The digitalization of the construction industry has ushered in a new development phase; however, it is also faced with many challenges. Digital transformation covers the entire process of the project, and requires the interconnection of all links and the cooperation of all upstream and downstream fields of the industry. Only by forming a joint force can we achieve the great cause of the times. As a digital building platform service provider, Glodon has held 12 China Digital Building Summits in a row, providing a dialogue platform for industry management departments, business elites, experts and scholars, and investment institutions and enabling the transformation and upgrading of the construction industry. We have been actively and deeply participating in national conferences, deepening industrial research and leading the high-quality development of the industry. We join hands with entities in the ecosystem such as governments, industries, academia, and institutions to cultivate and export high-quality and practical talents for the informatization of the construction industry, which shows a blue ocean effect, and build an inexhaustible source of power for the development of the industry.

Helping with the "Dual Carbon" goal to take back picturesque scenery. The construction industry has witnessed unprecedented growth thanks to urbanization. In the face of this trend, the construction industry will play a vital role in the practice of achieving the country's carbon peak and carbon neutrality goals. Based on "intelligent ecologicalization and ecological intelligence", Glodon proposed the theory of "dual-gene fusion and double spiral development" for smart ecology. We intelligently empowered ecological governance by building an ecological information model system, and used the ability of intelligent calculation of workloads and consumables to implement carbon accounting. By integrating advanced technologies represented by BIM, big data, cloud computing, mobile Internet, IoT, intelligent hardware, etc., we enable the implementation in application scenarios such as planning, design, construction, management, and services. We make every effort to create a sustainable green ecosystem in the construction field, assist society in reducing carbon dioxide emissions, and help to achieve comprehensive green and low-carbon production and lifestyle in a steady and orderly manner.

Promoting sharing and advocating good deeds. Enterprises are the main entities that safeguard social and public interests. They shoulder not only economic and legal responsibilities, but also social and moral responsibilities. A virtuous man will be commemorated by future generations. Only companies that actively undertake social responsibilities are the most competitive and viable. The destiny of an enterprise is closely linked to national development and human welfare. Adhering to the philosophy of "digital technology for good", we have been constantly improving ourselves, and making efforts in exploring cutting-edge technology, cultivating elites and talents, creating homes for employees, and building a harmonious society. We use the core capabilities to solve social problems, serve society, deliver care, create social value, promote the development of science and technology, and benefit human society.

From starting a business for the first time to starting a new undertaking, Glodon has always kept the mission and dream in mind. We have continued to learn, practice, summarize, iterate, seek truth and do things practically. We pool talents together and treat them well, and join hands with all sectors of society to promote the sustainable development of the Company and society. In the future, Glodon will continue to ride the wind and contribute to the digital transformation and upgrading of the construction industry. We will continue to strive to create beautiful buildings that are green, smart and livable for the future.

March 2022

ABOUT GLODON

Company Profile

Glodon Company Limited is a digital building platform service provider. Based on the construction industry, the Company provides customers with digital software and hardware products, solutions and related services around the entire life cycle of projects. Glodon is committed to realizing the connection of every project to water, electricity, and digital building platform. We work hard for the success of the second entrepreneurship. Glodon will continue to help the transformation and upgrading of the construction industry under the guidance of "digital building", and use technology to make every project a success and help every practitioner have achievements.

Glodon was listed on the Shenzhen Stock Exchange in 2010. It is the first A-share listed company in the informatization of engineering construction in China, and its stock code is 002410.

23 years of practical experience

Served **310,000** corporate clients

Served **6** million+ construction projects

Served **10** million+ end users

9,486 existing employees

Revenue: **5.562** billion yuan, with a year-on-year increase of 40.92%

Operating profit: **758** million yuan, with a year-on-year increase of 83.10%

R&D investment accounts for **29.23%** of the revenue

Accumulated **204** authorized patents

Accumulated **907** software copyrights
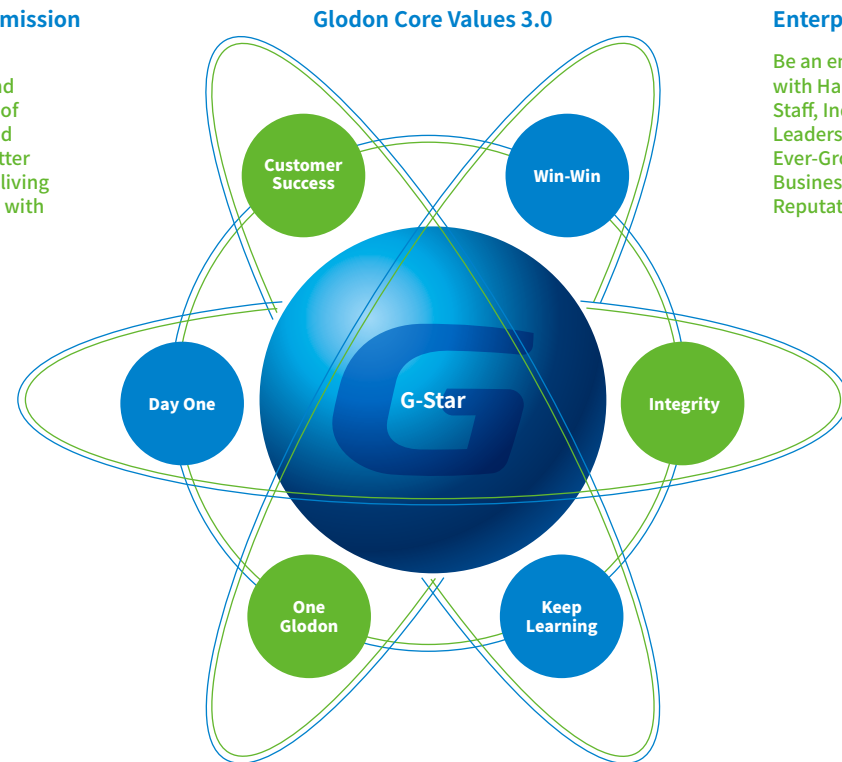
Won more than **450** awards of various types

The above data are as of December 31, 2021

Core Values

The values of an enterprise are the cornerstone of its philosophy of sustainable development. The values that keep pace with the times will better guide the actions of the enterprise and promote its sustainable development. Glodon continues to dynamically upgrade corporate values to guide the realization of its goal for the second entrepreneurship. In the process of updating and upgrading values, the company fully considered the opinions and suggestions of all parties. After 1 year and 9 rounds of top-down discussions and bottom-up summaries (the forms of participation include discussions among high-level managers, discussions among middle-level cadres to determine consensus, and discussions among all employees to give suggestions and feedback), a total of more than 300,000 words of written materials were generated. In the end, by summarizing these written materials, the Glodon Core Values 3.0 was formed. The Company has truly achieved the gathering of wisdom, strength, and consensus, and promoted the rapid integration and development of corporate values in the concept and awareness of all employees.

Enterprise mission

Generate happiness and engagement of our teams and develop a better working and living environment with technology

Glodon Core Values 3.0

Customer Success
Win-Win
Day One
G-Star
Integrity
One Glodon
Keep Learning

Enterprise vision

Be an enterprise with Happy Staff, Industrial Leadership, Ever-Growing Business and Good Reputation

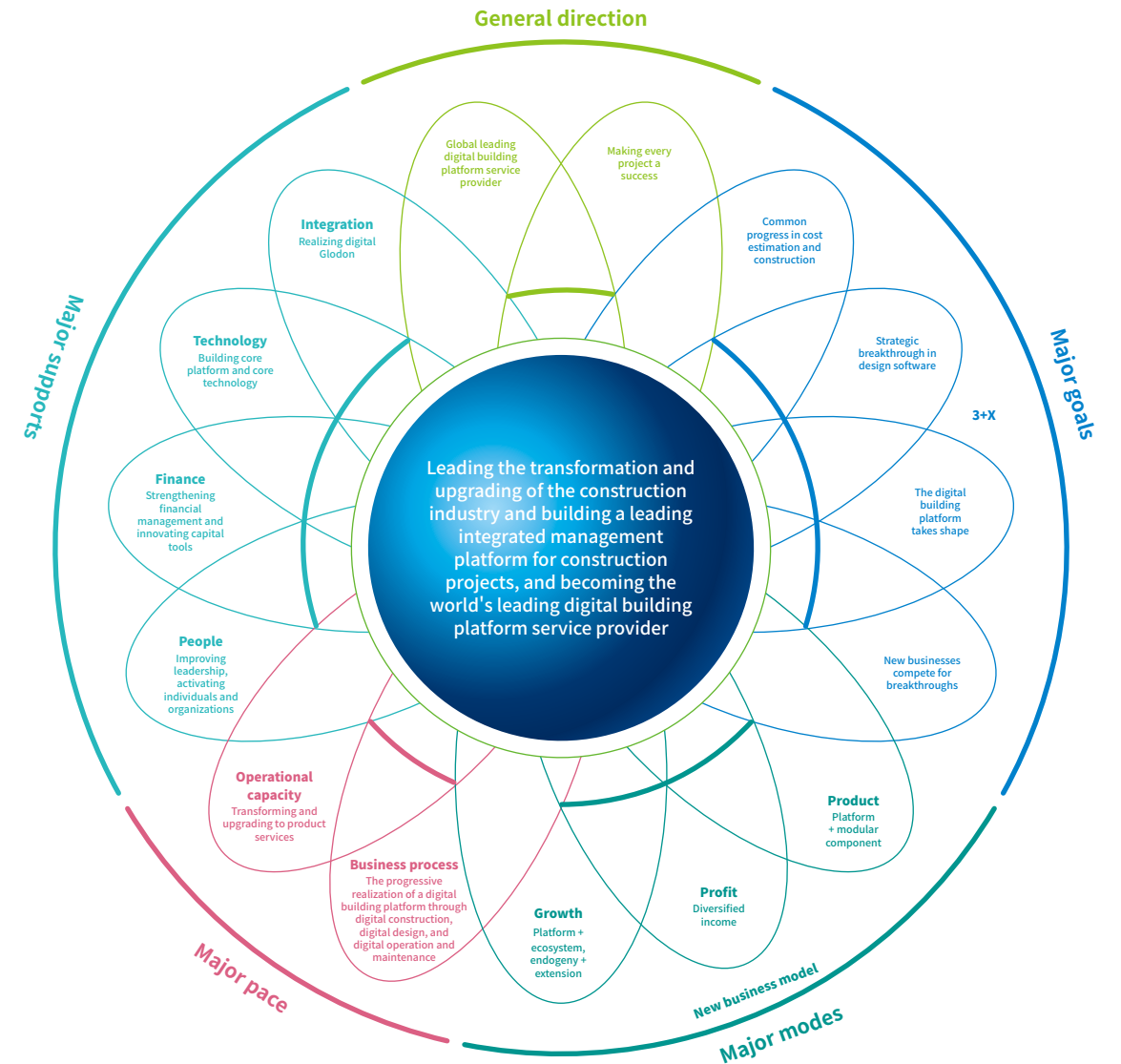### Sharing of values and ideas to promote organizational integration

After the strategic reorganization with Luoyang Hongye Information Technology Co., Ltd., Glodon Company Limited used the domestic independent graphics platform technology to build a digital building platform integrating design and construction, which will effectively promote the integration of resources and the generation of complementary advantages. In 2021, Glodon actively shared its corporate mission and Glodon Core Values 3.0 through strategic mobilization meetings, organizational culture integration and other activities. By sharing corporate culture and corporate values, it strengthened communication and exchanges between employees, which effectively accelerated the rapid integration of the Hongye team within one year to jointly facilitate the digital transformation and upgrading of the entire industry chain.

Development Strategy

2020 to 2022 is Glodon's eighth three-year strategic planning period (referred to as the "8th Three-year Strategic Plan "), and 2021, which forms a connecting link between the preceding year and the following year, is a crucial year for the 8th Three-year Strategic Plan. With the 3+X business strategy, the Company is striving to build an Internet platform for the digital construction industry, providing digital services for the entire life cycle of projects, and leading the transformation and upgrading of the construction industry, so as to become the world's leading service provider of digital construction platform.

Glodon's overall strategic plan

General direction

Major supports

Major goals

Integration
Realizing digital Glodon

Global leading digital building platform service provider

Making every project a success

Common progress in cost estimation and construction

Technology
Building core platform and core technology

Strategic breakthrough in design software

3+X

Finance
Strengthening financial management and innovating capital tools

The digital building platform takes shape

Leading the transformation and upgrading of the construction industry and building a leading integrated management platform for construction projects, and becoming the world's leading digital building platform service provider

People
Improving leadership, activating individuals and organizations

New businesses compete for breakthroughs

Operational capacity
Transforming and upgrading to product services

Product
Platform + modular component

Business process
The progressive realization of a digital building platform through digital construction, digital design, and digital operation and maintenance

Growth
Platform + ecosystem, endogeny + extension

Profit
Diversified income

Major pace

New business model

Major modes

Social Recognition

With professional products, perfect services and scientific management, Glodon has become the backbone of the informatization service industry in the field of construction engineering and has been highly recognized by government departments, industry associations and clients. By the end of 2021, the Company has won more than 450 awards of various types.

Industry honors

Top 100 Private Enterprises in Beijing

Beijing Federation of Industry and Commerce

2021 Beijing Top 100 Technologically Innovative Private Enterprises

Beijing Federation of Industry and Commerce

"BIM-based smart site management system" was selected as a typical case of smart construction with new technology, new product and innovative services

Ministry of Housing and Urban-Rural Development

"2021 Enterprise with Software Core Competitiveness (Scale) in Beijing"

Beijing Software and Information Service Industry Association

Glodon's public resource big data application platform won the "2021 Digital Government Product and Technology Innovation Award"

China Information Industry Association

National-level software information security certification

State Information Center Software Testing Center (STC)

2021 Top 50 Big Data Enterprises in China

China Big Data Industry Ecology Conference

2021 Top 30 Pioneer Enterprises with Digital Empowerment

China Big Data Industry Ecology Conference

2021 New Infrastructure Star Enterprise List

China Big Data Industry Ecology Conference

Most Competitive Product Award for Digital and Software Services in China

2021 China International Digital and Software Service Fair

BIM Software Innovation Evaluation Certificate (Grade S)

CTTL of CAICT

The Smart Park of Quanzhou Core Valley Nan'an Branch won the first prize among the excellent cases of China's Smart City Pioneer List

Smart City Expo

Honors in the capital market

MSCI ESG Rating in 2020 (Grade A)

Morgan Stanley Capital International (MSCI)

Wind ESG Rating in 2021 (Grade A)

Wind Information Co., Ltd.

2021 China Listed Company Jinglun Awards, Best Company Leader of the Year

China Fund

2021 China Listed Company Jinglun Awards, Listed Company Most Favored by Public Offering

China Fund

2021 China Listed Company Jinglun Award, Annual Company with Outstanding Investment Values

China Fund

Social Responsibility Award for A-share Listed Companies in the 15th "China Listed Company Value Selection"

STCN

Top 100 Most Valuable Main Board Listed Companies in the 15th "China Listed Company Value Selection"

STCN

The 12th China Listed Company Investor Relations Tianma Award, Best Investor Relations Award

STCN

The 12th China Listed Company Investor Relations Tianma Award, Best Board of Directors Award

STCN

2021 Excellent Practice Cases of Listed Companies' Directors Office

China Association for Public Companies

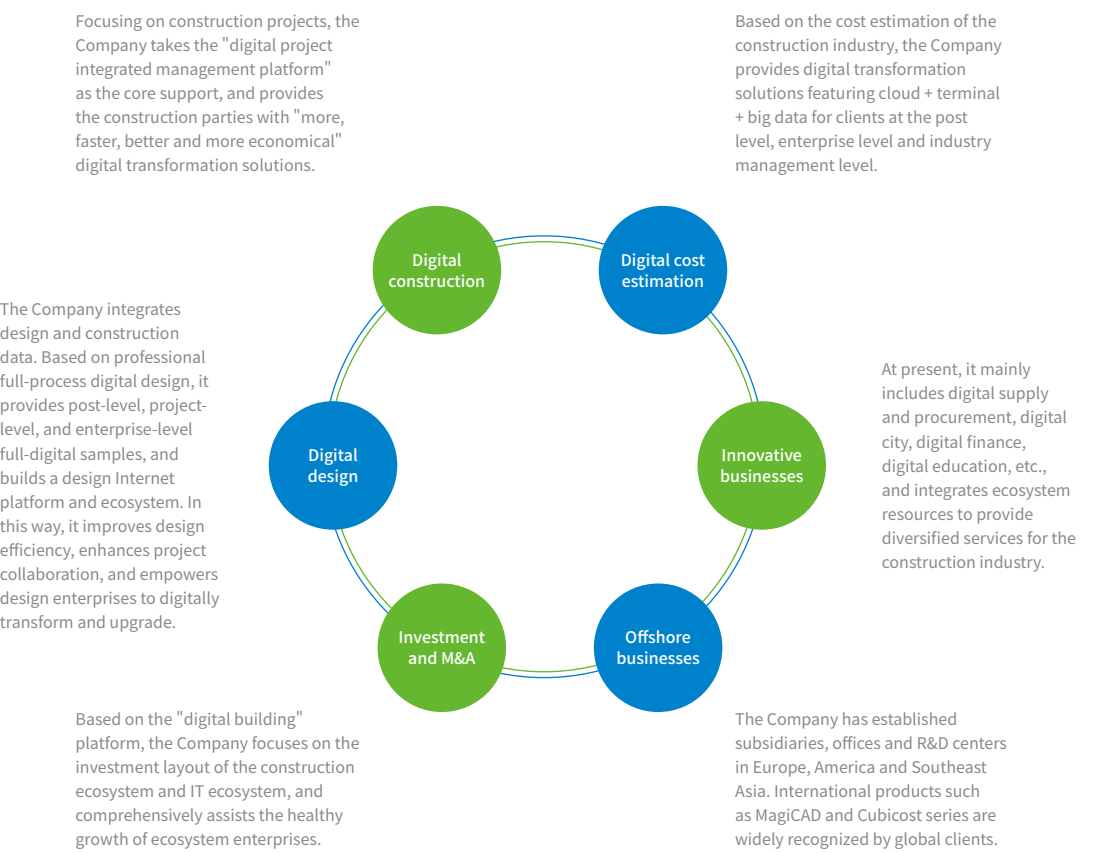**The 23rd Golden Bull Award for Listed Company**

China Securities Journal

Leadership Award of the 23rd Golden Bull Award for Listed Company

China Securities Journal

The above are some of the awards won by Glodon in 2021

Business Sectors

Diversified Businesses

Based on the construction business, Glodon is gradually expanding from the bidding stage to the entire life cycle of projects. Its business covers design, cost estimation, construction, operation and maintenance, supply and procurement, parks, as well as finance, universities, investment, mergers and acquisitions and other fields. The Company's business forms cover tool software, solutions, big data services, mobile APPs, cloud computing services, intelligent hardware equipment, industry financial services, etc.

Focusing on construction projects, the Company takes the "digital project integrated management platform" as the core support, and provides the construction parties with "more, faster, better and more economical" digital transformation solutions.

Based on the cost estimation of the construction industry, the Company provides digital transformation solutions featuring cloud + terminal + big data for clients at the post level, enterprise level and industry management level.

The Company integrates design and construction data. Based on professional full-process digital design, it provides post-level, project-level, and enterprise-level full-digital samples, and builds a design Internet platform and ecosystem. In this way, it improves design efficiency, enhances project collaboration, and empowers design enterprises to digitally transform and upgrade.

At present, it mainly includes digital supply and procurement, digital city, digital finance, digital education, etc., and integrates ecosystem resources to provide diversified services for the construction industry.

- Digital construction
- Digital cost estimation
- Digital design
- Innovative businesses
- Investment and M&A
- Offshore businesses

Based on the "digital building" platform, the Company focuses on the investment layout of the construction ecosystem and IT ecosystem, and comprehensively assists the healthy growth of ecosystem enterprises.

The Company has established subsidiaries, offices and R&D centers in Europe, America and Southeast Asia. International products such as MagiCAD and Cubicost series are widely recognized by global clients.
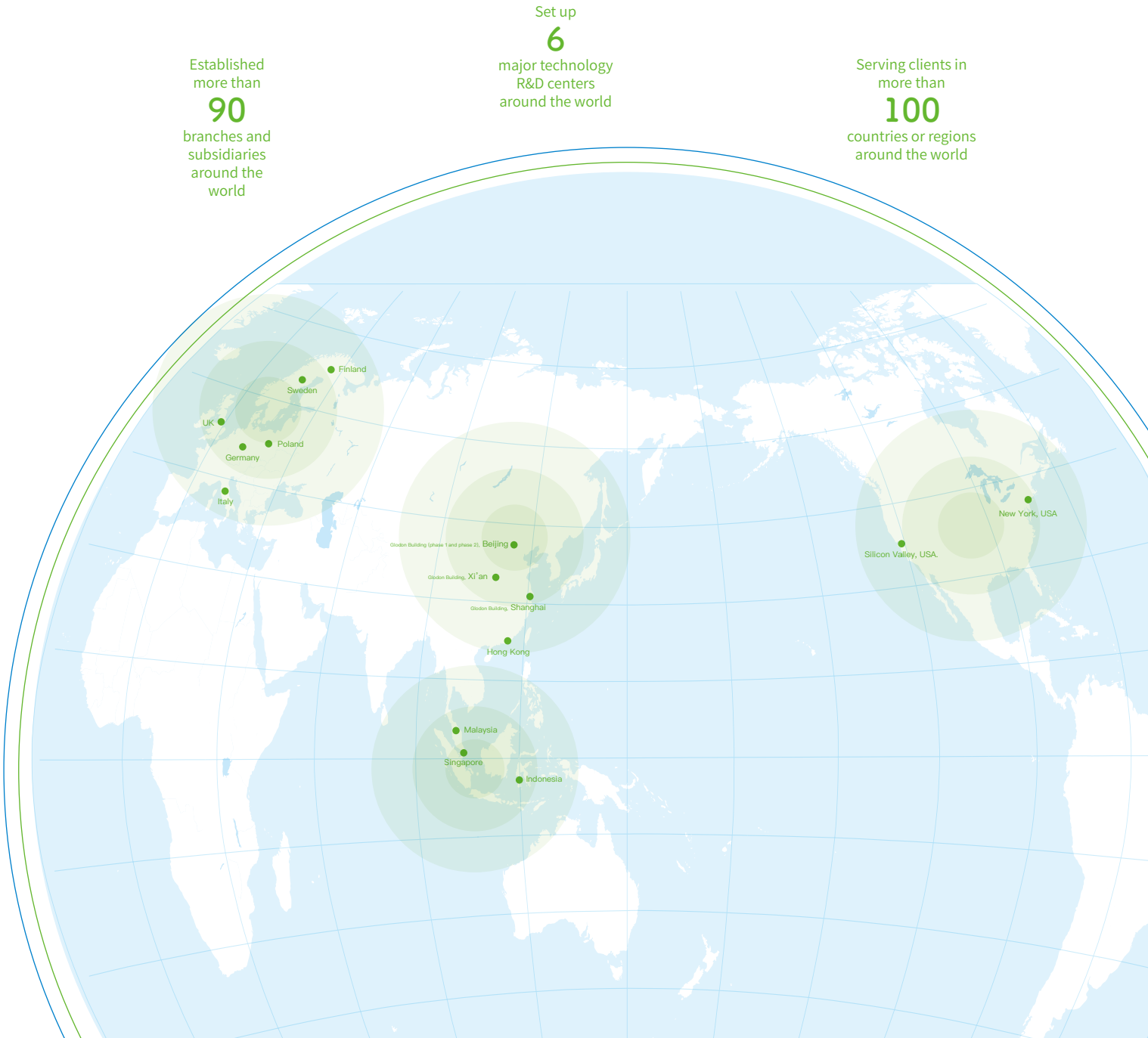
Let digital design start here and shape the future of a smart and innovative industry

The digital transformation of design enterprises has become an industry consensus. In October 2021, Glodon actively launched a new Glodon digital architectural design product with independent intellectual property rights. As a new generation of architectural design software for designers, it has the ability to integrate 3D design modeling, inter-professional collaboration and rapid production of construction drawings. This product frees more people from repetitive work, makes production capacity more focused on creativity, improves design efficiency, reduces design costs, provides ecosystem partners with a complete and stable basic development environment, and promotes the transformation and upgrading of the construction industry.

Global Development

Glodon has established more than 90 branches and subsidiaries around the world, and set up subsidiaries, offices and R&D centers in the United States, Britain, Finland, Sweden, Poland, Germany, Italy, Singapore, Malaysia, Indonesia, Hong Kong, Chinese Mainland, etc. These organizations, with subsidiaries in Finland, the United Kingdom and Sweden as the core, radiate the European market. Subsidiaries in Singapore, Malaysia and Hong Kong drive the Southeast Asian market with their regional advantages. Glodon serves customers in more than 100 countries around the world, and provides nearly 100 professional application products and services for more than 310,000 corporate clients.
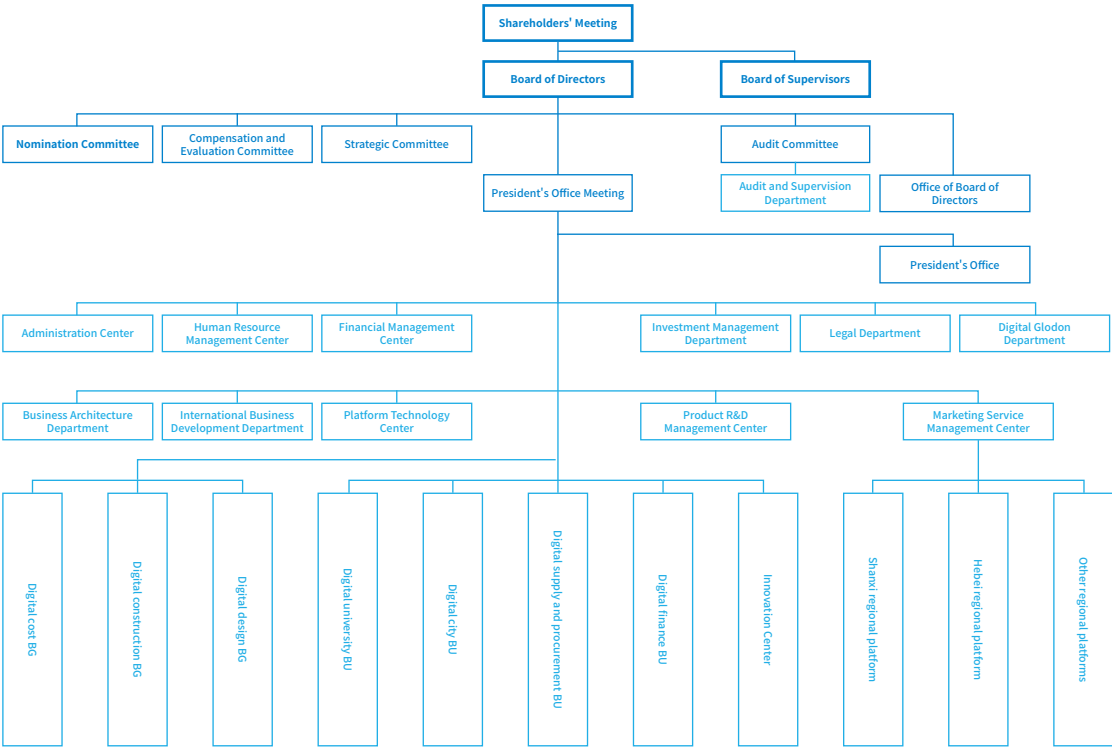
Established more than
90
branches and subsidiaries around the world

Set up
6
major technology R&D centers around the world

Serving clients in more than
100
countries or regions around the world

Finland
Sweden
UK
Poland
Germany
Italy
Glodon Building (phase I and phase II), Beijing
Glodon Building, Xi'an
Glodon Building, Shanghai
Hong Kong
Malaysia
Singapore
Indonesia
New York, USA
Silicon Valley, USA

CORPORATE GOVERNANCE

Governance Structure and Operation of the Three Meetings

Glodon has been continuously optimizing its corporate governance mechanism so as to achieve improved corporate governance. In the process of promoting corporate ESG management, based on the goal of improving the corporate governance system, Glodon continues to optimize the governance structure, improve the operation mechanism of the three meetings, and facilitate management efficiency.

Governance Structure

Glodon strictly abides by the relevant laws and regulations of the regulatory authorities, and has established a corporate governance structure in which the Shareholders' Meeting, the Board of Directors, the Board of Supervisors and the Senior Management are separated from each other. The Shareholders' Meeting, the Board of Directors and Special Committees, the Board of Supervisors, the Senior Management and relevant functional departments have clear powers and responsibilities, and they supervise, assist and complement each other.

Glodon's 2021 Organizational Structure

Shareholders' Meeting

Shareholders' Meeting is the supreme authority of the Company. In accordance with the requirements of the *Company Law of the People's Republic of China* and other laws and regulations, the *Articles of Association and the Rules of Procedure for Shareholders' Meeting,* Glodon guarantees the compliant operation of Shareholders' Meeting, actively provides convenience for shareholders to exercise their rights, and effectively protects the legitimate rights and interests of shareholders, especially small and medium shareholders. During the reporting period, a total of 2 meetings were held, i.e. the Annual Shareholders' Meeting and Extraordinary Shareholders' Meeting, and 26 proposals were reviewed. The participation ratio of investors was 59.89% and 61.82% respectively, and the participation ratio of small and medium investors was 38.64% and 40.63% respectively. This shows that investors actively participate in the decision-making on important matters of the Company. As of the end of 2021, the Company's top 10 shareholders owned 50.94% shares, and directors, supervisors and senior management owned 21.16% shares.

Directors and Board of Directors

The Board of Directors of the Company consists of 9 directors (including 1 female director), including 3 independent directors. The members of the Board of Directors have a reasonable professional structure and possess the knowledge, skills and qualities required to perform their duties. The directors of the Company attended the Shareholders' Meeting and the board meetings on time, actively participated in business training and training on relevant laws and regulations, and conscientiously performed their duties. In 2021, a total of 10 board meetings were held, and 47 proposals were reviewed. The proportion of directors participating in the meetings was 100%.

The Company's Board of Directors has four special committees: Strategic Committee, Nomination Committee, Compensation and Evaluation Committee, and Audit Committee.

Strategic Committee

It consists of six directors. During the reporting period, 4 meetings were held. The committee coordinated the Company's long-term development strategy and the "8th Three-year Strategic Plan " planning, output the investment business positioning, ecosystem model and other strategic directions and specific goals, reviewed the internal and external environment, business conditions, capital market and other aspects in the post-pandemic period, and completed the closed-loop strategic management work.

Nomination Committee

It consists of three directors, two of which are independent directors. The committee selected directors and senior management candidates according to the Company's strategic plan, and made reasonable suggestions on the appointment and removal system and process of directors and senior management.

Compensation and Evaluation Committee

It consists of three directors, two of which are independent directors. During the reporting period, 6 meetings were held. The committee reviewed the annual performance of duties and remuneration of directors and senior management, participated in the formulation of annual remuneration assessment and performance appraisal standards, and formulated the 2021 equity incentive plan.

Audit Committee

It consists of three directors, two of which are independent directors. During the reporting period, 6 meetings were held. The committee reviewed the annual internal audit summary and plan, and the quarterly internal audit work reports, supervised and guided the annual report audit work of the external audit institution, put forward suggestions for improvement on the concerns of the audit institution, and guided the construction of the Company's internal control system.

Supervisors and the Board of Supervisors

The Company's Board of Supervisors consists of 3 supervisors, including 1 employee supervisor (female). In accordance with the relevant provisions of the *Company Law of the People's Republic of China,* the *Articles of Association and the Rules of Procedure for Board of Supervisors,* the Company's Board of Supervisors faithfully performs its supervisory duties in the spirit of being serious and responsible to all shareholders to ensure that the Company abides by and complies with Chinese laws and regulations, the listing rules, the Company's articles of association and other relevant regulations. It promotes the standardized operation of the Company and strives to safeguard the legitimate rights and interests of the Company and its shareholders. In 2021, a total of 9 meetings of the Board of Supervisors were held, and 32 proposals were reviewed. The proportion of supervisors participating in the meetings was 100%.
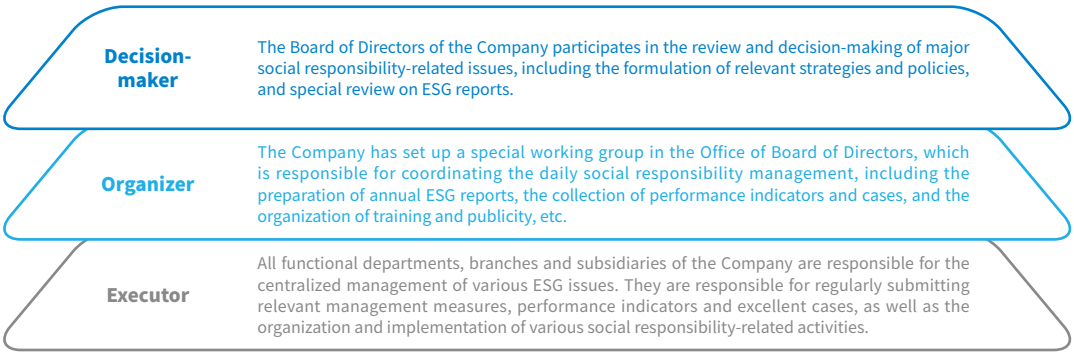
Senior Management

The Senior Management is the executive body of the Company. The personnel are appointed by the Board of Directors and are responsible to the Board of Directors. According to the provisions of the *Company Law of the People's Republic of China and Articles of Association* and the authorization of the Board of Directors, the Senior Management implements the resolutions of the Board of Directors and organizes the Company's production, operation and other business activities. As of the end of 2021, the Company had a total of 8 senior management individuals (including 2 female executives), of which 4 were members of the Company's Board of Directors. During the reporting period, a total of 20 regular meetings of the President's Office were organized.

ESG Management

Glodon earnestly implemented regulatory requirements, continuously improved the ESG organization system of the Company, enhanced supervision over the management and raised their daily ESG management awareness, and promoted the integration of ESG management into the corporate governance system. In 2021, on the basis of stakeholder participation, Glodon identified ESG substantive issues, enhanced communication with stakeholders, gathered references and suggestions for ESG management of the Company, and continuously improved the Company's information disclosure quality and capability.
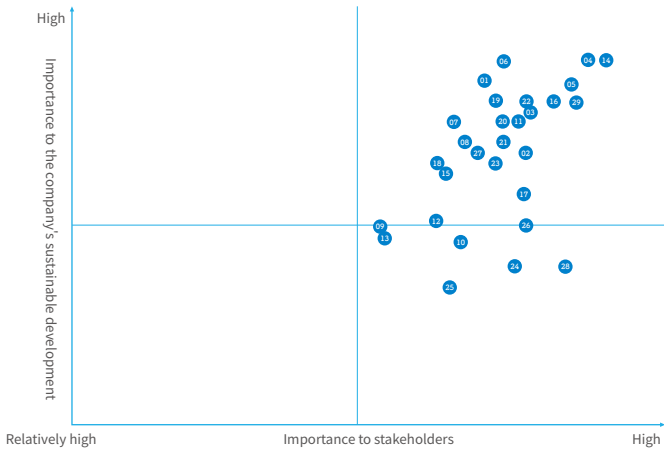
ESG Organization System

In order to fully implement sustainable development and ensure that the company effectively manages its social responsibilities, the Company has established a social responsibility management system led by the Board of Directors, organized by the Office of Board of Directors, and implemented by relevant functional departments. In this way, the specific division of labor and responsibilities are clarified.

Decision-maker
The Board of Directors of the Company participates in the review and decision-making of major social responsibility-related issues, including the formulation of relevant strategies and policies, and special review on ESG reports.

Organizer
The Company has set up a special working group in the Office of Board of Directors, which is responsible for coordinating the daily social responsibility management, including the preparation of annual ESG reports, the collection of performance indicators and cases, and the organization of training and publicity, etc.

Executor
All functional departments, branches and subsidiaries of the Company are responsible for the centralized management of various ESG issues. They are responsible for regularly submitting relevant management measures, performance indicators and excellent cases, as well as the organization and implementation of various social responsibility-related activities.

Analysis of Substantive Issues

From the perspectives of "importance to sustainable development of the Company" and "importance to stakeholders", we solicited opinions from stakeholders such as partners, customers, company employees, and the public through targeted delivery and open online distribution of Glodon's 2021 Questionnaire on ESG Issues. A total of 101 valid questionnaires were received. Through data analysis, expert and management review, etc., we identified, screened and ranked the Company's ESG substantive issues, and finally determined Glodon's 2021 ESG substantive issues.

High ← Importance to the company's sustainable development

Relatively high — Importance to stakeholders — High

Analysis Matrix of Substantive Issues in Glodon's 2021 Environmental, Social and Governance Report

01 Serve the implementation of the national strategy
02 Safeguard the rights and interests of shareholders
03 ESG management
04 Govern the enterprise according to law
05 Risk management
06 Compliant operation
07 Anti-corruption
08 Investor relations management
09 Reduce all kinds of emissions
10 Save energy resources

11 Green building
12 Address climate change
13 Practice low carbon concept
14 Information security and privacy protection
15 Safety operations and emergency management
16 Innovative developments
17 Supply chain sustainability
18 Green office
19 Emergency response
20 Safeguarding employees' rights

21 Professional development of employees
22 Occupational health and safety of employees
23 Care for employees
24 Community investment and development
25 Volunteer activities
26 Win-win cooperation with partners
27 Corporate culture building
28 Rural revitalization
29 Drive industry development

Stakeholder Engagement

We focus on identifying internal and external stakeholders in the management and operation process, pay attention to their expectations and demands, and promote the engagement and cooperation of stakeholders through targeted and effective communication methods.

Stakeholders	Expectations and demands	Response channels and methods
Governments	• Legal compliance • Employment promotion • Risk management and control • National strategy implementation • Technological innovation	• Improving corporate governance • Implementing national policy • Operating in compliance with laws and paying taxes • Information disclosure • Daily communication, reporting and reception of visitors
Investors	• Compliant operation • Risk management • Corporate governance	• Shareholders' Meeting • Periodic reports and announcements • Investor communication meeting
Customers	• Improving product quality and service quality • Information disclosure	• Product innovation • Improving customer service system • Customer satisfaction survey and open communication
Partners	• Leading the industry • Responsible procurement • Performing the contract according to the law • Open and transparent information • Communication and cooperation	• Fair, just and open procurement • Building a responsible supply chain • Carry out industry exchanges and special training • Strengthening strategic cooperation between governments, enterprises, and educational and research institutions
Employees	• Protecting employees' rights and interests • Occupational health and safety of employees • Professional development of employees • Care for employees	• Protecting the legitimate rights and interests of employees such as compensation and benefits according to regulations • Consultation and employee representative meeting • Organizing safety training and regular medical examinations • Providing vocational training and promotion opportunities • Providing a good working environment
Environment	• Implement the "Dual Carbon" goals • Energy saving • Addressing climate change	• Promote green building • Green procurement and green office • Practice low carbon concept
Public	• Stable employment • Transparent operation	• Provide employment opportunities and training • Open day activities
Community	• Community development • Public welfare • Rural revitalization	• Strengthening community communication and participating in community building • Carrying out volunteer and charitable activities • Implementing the rural revitalization strategy
Media	• Response to hot issues • Information disclosure	• Regular and irregular reports • Open day activities

Investor Relations Management

Glodon attaches great importance to investor relations management, pays attention to understanding the needs of investors, and constantly improves the content of company information disclosure. It provides a smooth communication channel for all investors, especially small and medium shareholders, and continuously improves the quality and ability of information disclosure to lay a good foundation for the sustainable development of the Company.

Standardizing Information Disclosure

We have formulated the *Information Management and Disclosure System* and other systems to clarify the collection, processing and transmission procedures, transmission scope and accountability system of internal information. We promote investor exchanges by issuing regular or interim announcements, organizing exchange meetings and teleconferences, etc.

2021

A total of more than **160** investor exchanges were held, and a total of more than **3,000** investors were received

A total of **4** regular report teleconferences were held, covering **1,488** investors at home and abroad
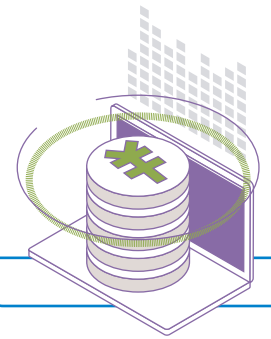
Issued **181** public announcements

Obtained Grade **A** in the information disclosure assessment of Shenzhen Stock Exchange

Improve the substantiality of information disclosure

Measuring the effectiveness of information from aspects such as industry conditions, business conditions, and financial indicators, expanding the scope of information, increasing the amount of information, and providing comprehensive references for investors to make decisions.

Smooth communication channels

Opening the investor hotline, the mailbox of the board secretary, the "Shenzhen Stock Exchange Interaction" platform, Shareholders' Meeting, road shows, the offline + online research and interaction, etc. A total of 9 records of investor relations activities were formed to ensure smooth communication between all investors, especially small and medium investors, so that they can understand the Company's business progress in a timely and fair manner.

Investor Conference - Investor Relations that Make Investors Feel Warm

On May 18, 2021, Glodon organized the annual investor conference in the form of on-site research + online meeting. A total of 393 people attended this investor conference, among which 383 were from investment institutions, 9 were from the media, and 1 was an individual investor. The Chairman and senior management had in-depth exchanges with investors on strategic issues such as the Company's development strategies, risks and challenges faced by the industry, as well as some specific issues, and carefully listened to investors' concerns, opinions and suggestions. The conference enhanced their communication and understanding with each other.

As of 2021, the Company has held investor conferences for 9 consecutive years, and the investor conference has become an important event to enhance communication between Glodon and domestic and foreign investors.

Safeguarding the Rights and Interests of Shareholders

The Company comprehensively considers its strategic planning and business development, and insists on providing shareholders with sustainable and reasonable dividend returns. When formulating the profit distribution plan, pay attention to the opinions of small and medium shareholders. Ensure that the review procedures are legal and compliant, and the implementation of the cash dividend policy complies with the provisions of the *Articles of Association*. The company was listed in May 2010, and by the end of 2021, it has implemented 12 consecutive cash dividends, with a cumulative amount of 2.798 billion yuan and a dividend rate of 60.21%.
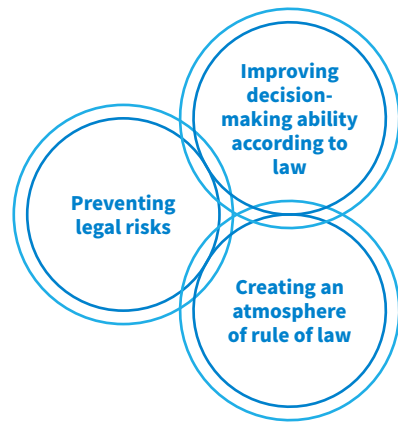
Compliant Operation and Anti-corruption

Glodon upholds law-abiding and compliant operation, and has established and improved its compliance management system. It promotes the healthy and sustainable development of the Company by strengthening the legal compliance awareness of all employees, improving the ability of corporate governance and risk management according to law, and establishing and improving internal anti-corruption and supervision mechanisms.

Law-based Governance

We strictly abide by governing the enterprise according to law, constantly innovate the legal service and legal management model, improve the Company's legal system, enhance the Company's legal capabilities, and build a culture of the rule of law to promote the employees' awareness of legal compliance, and continue to promote the Company's legal governance, legal decision-making, and legal operations.

- We have promulgated the *Measures for the Management of Disputes and Litigation Cases in Glodon, Measures for the Management of Contract Templates, Measures for the Management of Letters from Lawyers* to standardize and improve the legal risk management foundation in the company's operations.
- In response to legal issues in business implementation, we have carried out trainings on contract risk management, employee daily behavior norms, and employment risk management for various types of employees to prevent business legal risks.

Improving decision-making ability according to law

Preventing legal risks

Creating an atmosphere of rule of law

- We have established a monthly reporting mechanism for the management. The management should learn and understand the Company's business risk analysis and the interpretation of the latest laws and regulatory policies on a monthly basis.

- We have set up a small legal class to conduct legal publicity to all employees of the Company through emails and corporate WeChat every week.

Compliant Operation

We focus on strengthening compliance management, and keep improving the compliance management system. We adopt the project-based management method to promote the implementation of the anti-monopoly compliance special action and the human resources compliance special action to promote a more systematic compliance management. We introduce professional compliance talents to provide compliance professional empowerment and compliance tool support for the Company's compliance management work, so as to promote the scientific and standardized internal management of the Company.

Risk Management

We continue to establish and improve the risk prevention mechanism and internal risk control system. We have established a timely early warning mechanism and a rapid response mechanism, as well as a process system and a responsibility system to improve and build the Company's internal control and internal audit system. Based on the internal control guidelines and the Company's business status, we summarized and identified 57 risks, and formulated the Company's risk map to consolidate the Company's risk prevention and control foundation.

In 2021, a total of 107 audit rectification suggestions were put forward, 59 rectifications were implemented in that year, and the rectification rate was 55%. The audit avoided economic losses of 2.252 million yuan.

Anti-corruption

We have constantly improved the anti-corruption management system, and established and improved the internal and external supervision and reporting mechanism to encourage employees to participate in anti-corruption governance. We have unblocked the corruption reporting channel, and carried out integrity training activities covering the Board of Directors and management personnel, so as to build a business environment featuring integrity, civility and self-discipline. In 2021, a total of 8 cadres of the Company were investigated for violations of disciplines and laws, involving occupational embezzlement, embezzlement of corporate funds, acceptance of bribes, private engraving of official seals, etc.. We carried out integrity education and interviewed 11 employees. There was no corruption lawsuit in the Company throughout the year.
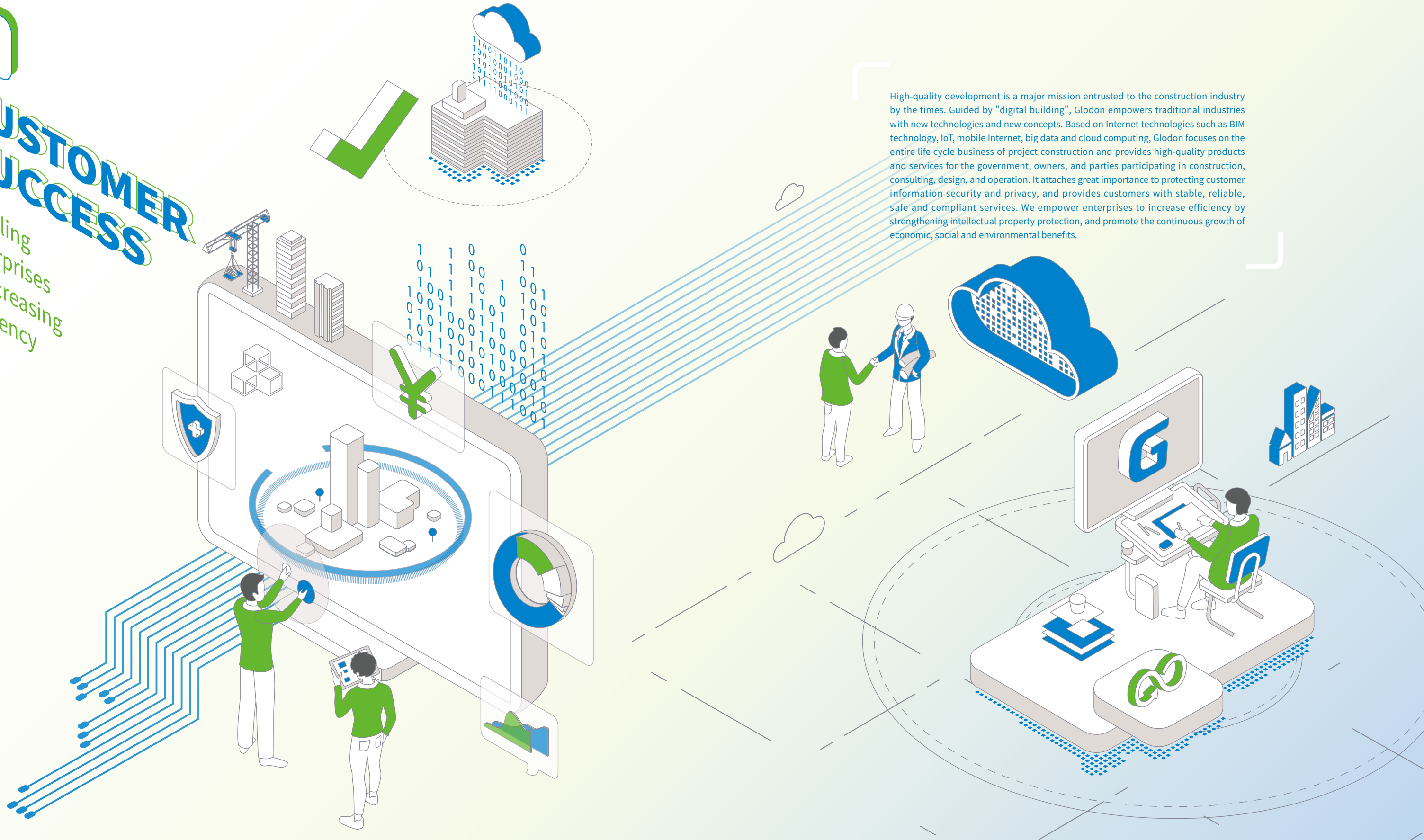
- We improved the *Whistleblowing Management System* to encourage employees to monitor and report internal violations of laws and regulations.

Improving the institutional foundation

Smooth whistleblowing channels

Conducting anti-corruption training

- We set up the Glodon Sunshine and Integrity Platform to unblock channels for the public, employees and other stakeholders to supervise and report on internal employees and partners.
- We joined the Sunshine Integrity Alliance, and cooperated with partners to carry out supervision and governance of dishonest and corruptive behaviors.

- We continued to carry out anti-corruption training and activities to create a good atmosphere featuring integrity and self-discipline .
- In 2021, the company conducted a total of 2 sessions of integrity training through live broadcast, and more than 330 managers participated.

Sustainable Development Goals

I

CUSTOMER SUCCESS
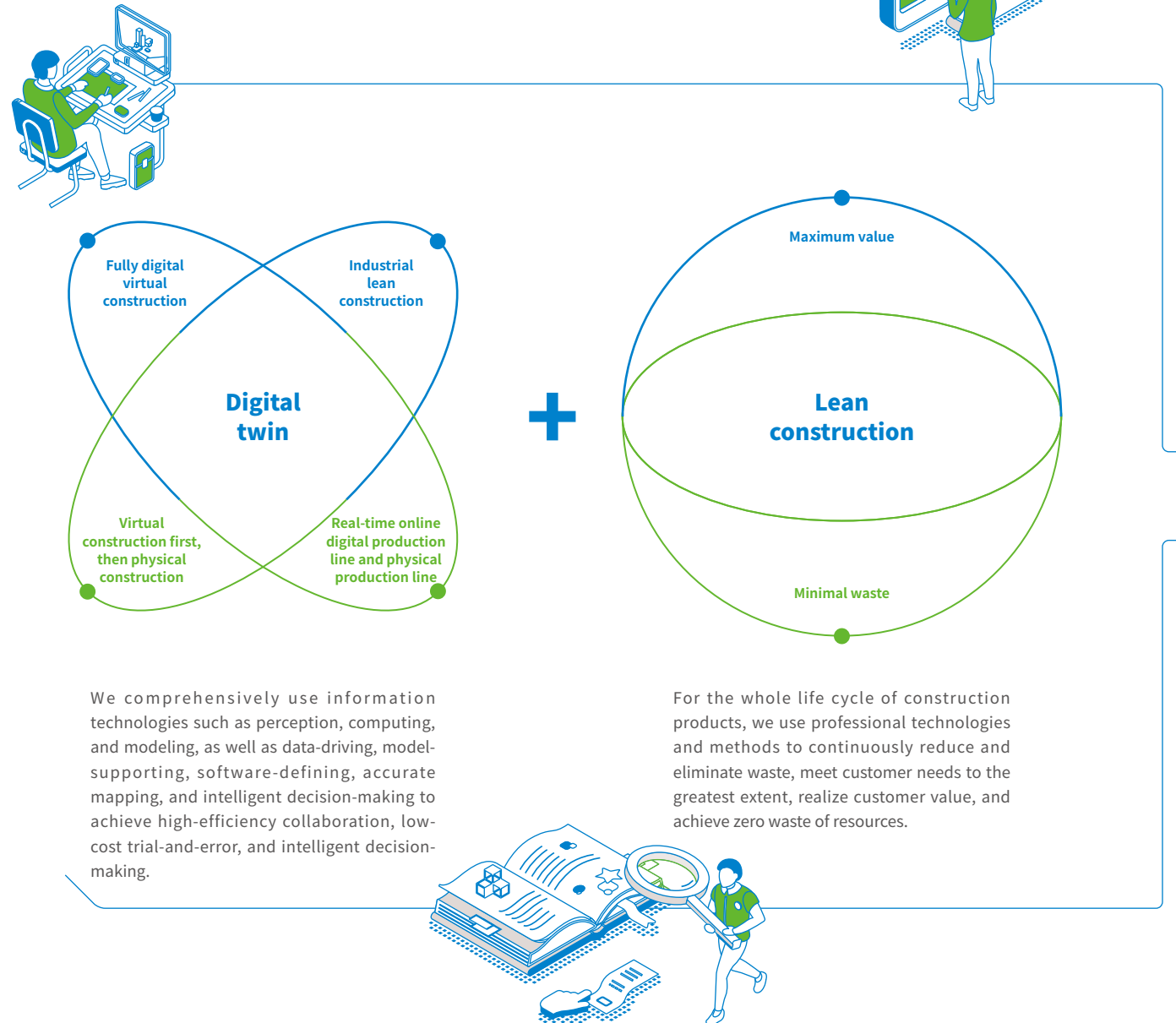
Enabling
Enterprises
in Increasing
Efficiency

High-quality development is a major mission entrusted to the construction industry by the times. Guided by "digital building", Glodon empowers traditional industries with new technologies and new concepts. Based on Internet technologies such as BIM technology, IoT, mobile Internet, big data and cloud computing, Glodon focuses on the entire life cycle business of project construction and provides high-quality products and services for the government, owners, and parties participating in construction, consulting, design, and operation. It attaches great importance to protecting customer information security and privacy, and provides customers with stable, reliable, safe and compliant services. We empower enterprises to increase efficiency by strengthening intellectual property protection, and promote the continuous growth of economic, social and environmental benefits.
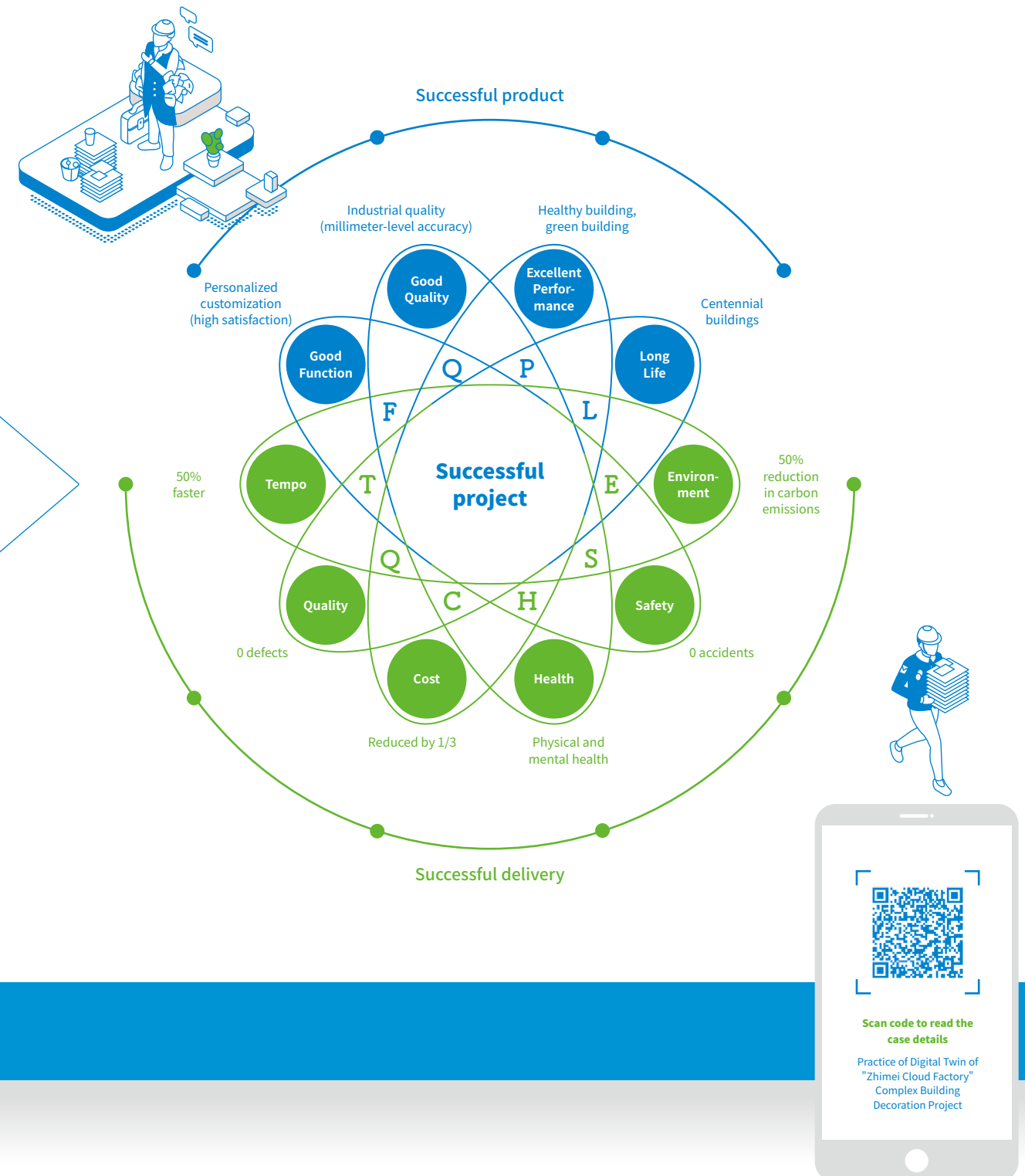
[Digital Building for a Smart Future]

USING TECHNOLOGY TO MAKE EVERY PROJECT A SUCCESS

Digital Twin and Lean Construction Help with Project Success

As a digital building platform service provider, Glodon uses digitization and informatization as means, drives business with data, and effectively integrates digital twins and lean construction. In "more, faster, better and more economical" ways, we use technology to make every project a success, realize the green, digital and industrial projects, promote the success of products and delivery, and facilitate the transformation and upgrading of the construction industry and the improvement of quality and efficiency, so as to achieve win-win results with our customers.

Digital twin

- Fully digital virtual construction
- Industrial lean construction
- Virtual construction first, then physical construction
- Real-time online digital production line and physical production line

+

Lean construction

- Maximum value
- Minimal waste

We comprehensively use information technologies such as perception, computing, and modeling, as well as data-driving, model-supporting, software-defining, accurate mapping, and intelligent decision-making to achieve high-efficiency collaboration, low-cost trial-and-error, and intelligent decision-making.

For the whole life cycle of construction products, we use professional technologies and methods to continuously reduce and eliminate waste, meet customer needs to the greatest extent, realize customer value, and achieve zero waste of resources.

Successful project

Successful product

- Industrial quality (millimeter-level accuracy)
- Healthy building, green building
- Personalized customization (high satisfaction)
- Centennial buildings
- Good Quality
- Excellent Performance
- Good Function
- Long Life
- Q
- P
- F
- L

- 50% faster
- 50% reduction in carbon emissions
- Tempo
- Environment
- T
- E
- 0 defects
- 0 accidents
- Quality
- Safety
- Q
- S
- Cost
- Health
- C
- H
- Reduced by 1/3
- Physical and mental health

Successful delivery

Scan code to read the case details

Practice of Digital Twin of "Zhimei Cloud Factory" Complex Building Decoration Project

Glodon广联达

ABOUT GLODON   CORPORATE GOVERNANCE   CUSTOMER SUCCESS   OPEN AND WIN-WIN   SMART ECOLOGY   COMMON DEVELOPMENT AND SHARED GROWTH   SPECIAL TOPIC

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Providing High-quality Products

Guided by "digital building", focusing on the entire life cycle of projects, and with "digital project integrated management platform" as the core support, Glodon provides post-level, project-level, enterprise-level, and industry-level professional solutions for stakeholders such as builders, designers, construction companies, government agencies, colleges and universities. Glodon continues to help with the transformation and upgrading of the construction industry, make every project a success and help every practitioner have achievements.

Making Every Project A Success

Based on the digital building platform, we continuously improve product value and lead the needs of users to realize "more, faster, better and more economical" construction projects, so as to make every project a success.

Efficient allocation of resources, intensive management of multiple projects

A group manages and controls on-site safety, production and other businesses of **900** projects under construction through a digital project integrated management platform.

More

Faster

Reducing defects and changes, and greatly shortening project duration

Beijing Daxing International Airport completed the construction of nearly 10,000 foundation piles **3** days ahead of schedule.

Improving project quality and safely delivering industrial-quality buildings

A total of **7 million** safety inspection photos were taken by the safety inspection product of a project.

Better

More economical

Adopting lean management to improve the economic benefits of construction enterprises

A company's profit margin of the phase I project of a senior high school increased by **50%**.

Country Garden - Application Platform of Cloud Services of Digital Cost Estimation

It achieved evidence-based cost audit, improved audit work efficiency, and made decision-making more accurate and smarter.

Helsinki Central Library Oodi - Mechanical BIM Whole Process Solution

The project established digital MEP models through MagiCAD, and made professional digital simulations based on real product parameters to optimize the performance of electromechanical systems and reduce procurement costs; It also used digital simulation on-site pre-commissioning to improve the efficiency of on-site MEP debugging.
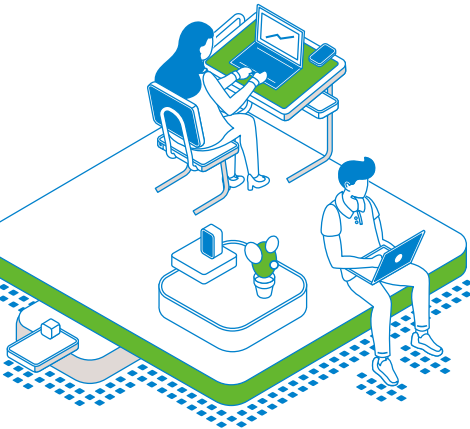
Guangdong Construction Material Price Monitoring System - Big Data Algorithm

It monitors, warns and forecasts material prices in Guangdong Province for the competent authorities of the construction cost estimation. It supports decision-making, improves the work efficiency of the cost estimation management department for monitoring and early warning of construction material prices, and enhances the risk management and control capabilities of construction materials.

Fuzhou Binhai New City - Integrated Platform of Planning, Construction and Management

The CIM-based integrated platform of planning, construction and management has realized the integrated management of urban planning with one blueprint, construction supervision with one network, and unified urban governance. It improves the quality of urban planning, the efficiency of construction supervision and the refined "cell-level" urban governance.

Facilitating the Transformation of Construction Enterprises

As a digital building platform service provider, we focus on the digital transformation needs of construction enterprises, pay attention to the three levels of digital transformation of construction enterprises, are committed to promoting the digital transformation and development of posts, project management, and enterprise management in construction enterprises, so that products and services can become valuable to enterprises and promote high-quality development of enterprises.

Applying BIM + Smart Construction Site Technology to Help with the Construction of Key Medical Project

For the Shenzhen No. 2 Children's Hospital project, we applied the BIM + smart construction site data decision-making system to collect, integrate and analyze project management data in real time, and extract effective information for project management, control and decision-making, so as to realize the refined management and control of each production factor of

the project. In terms of safety management, the control rate of the whole process of lifting and hoisting operations with large risks was 100%; In terms of cost management, it made available the automatic weighing of vehicles. The big data dashboard of materials provides accurate, timely and diverse data analysis to help the management decisions, achieving a cost saving of about 5%. In terms of production, it made available standardized production management processes and efficiency gains of 80% in meeting preparation and decision-making. In terms of technical management, it improved the efficiency of the briefing by using the visualization tool of the Building Information Modeling, especially the 3D node simulation coupled with video and audio. In short, a digital and smart construction site management was achieved, and the project management efficiency was thus improved.

Digital posts

- We promote the data contained in BIM software to generate greater value, improve the standardization of design, and help designers go digital.
- We apply IoT, AI, BIM and other new technologies to the five elements, i.e. people, machine, material, method and environment, realize lean management with real-time, accurate and comprehensive data, and promote the digitalization of posts in production and operation and maintenance.
- We use information tools such as construction model comprehensive software, construction schedule planning software, and Gwork project collaboration platform to improve efficiency, shorten construction periods, save costs, and promote the digital management posts.

Digital project management

- We take the digital project integrated management (BIM + smart site) platform as the core foundation of digitalization. Through the project brain, we build three management centers, i.e. the decision-making center, the commanding center, and the business center, as well as three technical centers, i.e. the data center, the BIM center, and the IoT center, to realize the digital, intelligent, and visualized management of the project site, and to promote the integration of production factor management.

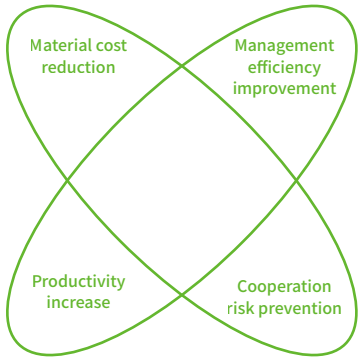## Digital enterprise management

- We build an enterprise-level platform to eliminate information silos and human barriers, and realized real-time management and collaboration of operators, project departments, and the Company based on real-time data sharing.
- We establish an enterprise-level production command and scheduling system to promote the integration of projects and enterprises, build an enterprise management brain and realize the integration of enterprise-level labor management and enterprise-level material management.

Smart material acceptance system helped enterprise' digital transformation and upgrading

China Railway No.5 Engineering Group No.1 Engineering Co., Ltd piloted the Glodon smart material acceptance system in its Badong 348 project. The system features functions that are intelligent, integrated, interconnected, data-oriented, and mobile. The bulk materials entry and exit were thus fully controlled by information technology. The digitalized, online, and intelligent enterprise material management helped the enterprise reduce costs and increase efficiency and make progress in project management and digital transformation and upgrading.

- Since the system was put into use, a total of about 8,000 tons of ground materials have been deducted, equivalent to a material cost of about 431,400 yuan.

- The system provides timely control of logistics and acceptance processes by system data integration and automatic message push.
- The system provides real-time dynamic data analysis of site conditions to obtain clearer facts, make timely and scientific decisions, and promote intensive management.

Material cost reduction — Management efficiency improvement — Productivity increase — Cooperation risk prevention

- The mobile app provides real-time information about the materials entry, supporting the project to make a reasonable procurement plan.
- Comprehensive video surveillance and automatic infrared alerts reduce the vehicle weighing process to 10-20 seconds.
- The system automatically generates various types of ledgers to support production decisions in as little as 5 minutes, avoiding manual errors.

- The deviation analysis helps the enterprise to capture the integrity of its suppliers. As a result, the security of supply and fine management were improved; in particular, the enterprise carried out strategic cooperation with 3 entities and terminated cooperation with 2 poorly-run enterprises.
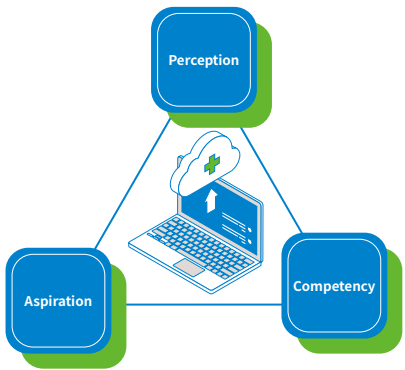
Optimizing Customer Service

Glodon is committed to providing good customer service, which makes it faster, easier, and more efficient for users to choose, decide, apply, and yield results. This solid iron triangle customer service system continues to be robust to standardize customer service management. The customer service continues to be improved in the pre-sale, sale, and after-sale stages, which provides a service experience to satisfy customers in all aspects.

Improving Customer Satisfaction

We continue to improve our customer service mechanism and enhance our customer service by ensuring unobstructed customer service channels, conducting customer satisfaction research, improving customer complaint management, and properly resolving customer complaints and incidents.

2021

The overall satisfaction score of the Group was
87.6
including service satisfaction of
89.0
product satisfaction of
85.8
and customer loyalty of
82.7

A total of
400,000
users were served, with a
95%
resolution rate according to user evaluations

Diversified customer service channels

- Backed by a service network of more than 200 cities and regions nationwide, we provide our customers with high-quality, efficient, fast, and convenient whole process service and technical support. In particular, we have created a customer-centric operation and service system with diversified customer service channels such as IT platform, service hotline, one-stop Glodon mall platform, construction classroom, Guangxiaoer intelligent customer service, Fuwu Xinganxian website and the APP.
- A total of 2.75 million incidents were solved by the call center, and 4.5 million incidents were solved by intelligent customer service.

Improved customer complaint management

- The *Complaint Management Standard of Glodon Company Limited* was revised to clearly define responsibilities and rectification mechanisms. The rectification should: be completed immediately after the closure of minor complaints, 3 working days after the closure of general complaints, 2 working days after the closure of crisis complaints and important complaints. The same kind of incident shall not happen again.
- There were 388 complaints in 2021, including 310 minor complaints, 78 general complaints, and 0 important complaints and crisis complaints.

Elevating Customer Experience

In order to provide our customers with more comprehensive and efficient systematic solutions for digital transformation, we are exploring a marketing iron triangle customer service model while optimizing our products. We will help "customer success" by building the capabilities our customers need and the end-to-end service capabilities to maximize our customers' market opportunities.

To form a working language and unify value cognition

The Group conducted a total of 3 sessions of training for the marketing and sales cadres of the 3 digital business groups (BGs) and 4 digital business units (BUs) to learn the best practice cases of the iron triangle service and have an in-depth understanding of how to put effective resources into serving the clients. The training formed a unified working language internally and a solution-level optimal service formation for clients externally, strengthened the cognition of customer experience and created value for customers.

2021

The online platform had a total of
1.03 million
customers and
12.12 million
views

The online and offline customer training totaled
3,538,419 hours

Perception

Aspiration

Competency

To stimulate the desire to change and think ahead of the clients

Cognition leads to will and will leads to action. Understanding the concept of "customer success" and the value cognition of the optimal service formation of the iron triangle service have stimulated more people's desire to change. They joined the team for change, focused on the customer's business, analyzed the needs in multiple dimensions, think ahead of the customers and provided professional solutions.

To improve core competence and solve customer problems

With introducing and localizing the role cognitive ability model of the iron triangle, and outputting multiple sets of ability training courseware based on the iron triangle organization, the Group has laid the foundation for shortening the link path with customers, effectively obtaining customer value needs, proposing systematic solutions and accurately solving customer problems by centering on customer demand exploration, sales project operation, customer relationship management, etc.

Optimized customer experience

- According to the actual needs of customers, we provide one-stop service and guarantee from software acquisition to daily learning, consultation, and knowledge sharing with professional and informational means. In addition, we provide value-added services to our corporate clients, such as talent recruitment, personnel training, and personnel assessment.
- We guarantee the 24/7 timely response service of digital cost estimation and " visiting service within 3 days for VIPs, 21 days for product launch; and 1 hour for common incident response and 1 day for solution".
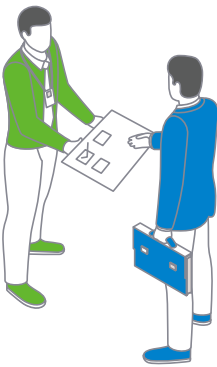
Customer satisfaction survey

- The Glodon satisfaction indicator system was established and a comprehensive survey on customer satisfaction + special research were carried out. The action helped to identify the role of the master business value chain in supporting customer value and optimize business processes. The big business close-loop from incident to solution is thus advanced.
- The annual customer satisfaction survey for the Company's five major businesses was commissioned to a third-party consulting firm to ensure that the research was comprehensive and objective. The research included 3,541 quantitative telephone interviews and 114 qualitative telephone callbacks.

Guaranteeing Information Security

Glodon attaches great importance to the security and privacy protection of customer information and employees' personal information as it strictly abides by laws and regulations such as *Data Security Law of the People's Republic of China, Cybersecurity Law of the People's Republic of China, Administrative Measures for Internet Information Services,* and *Personal Information Protection Law of the People's Republic of China.* The Company guarantees the information security and stability of the services provided and ensures that employees' personal information and the Company's cross-border business data are managed safely. In 2021, the Glodon Zhulian (IoT) Platform System obtained the national information system security qualification level 3 (S3A3) certificate. The Glodon Digital Project (BIM + Smart Construction Site) Platform System and the Glodon Digital Project (BIM + Smart Construction Site) Mobile Platform System were retested, and they obtained the national information system security qualification level 3 (S3A3) certificates.

Customer information security and privacy

- Complete information security management systems were established to protect customer data, including *Data Asset Management System, Data Backup and Recovery Management System, Information Security Management System, Master Enterprise Data Management Measures,* and *Content Security Management Specification for Implementation.*

Employee information security and privacy

- The *Code of Management for the Use of Employees' Personal Information* was developed to prevent the risks to employees' personal information security, covering employee background checks, recruitment, onboarding, incumbency, and separation.

Cross-border business information security

- The special data compliance action was launched for MagiCAD products, and in particular, the records related to data security management for the Company's cross-border business were reviewed and supplemented to ensure that the Company's business complies with legal requirements such as data security laws.

Protecting Intellectual Property Rights

Glodon strictly observes intellectual property rights (IPR) laws and regulations, for which it has completed its IPR work mechanism and revised and promulgated its *Patent Management System.* The Company respects the IPR of others and protects the Company's and individual's R&D results, especially the protection of the Company's and customers' IPR from infringement. The prevention of IPR risks should help improve the Company's market competitiveness and economic efficiency.

IPR protection system

- The *Patent Management System* was revised to protect the Company's R&D achievements and reduce patent risks, and in particular, the response to patent challenges was institutionalized and regulated, covering all aspects of product development, technology introduction, and product marketing.

IPR protection environment

- We respect the legal IPR of others and our customers, protecting the rights and interests of our employees' inventions. We also protect R&D innovations of the Company.
- We are increasing our efforts to popularize, publicize and educate on IPR, in addition, we are completing our own incentive mechanisms for independent innovation with IPR.

IPR practice result sharing

- As a lead organization for the chapter on architecture AI patent of the *China Artificial Intelligence Industry IPR White Paper,* the Company, for the first time, promoted the industry's innovative practices and compliant R&D.

2021

Registered:
210
patents including
199
invention patents
168
trademarks
80
software copyrights

The Company was honored as
"Beijing IPR Model Organization"

Glodon held its first IPR conference

On April 26, 2021, the 21st World Intellectual Property Day, Glodon held its first IPR conference with the theme of "stimulate innovation potential and protect the second entrepreneurship". The chairman, senior management and more than 50 representatives of patent inventors attended the conference. The conference is designed to help attendees learn more about IPR and reflect on its role in contributing to technology, culture, and art. In addition, the conference drives technological innovation, creating a favorable IPR environment for the Company to develop its technology and business.
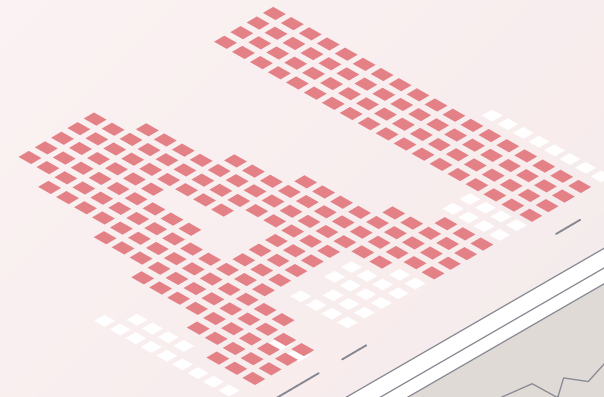
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Sustainable Development Goals

OPEN AND WIN-WIN
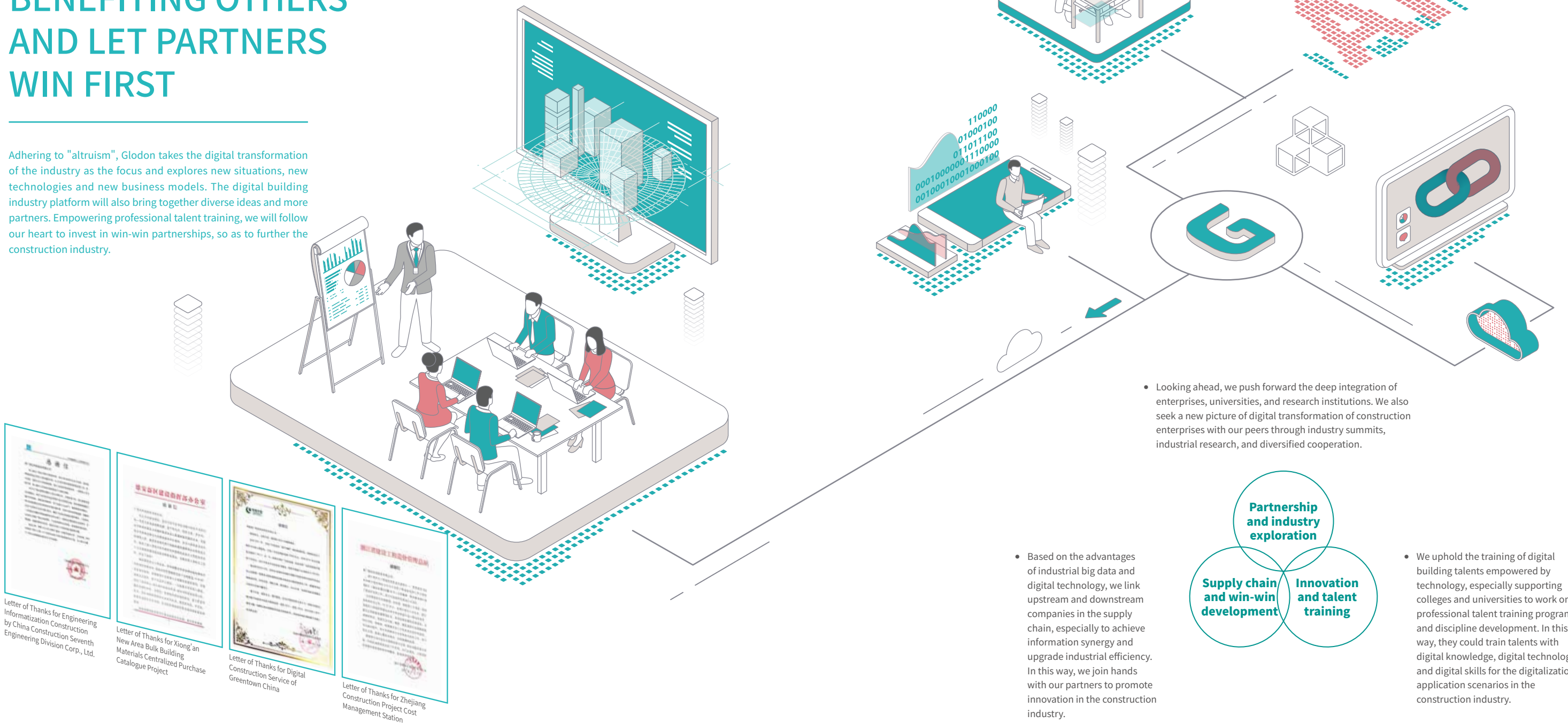
Empowering the
Construction
Industry

Glodon, driven by ideals and technology, is committed to becoming the world's leading digital building platform service provider. With professionalism and innovation as the source of impetus, we always forge ahead and invest in industry innovation. Focusing on the in-depth application of digital technology in the construction industry, we achieve industry progress through technology and empower the industrial transformation and upgrading.

[Digital Building for an Innovative Future]

BENEFITING OTHERS AND LET PARTNERS WIN FIRST

Adhering to "altruism", Glodon takes the digital transformation of the industry as the focus and explores new situations, new technologies and new business models. The digital building industry platform will also bring together diverse ideas and more partners. Empowering professional talent training, we will follow our heart to invest in win-win partnerships, so as to further the construction industry.

Letter of Thanks for Engineering Informatization Construction by China Construction Seventh Engineering Division Corp., Ltd.

Letter of Thanks for Xiong'an New Area Bulk Building Materials Centralized Purchase Catalogue Project

Letter of Thanks for Digital Construction Service of Greentown China

Letter of Thanks for Zhejiang Construction Project Cost Management Station

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- Looking ahead, we push forward the deep integration of enterprises, universities, and research institutions. We also seek a new picture of digital transformation of construction enterprises with our peers through industry summits, industrial research, and diversified cooperation.

- Based on the advantages of industrial big data and digital technology, we link upstream and downstream companies in the supply chain, especially to achieve information synergy and upgrade industrial efficiency. In this way, we join hands with our partners to promote innovation in the construction industry.

Partnership and industry exploration

Supply chain and win-win development

Innovation and talent training

- We uphold the training of digital building talents empowered by technology, especially supporting colleges and universities to work on professional talent training programs and discipline development. In this way, they could train talents with digital knowledge, digital technology and digital skills for the digitalization application scenarios in the construction industry.

2021

The 12th China Digital Building Summit, in a consecutive manner, was held to empower the transformation and upgrading of the construction industry

The partnerships continued with more than **70** industry associations nationwide and **8** alliances

Talent training solutions were provided to more than **1,800** construction-related colleges and universities nationwide

More than **1,500** training bases were established under close partnership with major professional colleges and universities

Leading the Industry Development

With the mission of "leading the global information service and promoting the transformation and upgrading of the construction industry", Glodon has been specializing in the innovation of the industry. Incorporating technology research and summaries of practice, we continue to enhance our leadership in construction information technology. We work with construction industry participants to explore and lead the development path of transformation and upgrading. We undertake national innovation research projects and hold industry summits; moreover, we go further in industrial research and strategic cooperation. We join hands with stakeholders from all sectors to build a new ecosystem of the industry chain from theory to practice, in order to lead the high-quality progress of the industry.

Further industry research

- The *Digital Building White Paper* was released for the 4th consecutive year.
- The *Report on the Development of Information Technology in China's Construction Industry* was released for the 10th consecutive year.
- The *Analysis Report on BIM Application in China's Construction Industry* was prepared for the 5th consecutive years.
- The *Digital Cost Estimation Management* was released to systematically define the digitalization of the construction cost estimation for the 4th consecutive year.

Industry summits

- We held the China Digital Building Summit for the 12th consecutive year to empower the transformation and upgrading of the construction industry.
- We are a key participant in national leadership conferences such as the China International Big Data Industry Expo and the Smart China Expo.

Research projects

- We were selected by the National Development and Reform Commission to undertake the project of Digital Transformation and Upgrading Research of the Whole Process Engineering Consulting Industry, thus providing countermeasures and suggestions to the relevant national departments for decision-making.
- As a lead organization of the project, we, for the first time, undertook the key technology research and demonstration of the City Information Modeling (CIM) Platform of the National Key Research and Development Program.

Strategic partnership

- We have kept partnerships with government, social organizations and enterprises, especially with more than 70 industry associations and 8 alliances.
- We have entered into strategic cooperation with typical enterprises and colleges and universities at home and abroad to continuously push forward the technology ecosystem.

Some of the industry reports prepared by Glodon

2012   2013   2014   2015   2016   2017   2018   2019   2020   2021

Glodon hosted China Digital Building Summit 2021

The China Digital Building Summit has been held a success for twelve sessions. It has attracted opinion leaders and enterprise elites from the construction field at home and abroad to interpret the development trend of the industry, deeply explore the enterprise upgrading strategy, and provide intellectual support for the high-quality development and digital transformation of the construction industry. In 2021, China Digital Building Summit carried out a series of activities nationwide, bringing together more than 10,000 experts from the construction industry at home and abroad to discuss the way to develop the industry and the strategy of enterprises' digital transformation. With the leadership salon, entrepreneur forum, city summit, excellent project observation and other activities, the Summit has played the role of a platform to pair partners in the construction industry for its driving force replacement and the enterprises' innovation and development, empowering the digital transformation of the enterprises with scenario-based innovation. In this way, digitalization, networkisation and intelligentisation of the whole process with all the elements and participants of the construction industry could be fulfilled. And the win-win situation and development of the industry and enterprises could be pursued.
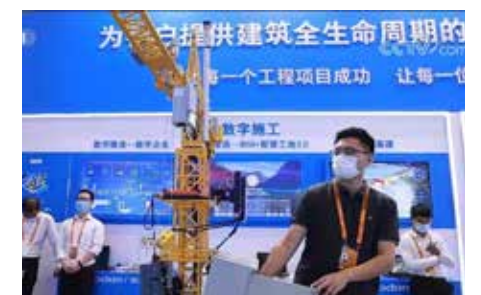
Entrepreneur Dialogue

Glodon shared insights at the 2nd National Academic Forum on Intelligent Construction and Operation and Maintenance of Infrastructure

From October 16 to 17, 2021, the 2nd National Academic Forum on Intelligent Construction and Operation and Maintenance of Infrastructure was held in Nanjing, which was organized and participated by Glodon. More than 500 experts and representatives of leading enterprises gathered here from all over China, concerning civil engineering, transportation, architecture, urban planning, surveying and mapping, artificial intelligence, and electronic information. They delved into the topic of intelligent infrastructure construction and operation and maintenance to help "accelerate the new infrastructure development". Moreover, 64 industry experts delivered keynote reports at the forum, brainstorming for the industrial modernization and information transformation and upgrading of China's infrastructure construction and operation and maintenance.

Glodon was present at the Construction Industry Digital Transformation CIO Summit

On May 25, 2021, the Construction Industry Digital Transformation CIO Summit & Information Technology Construction Experience Exchange was held in Wuhan, which was organized and participated by Glodon. Experts and scholars and CIOs discussed the future and path of digital transformation. With the theme of "Science and Technology Innovation Leading the High-Quality Development of Construction Industry", they also had further discussions on topics such as changing the development model of the construction industry, completing the digital transformation, and achieving high-quality development. The *Construction Industry Enterprise Information Application Analysis (Digital Transformation White Paper)*, prepared by Glodon, was officially released at the summit. The analysis in the report concerns the opportunities and challenges of the times faced by construction enterprises at this stage and the current situation and needs of digital transformation of construction enterprises, which explores ideas for the transformation and upgrading, intelligent construction, and high-quality development of the industry.

Glodon participated the 2021 China International Fair for Trade in Services

In September 2021, China International Fair for Trade in Services (CIFTIS) was held in Beijing. Glodon's 9 business segments and 6 pieces of intelligent hardware appeared at the CIFTIS. During the CIFTIS, thousands of government leaders and customers in the construction industry accurately communicated through the CIFTIS platform. At the same time, Glodon also received continuous attention from domestic and foreign media. It had been deeply reported by CCTV's News Broadcast, Topics in Focus, Morning News, Newsweek and others, and had been reported by China International Television News Channel (CGTN) covering more than 20 countries in both English and French channels. More than 30 authoritative media, such as People's Daily, People's Daily Overseas Edition, Xinhuanet, Beijing TV Station and Hong Kong Ta Kung Pao, introduced the hot spots in the industry, such as mega-project construction, digital construction, overseas service export, AI and industry chain finance.

In-depth report of Topics in Focus

Creating an Innovation Platform

With the vision of "making every project a success", Glodon insists on innovation-driven development and greater investment in innovation and research. In addition to a multi-driven technology strategy of "self-research + cooperation + investment and acquisition", we train R&D talents and build a co-creation mechanism to promote the development and application of new technologies and meet customers' special needs with innovation. With the deep integration of information technology and industrialization, we are making the enterprises sustainable and moving towards a digital future together.

Enhancing Innovation Capabilities

We are making innovation a habit. We have a corporate direction of openness, interconnection, sharing and synergy. With our innovation system, research center, innovation team and training base, we continue to improve innovation capabilities of the Company. In 2021, the Company invested a total of 1.626 billion yuan in R&D, accounting for 29.23% of its revenue. By the end of 2021, the Company has 6 major R&D centers.

Innovation system

- Innovation mechanisms were established and methodologies were optimized. We created project review mechanisms to drive quarterly business reviews and further reporting.
- We selected external innovation projects as role models and organized seminars for department managers of the Company to learn and discuss them in depth, so as to conclude papers and improve their innovation capabilities.

R&D center

- We entered into partnerships with top colleges and universities in the construction industry at home and abroad, and in particular, we established digital building cutting-edge technology research centers and introduced advanced ideas. Our research and innovation and technology application aims to prepare technology strength for industry development.

Training base

- We entered into partnerships with government agencies, academic institutions, associations, enterprises, universities to build a platform for cooperation. We are operating training bases through cooperative projects with more than 1,500 colleges and universities. Also, we are investing more in the basic "0 to 1" research and the application of research results.
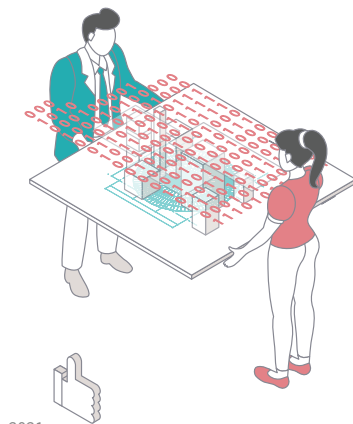
Innovation team

- Building a human resource pool of product managers and R&D managers, we could export the related key talents needed for each product lineup and the Company. For this purpose, we developed a three-phase R&D manager training program and four professional courses. The annual participation and exam pass rates for these programs were above 80% and the satisfaction rate was 98%. The product manager training program released 2 methodologies and 7 courses with a course satisfaction of 95%.
- Building a ToT (Top of top) resource pool and developing a long-term training plan, we could reserve high-potential talents as key human resources for industry research. 191 people completed the three-phase training in two months with a satisfaction rate of 94%.
- Establishing an industry research tenure system, we could support a pool of key talent resources. With our coordination, more than 300 people who served in 2021 completed a level 4 or higher promotion review.

Innovation event

- The Glodon Hackathon was held for the 8th consecutive year to incubate innovation projects and identify innovation talents. With Hackathon, we could promote excellent projects to be completed and implemented, thus helping our customers succeed with technological innovation.

The Southeast University-Glodon Joint Research Center for Infrastructure Intelligent Construction and Operation and Maintenance was established to tap into the new ideas of intelligent construction and operation and maintenance

Glodon joined the Hubei Intelligent Construction Technology Innovation Consortium to help improve the overall intelligent construction in Hubei Province

The Glodon Hackathon 2021 was a success as outstanding product ideas and advanced technology teams emerged

Boosting Diversified Cooperation

Based on the principles of "technology-enabled education, dynamic connection to industry, efficient information sharing, and talent-data integration", we are working with major professional associations and colleges and universities to train key talents and increase characteristics of their programs. With joint research and exploration, we can build an ecosystem of enterprise-university-research institutions to deepen the integration and cooperation. In this way, we can help improve the quality of talent training in architectural colleges and universities and provide a solid talent base for product innovation.

2021

By extensive cooperation with more than
1,800
colleges and universities, we built a school-enterprise cooperative education ecosystem platform.

We carried out education programs with more than
150
colleges and universities based on cooperation between industry and universities.

Under cooperation with more than
1,200
architectural colleges and universities, we established a systematic teacher training program based on "double-type teachers".

From January to December, 2021, by working with teaching guidance sub-committee of civil engineering, teaching guidance sub-committee of engineering management and engineering cost estimation, civil construction majors guidance committee, engineering management majors guidance committee, we worked on revision of major lists, curriculum research and development and other aspects, and effectively realized the training of industry talents.

From April to November 2021, by joining hands with China Construction Education Association, we held the "Digital Building Innovation and Application Skills Competition" and built an industry education integration and exchange platform. The competition was designed to promote training, so as to cultivate more professional and comprehensive talents with high professional quality, strong innovation ability and solid professional skills for the construction industry.

On April 26, 2021, Glodon was selected into the list of the first batch of pilot projects of Beijing for building and developing enterprises with industry-education integration.

On June 1, 2021, an opening ceremony of "Digital Building College", which was built under the joint efforts between us and Xi'an Siyuan University, was grandly held in Xi'an Siyuan University. It has pioneered a new ecosystem integrating industry and education in the west region.

On July 20, 2021, a new trend of tripartite industry and education integration was ushered in by a university-enterprise strategic cooperation agreement entered by and between us, Chongqing Construction Engineering Vocational College and Sichuan College of Architectural Technology.

On September 7, 2021, we contracted with Liming Vocational University on jointly building intelligent construction college. It has aimed to build a high-end talent training base of intelligent construction technology, develop as a center of technology innovation and promotion of intelligent construction, and cultivate high-end talents in the field of intelligent construction.

Major cooperation events with associations in 2021

On April 8, 2021, the application project, "Digital Building Leading the Future with Intelligence -- A Study Tour for Digital Building Talents Based on Joint Cooperation", was included into the "2021 Science Popularization Special Resource Support Project" of the Architectural Society of China.

On April 14, 2021, a cooperation agreement was entered by and between us and Huanghe Jiaotong University on jointly building an intelligent construction college, with a grand unveiling ceremony. The purpose was to promote the collaborative education by "transforming industry-university-research into innovation", and speed up the digital innovation and development of the construction industry.

On May 18, 2021, an opening ceremony of the teaching practice base, which was built under the joint efforts between us and Hebei University of Technology, was grandly held in the School of Economics and Management of Hebei University of Technology. It has aimed to build a talent training community with complementary advantages.

On July 6, 2021, we reached a strategic cooperation with the China Association of Higher Education, carried out cooperation around various aspects, including themed discussion, subject research, teacher training, double hundred plan and other projects, and opened a new journey of high-quality talents training in the construction industry with joint efforts.

On July 20, 2021, three propositions applied by Glodon Company Limited were selected into the industry proposition category under the 7th China International College Students' "Internet+" Innovation and Entrepreneurship Competition. They were "Technology and Application related to the Digital Design", "New Technology and Application related to the Construction Site Management" and "Internet Innovation and Practice in the Construction Industry".

On September 30, 2021, we reached strategic cooperation with Oxford Chinese Students & Scholars Association, for the purpose of connecting students from international famous universities and introducing high-quality talents and wisdom into the development of construction industry.

Major cooperation events of colleges and universities in 2021

Training Industrial Talents

As a leading enterprise in the construction industry develops based on information in China, by taking the education and training of professional talents as an important responsibility, Glodon commits to realize the education through cooperation between universities and enterprises, equip the builders with the related capabilities required in the whole life cycle of workplace ranging from learning, training, evaluation, certification and employment, so as to enable the builders to have achievements in their career. In order to pursue these goals, Glodon has provided programs for professional talents training in colleges and universities, supported the employment of college students and the improvement of employees' skills, and provided professional talents for enterprises in the process of digital transformation. By working with ecosystem partners in the field of government, industry, university and research, Glodon dedicates to deepening and strengthening the development in the vertical field of the construction industry, and provides greater value for the development of the industry.

Empowering Enterprise Training

Based on the cultivation of professional talents, we have promoted the development of enterprises. By holding online and offline night schools, training camps and other activities, we have facilitated the training of construction enterprises and promoted the improvement of the professional quality of technical talents in construction enterprises.

On-the-job training

- Online and offline night schools, training camps and other activities, with a total of 871 free training sessions and covering 50,863 people.
- Professional talent training has been organized and carried out for construction enterprises such as China Construction Seventh Engineering Division Corp., Ltd. and China Construction Eighth Engineering Division Corp., Ltd., and we have contracted with 74 enterprises on training, gaining good recognition.

Skills certification

- For engineers, we have organized the free exam of Glodon BIM skills certification (i.e. GIAC certification exam). Employees from 340 enterprise have participated in the exam, the cumulative number of applicants is 16,967 and 13,063 passed, with a pass rate of 84.19%.

Product sharing

- On the official website of Glodon and other new media platforms, we have published popularization plan for 6 BIM tool products of Glodon, which are simultaneously noticed by 13 associations. More than 100,000 enterprises, over 140,000 projects and 260,000 users participated.

Boosting Vocational Education

By focusing on the service chain of architectural talents, we have practiced the mode of integrating industry and education. Combining the analysis of industry chain, talent chain, post chain and ability chain, and taking the goal of developing digital-based professional talent training, we have developed and designed systematic teaching platform and mode, and provided colleges and universities with discipline development and reform, development of practical teaching conditions, development of courses and teaching materials, mobile teaching assistant cloud platform resource repository, development of digital building college with joint efforts and other services, so as to facilitate colleges and universities in jointly cultivating comprehensive professional talents that meet the requirements of the industry. By the end of 2021, Glodon have cooperated with more than 1,800 colleges and universities, accounting for 89% of architectural colleges and universities in China.

Glodon intelligent construction professional talent training mechanism in 2021

Comprehensive understanding of talent requirements

- We carried out research work in various forms. In accordance with the actual research results, and by cooperating with a number of vocational colleges and universities, we jointly exchanged and discussed the preparation content of intelligent construction professional talent training program, resulting in the *Research Report on the Development Trend and Talent Requirements of Intelligent Construction*.

Promotion of curriculum system reform

- We built the curriculum system according to the actual requirements of professional target jobs, and based on the analysis of knowledge, capability and quality required by the professional jobs, we have broken down the curriculum content of the discipline system, so as to create a modular and project-based curriculum system.
- We have deeply integrated teachers, research methods, laboratories and other resources in the industry, and quickly transformed cutting-edge technologies into systematic training programs and curriculum systems.

Optimization of course teaching standards

- Based on the enterprise research and analysis report and the understanding of colleges and universities on the training objectives of intelligent construction technical talents, we cooperated with colleges and universities to formulate course teaching standards in line with the training objectives of technical talents in the field of intelligent construction, and developed and completed some materials including the *Instruction Manual for Practical Professional Training of Intelligent Construction, Suggestions on Intelligent Construction Professional Talents Training Program* and *Cases Of Model Colleges and Universities in the Field of Intelligent Construction*.

Facilitation in teaching methods reform

- We organically combined the reform of curriculum system with the reform of teaching methods and means, and established a teaching system focusing on cultivating students' professional ability.
- By highlighting the combination of working process and learning process, we integrated the classroom and place of internship into the teaching design, adopted the action-based teaching method including "teaching, learning and practicing", and made a change to the traditional education method centered on classroom and teaching materials.
- We created systematic curriculum matching resources through supporting professional teaching application scenarios in terms of "preparation, teaching, practicing, examination and evaluation", so as to assist teachers in teaching design.

2021

Overall program development carried out for more than
340
colleges and universities

Talent training programs and professional construction advisory service provided for more than
770
colleges and universities

Professional construction forum on the intelligent construction held in 6 provinces and cities, covering more than
320
architectural colleges and universities, and providing reference for the discipline development of intelligent construction in architectural colleges and universities
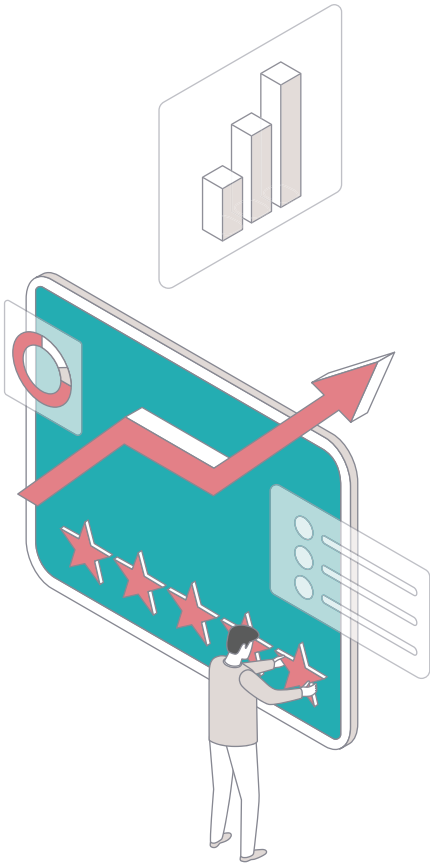
Five product lines of courses were established, including design, cost estimation, construction, intelligent construction and decoration. With integration of more than
50
software and hardware products, and application of virtual simulation, intelligent AI and other technologies, we developed and designed
18
new digital courses. They were integrated into
6
major solutions and served for digital upgrading of more than ten construction-related majors in universities, technical secondary schools and vocational and technical colleges.
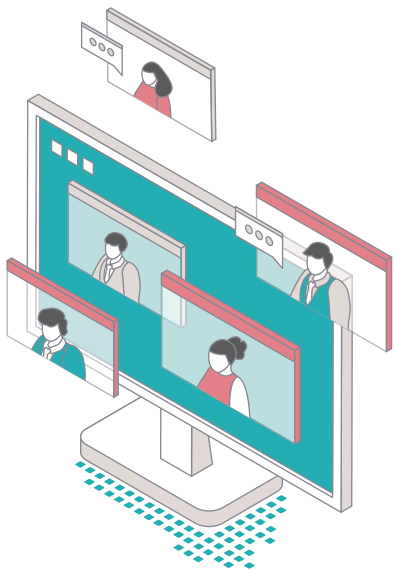
Glodon Zplan software application training for transportation company of China Construction Seventh Engineering Division Corp., Ltd.

BIMMAKE software training for YCIH No.10 Construction Co., Ltd.

Promoting Student Employment

Our employment-based education and training program for students has provided a complete set of integrated solutions with industrial characteristics. In accordance with the jobs requirements in the industry, the program has taken the knowledge of industry, enterprise and employment as the starting point, and provided services for the related jobs such as online courses, skill certificates, career planning and employment recommendation, so as to help students succeeding in entering into the industry. In 2021, through employment selection competition and online mutual selection meetings, we have helped students find jobs, successfully recommended nearly 1,000 students, and continued to cultivate and export high-quality and practical talents for the informatization of the construction industry. By the end of 2021, more than 200,000 students majoring in architecture have studied and continued to use Glodon software after getting employed.

Enhance professional competitiveness by professional skill certification

- We have continued to promote the construction industry information-based application skill certification (GIAC), and carried out comprehensive evaluation and certification for students in relevant professional colleges and universities.
- By focusing on "1 + X" talents professional ability training and certification launched by the Ministry of Education, we have promoted the implementation of "1 + X" in colleges and universities majoring in architecture, and organized the evaluation of more than 30,000 students, so as to open up the key path for students to complete the post capability training in colleges and universities.

Build a showcase stage in the form of competition

- In accordance with the talent training path, we have built a comprehensive competition system, and held competitions of different scales on information-based technical skills of the construction industry in many places across the country, so as to provide a platform for outstanding professional talents to show their skills and effectively expand students' employment channels.
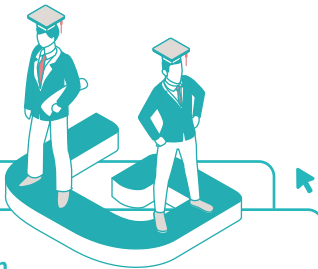
Broaden employment channels through online service

- Facing with the regular epidemic prevention and control of the COVID-19 pandemic, in order to provide employment support for students, we have actively carried out online activities such as online learning and practicing and mutual selection meetings. During the pandemic, we have served more than 300,000 students and teachers online.

We organized online study tour of famous enterprise to help students in colleges and universities finding jobs

Due to the regular epidemic prevention and control of the COVID-19 pandemic, some enterprises are unable to conduct offline interviews for students to understand the actual work scene, although strong employment demand of graduates exists in colleges and universities in some areas. On March 31, 2021, Glodon organized an online study tour of famous enterprises, we entered into the Third Construction Engineering Company LTD. of China Construction Second Engineering Division Corp., Ltd. through live streaming. In this way, Glodon helped students understanding its development process, corporate culture, the working environment and work content of the posts. In the special period of the pandemic prevention and control, Glodon built an efficient and convenient recruitment and job search match-making platform between the company and graduates, and solved the problem that employers were unable to communicate in person with job seekers.

2021

Two certification competitions were held, with the participation of more than **500** colleges and universities.

2,000 certification examinations were held, with the participation of **80,000** candidates and about **45,000** candidates obtained the certification certificate.

More than **250** jobs were recommended.

China's 7th National BIM Graduation Design Innovation Competition of Colleges and Universities was held by Glodon

On June 21, 2021, the "National Championship of the 7th National BIM Graduation Design Innovation Competition of Colleges and Universities" held by Glodon was successfully concluded in the ancient capital Xi'an. As the national BIM graduation design competition of colleges and universities, this competition marked the 7th year that Glodon has committed in its organization on a rolling basis. With participation of more than thousands of colleges and universities on a cumulative basis, this competition discovered a large number of excellent talents and application cases. The competition is a concrete practice in promoting the deep integration of science and technology, industry and education, serving as a perfect stage for teachers and students in colleges and universities by allowing them to integrate across subjects and majors and achieve innovative application. Moreover, by realizing the connection of BIM technology from enterprise application to curriculum construction and talent training, the competition has comprehensively cultivated college students' innovative thinking and practical ability, and promoted college students' innovation and entrepreneurship and mutual exchange and learning across the country. Since the start of the competition in December 2020, a total of 528 colleges and universities, 3,352 teams and more than 15,000 teachers and students have signed up for the competition, 126 teams have entered the national finals to compete for the national special prize and the national first prize, and a large number of excellent colleges, excellent instructors and teams in the application of BIM have stood out.

Thousands of people in more than 100 colleges and universities were able to improve their vocational skills through a campus association growth platform

From June to December 2021, Glodon implemented "campus association growth plan 1.0", which aimed to promote the cultural exchange between the architecture associations of China's colleges and universities and architectural technology lovers, enhance students' vocational skills, cultivate architectural talents in colleges and universities, continuously provide professional talents and promote the sustainable development of the construction industry.

Holding Suppliers Accountable

Suppliers and Glodon have worked together and formed the most important strategic partner. We fully integrate the concept of sustainable development into all links of supply chain management to strengthen procurement and improve quality and efficiency. Moreover, we constantly strengthen the social and environmental risk review of suppliers to ensure the quality control of supplier sourcing, screening and access. We have actively built a development mode with mutual benefits and empowered suppliers, striving to build a "responsibility community", so as to inject new impetus into the sustainable development of the supply chain.

Upgrading Procurement Management

We have continued to improve the company's *Procurement Management System* and established a unified procurement management system to standardize procurement management. In addition, we have also improved the regional procurement management standards, strengthened the procurement code of conduct, prevented commercial bribery, and guaranteed the interests of suppliers with a fair and transparent procurement management model, creating a responsible procurement model with suppliers.

Intensive procurement

- Optimize the procurement management mode and improve the intensification of procurement through the establishment of group procurement objectives, and strengthen business department demand management, category planning, procurement scheme preparation, approval process, coordinated implementation, and other processes.

Procurement informatization

- Build a digital procurement trading platform and optimize the management mode of the procurement plan, procurement demand, material application business, and intermediate procurement materials in 2021.
- Complete the connection between construction ITR and SRM business and optimize the demand of direct procurement business within the year, and promote the centralized audit and certification of based on the SRM system as the carrier, to improve the overall quality of suppliers and ensure the stability and long-term availability of the supply chain.

Procurement standardization

- Formulate approval rules for regional procurement and standardize the formulation and implementation management of regional procurement strategies to ensure the standardized review of procurement business.
- Strictly regulate the procurement behavior of procurement business personnel, and make clear provisions on the prohibition of corruption and bribery, the prohibition of interest transfer, the prohibition of affiliated personnel from participating in procurement projects, business reception standards, etc., ensuring legal compliance of procurement.

Procurement transparency

- Promote the hierarchical management of procurement approval, complete the separation of procurement management and execution, and implement the operation mechanism of the Procurement Committee. The Procurement Management Department monitors and empowers the procurement transparency of the Digital Construction Procurement Department, Government Affair Procurement Department, headquarters indirect procurement and branch indirect procurement every quarter.
- Build a transparent digital procurement trading platform with a 100% compliance rate of audit system.

Optimizing Supplier Management

We continue to strengthen the capacity-building of supplier management, optimize the company's Supplier Management System, and follow the market access system for supplier management. With selecting and evaluating suppliers through technology, quality, delivery, response, cost, supplier credit and other conditions, and improving supplier grade management, we strive to build a responsible supply system to realize the win-win and common development of the company and suppliers. In 2021, the Company has a total of 837 suppliers, all of which are registered suppliers in the Chinese mainland.

Supplier access

- For new requirements, supplier substitution and expansion of supplier resources, we introduced and reviewed new suppliers in accordance with the Company's *Supplier Management System*. Only suppliers approved by the head of supplier management and procurement management department can be included in the supplier resource database.

Supplier rating

- Strengthen the supplier grade management, and divide the suppliers into four grades: A (high-quality suppliers), B (qualified suppliers), C (suppliers to be improved) and D (eliminated suppliers) according to the supplier performance assessment results.

Supplier assessment

- Formulate and update the detailed rules for supplier performance assessment. The main responsibility for supplier performance assessment is borne by relevant management departments, and the demand department is assists in providing performance data.
- The dimensions of supplier performance assessment include technology, quality, delivery, response, cost, and supplier credit.

Supplier classification

- The supplier cooperation relationship is divided into the strategic supplier, key supplier, regular supplier and general supplier by integrating the procurement characteristics of materials/services, combined with the daily performance of suppliers, the degree of dependence of both parties, cooperation time, service area, special team support, innovation ability and other factors.

Empowering Supply Chain Development

By building a B2B platform for digital trading services "Pingfang online platform", we continue to promote the development of digital procurement and provide bilateral services for project procurement and building materials suppliers. Through the effective integration of supply chain resources by digital means, we have realized diversified coordination, promoted the transformation and upgrading of the digital supply chain in the field of construction engineering, and improved the service efficiency of the whole supply chain, helping supply and procurement enterprises integrate into the digital building industry ecosystem more effectively.

2021

"Pingfang" was a platform designed for facilitating the procurement personnel to efficiently find sources of goods. It solved **30,000** closed-loop demands, and the sourcing efficiency of procurement was improved by **11** times.

In the whole year, more than **32,400** suppliers were served and more than **100,000** online procurement requirements recommendation and offline matchmaking were made, which increased by **900%** compared with that in 2020.

The database including **300,000** suppliers was established, and more than **21,000** suppliers met the credible and reliable standard. More than **95%** of credible and reliable suppliers made procurement based on matchmaking by the platform.

Sustainable Development Goals

SMART ECOLOGY

Enabling Low-carbon Transformation

IoT

Green is Glodon's pursuit of smart buildings. Glodon has applied science and technology to enable the development of the construction field. In accordance with the actual situation of the industry and the requirements of green development, Glodon has actively explored and made continuous breakthroughs. By taking advantage of AI, cloud computing technology, data on the cloud, big data, etc., Glodon has reduced the comprehensive carbon emissions, facilitated the smart development and low-carbon transformation of the industry, and actively responded to the challenges of climate change. It is the commitment of Glodon to contribute to the sustainable development of mankind and contribute to the construction of a Beautiful China with bluer sky, greener mountains and clearer water.

[Digital Building for A Low-carbon Future] ▶

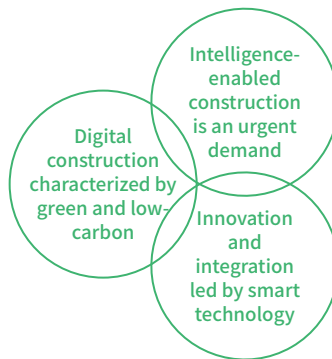# INTEGRATING INTELLIGENTIZATION AND ECOLOGICALIZATION

To protect the environment is to protect productivity, and to improve the environment is to boost productivity. By improving scientific and technological innovation, and making breakthroughs in the original production model of the construction industry through the in-depth integration of informatization and industrialization based development, Glodon aims to promote the revolutionary upgrading of the industry to develop toward "green, lean and intensiveness", so as to equip the industry with "smart brain" for environmental protection, and ushered in the smart era of "green, ecological and sustainable" with joint efforts.
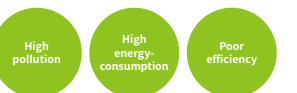
The goal is to complete projects with higher benefits, faster speed, better quality and lower cost, and reduce carbon dioxide emissions by **50%**

- The digital project management platform based on the BIM technology has realized the full coverage of the whole life cycle of the project and comprehensively promoted the green development of the construction industry in every stage, ranging from the optimization of building format layout in the early stage of planning and optimization of construction drawing design to the intelligent operation and maintenance management based on BIM.

Intelligence-enabled construction is an urgent demand

Digital construction characterized by green and low-carbon

Innovation and integration led by smart technology

Traditional construction methods

High pollution

High energy consumption

Poor efficiency

- The excessive consumption and waste of resources and energy caused by traditional construction methods are an ongoing issue. Therefore, accelerating green and low-carbon development is of great significance to the high-quality development of the construction industry. It becomes urgent to expand digital technology and intelligent means to enable the transformation and upgrading of the construction industry.

- Based on "ecosystem + intelligence", Glodon has put forward the theory of "double gene integration and double spiral development", promoted the implementation of smart ecological integration and innovation projects such as Yangtze River simulator and smart Guangyang Island, and enabled smart ecological governance.

Promoting Green Management

Glodon has actively promoted green management, strictly followed the *Environmental Protection Law of the People's Republic of China* and other laws and regulations, actively advocated the conservation of energy and other resources, minimized carbon emissions, formulated energy and resource conservation objectives and resource recovery standards, and adopted scientific and environmental methods to separate and recycle office waste, so as to minimize the environmental impact caused by waste, and contribute to the carbon peak and carbon neutrality goals of China.

General waste

Domestic waste, kitchen waste, office and marketing waste paper, construction waste, etc.

Electronic waste

Replaced electronic components, electronic equipment, scrap printers, copiers, fax machines, calculators and other equipment

Hazardous waste

Abandoned bare circuit boards, batteries, etc., abandoned printer cartridges, ink cartridges, fluorescent tubes, etc

Management measures

- Domestic waste is sorted and moved to the designated location of the environmental sanitation department. Kitchen waste is recycled and treated by companies with qualifications. Construction waste is cleaned up and properly disposed by the construction party in time.
- Office and marketing waste paper are recycled, and classified documents are destroyed in an environmentally friendly manner.

Management measures

- The electronic waste is stored at fixed locations, and in accordance with the relevant management measures for the scrapping of fixed assets of the Company, the waste material recyclers with the qualification issued by the environmental protection department are selected to carry out the related disposal.

Management measures

- The hazardous waste is classified and stored in warehouses that meet pollution control standards, with obvious warning signs.
- Companies with corresponding qualifications are selected to carry out the transfer and disposal of hazardous wastes, and the relevant filing work with the environmental protection department is performed.

Emissions of Glodon in 2021 [1]

Non-hazardous waste

Domestic waste
124.5 tonnes

Kitchen waste
49.2 tonnes

Office waste
3.5 tonnes

Hazardous waste

Waste lamp tube
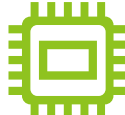**0.3** tonnes

Waste toner cartridges
0.25 tonnes

Waste ink cartridges
0.009 tonnes

1 The scope of the report is the Glodon Headquarter Building

Glodon's usage of energy resources in 2021 [2]

Total purchased electricity
525.46 10,000 kWh

Total natural gas consumption
4.9 10,000 m³

Total gasoline consumption
8.45 tonnes

Total office paper consumption
14.3 tonnes

Total fresh water consumption
28,660 tonnes

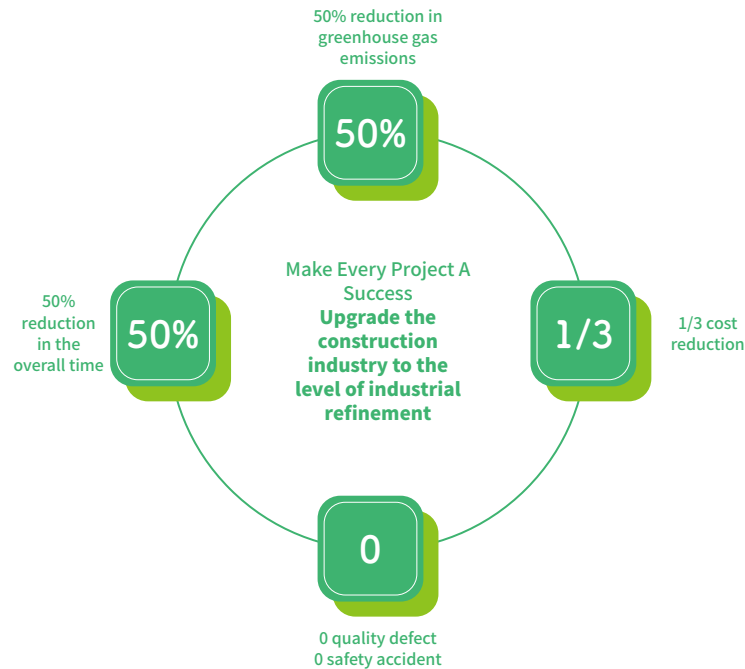2 The scope of the report is the Glodon Headquarter Building

Enabling Green Buildings

As an advocate and practitioner of "digital building" initiative, Glodon empowers digital buildings with science and technology. To be specific, we have established the industrial Internet platform of the construction industry with the help of cutting-edge information technology. And we imposed an impact on the whole process, all elements and all participants of the construction project with advanced lean construction theory to realize the goal of reducing CO_2 emission by 50% and guiding future construction products to become green, intelligent and livable.

Achieving Technology Integration and Environmental Coexistence

As an Internet platform in the construction industry, we strive to facilitate the application of various new technologies in city development ranging from independent system to system ecology and from software platform to digital twin urban space of infrastructure and infrastructure platforms, thereby continuously facilitating city development by information technology and product business, promoting coexistence between digital building and the environment and enabling the implementation and development of green building in China, with a view to making a contribution to environmental protection.

50% reduction in greenhouse gas emissions

50%

50% reduction in the overall time

50%

1/3

1/3 cost reduction

Make Every Project A Success

Upgrade the construction industry to the level of industrial refinement

0

0 quality defect
0 safety accident

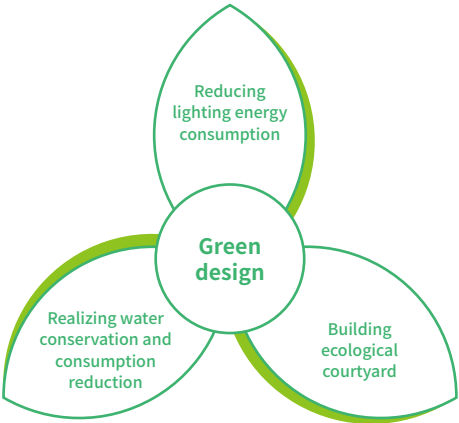**Glodon serves transformation goal of construction industry**

* Project success indicators refer to the strategies and requirements of the British government for the construction industry in 2025

Green, energy-efficient, healthy and smart "digital building" — Xi'an's Glodon R&D Building

As a specific example of Glodon "digital building", the Xi'an's Glodon R&D Building covers a total floor area of 66,000 m2. Upon completion, it will serve as Glodon digital building product R&D and testing center, big data platform, IoT system integration center and regional headquarters.

- Some basements are equipped with roof windows for natural light in sunken courtyards that are established in combination with surrounding landscape. Light pipe technology are adopted in certain areas with light collection devices overground to bring sunlight to underground space. the giant courtyard, covering an area of over 1,300 m2, is equipped with glass roof, thereby utilizing natural light to the maximum extent and reducing energy consumption of artificial lighting.

The Xi'an's Glodon R&D Building represents a case of applying relevant technologies and concepts in project whole life cycle such as smart building, green building and healthy building.

The project is expected to achieve LEED Gold certification, WELL Gold certification and China Green Building Evaluation Label Three Star.

Reducing lighting energy consumption

Green design

Realizing water conservation and consumption reduction
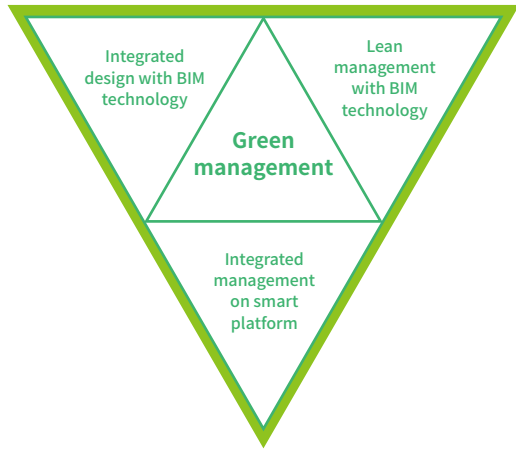
Building ecological courtyard

- With full consideration of siphonic roof drainage system, sponge facilities (green roof, penetrative pavement, sunken green land, rainwater garden), rainwater (gray water, tail water, condensate water), collection and reuse and unconventional water resource recycling, we have established smart water conservation system.
- For domestic hot water, high-efficiency solar energy heaters are used in combination with air source heat pumps to make full use of renewable energy, conduct centralized heat collection and establish hot water recycling system.

- Inspired by classical Chinese garden, we include outdoor landscape into the building in the form of the ecological garden and roof garden, with which to form an ecological courtyard by integrating massive vertical wall virescence to provide employees with a green environment where they can get close to nature.

- With three BIM work goals, including establishing a new design system, increasing design coordination ability and optimizing the connection between design and construction, we established BIM application organizational structure consisting of three levels including the management, integrated BIM team and execution, thereby integrating ideas in design phase and construction phase, conducting model optimization analysis comparison by applying various BIM testing software to select the best solutions.

Green management

- Integrated design with BIM technology
- Lean management with BIM technology
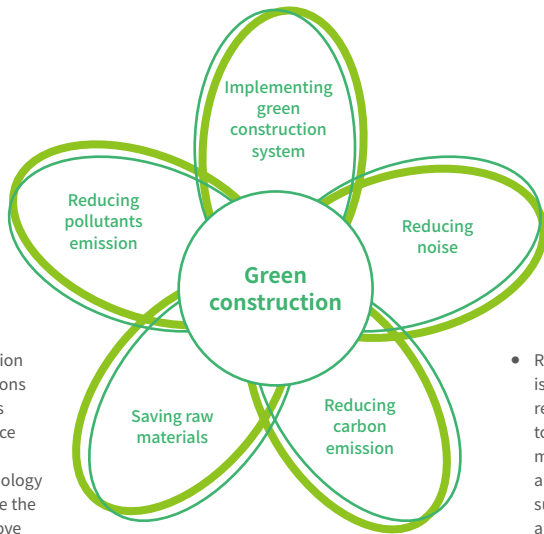- Integrated management on smart platform

- Efforts are made to establish project special model by applying BIM technology. Besides, on the basis of mobile application technology, we guide and refine onsite construction by deep design based on construction model and onsite comprehensive technology management, thus conducting full-process lean management of project and achieving significant overall benefits of green construction.

- By virtue of integrated application of Glodon digital construction platform, we collect information on factors such as human, machine, material, method and environment in the construction process in a real-time and dynamic manner, and realize digital, online, smart coordination management, thereby enabling interconnected onsite management process and data information.
- By integrated application of IoT devices and import of device data into smart construction site management platform, management personnel at all levels are able to view project data via PC and mobile terminals of project BI platform. In this way, data-based decision-making and management coordination can be achieved to build a digital construction site.
- We actively use various smart devices on site to realize smart on-site management, the whole process and phases monitoring, reduce management difficulty and enhance management control of the site.

- Construction is carried out strictly in line with relevant systems and measures such as environmental protection management, material saving and material resource utilization, water saving and water resource utilization, energy saving and energy utilization, land saving and land resource protection, green construction inspection and evaluation.

- The technology featuring steel dowels and cast-in-place piles after long-spiral concrete drilling and pressing is adopted. Unlike conventional underwater cast-in-place pile construction technique, this is free of mud, sediment and mud pollution.

Green construction

- Implementing green construction system
- Reducing noise
- Reducing carbon emission
- Saving raw materials
- Reducing pollutants emission

- The construction technology featuring a combination of twist drill digging and high-pressure spiral pre-stressed anchor cable is adopted. This technique uses light equipment with minimal noise without excess mud and has almost zero impact on surrounding buildings and environment.

- The technology featuring a combination of permanent and temporary operations in construction roads is adopted. This can save construction costs and reduce material waste.
- High-strength steel application technology is adopted. This can effectively reduce the number of reinforcing bars and improve efficiency of reinforcing bars.

- Renewable energy utilization technology is adopted. Efforts are made to implement relevant organizational planning relating to "conservation of energy, land, water and material and environmental protection", and actively utilize renewable energy such as solar energy and air energy, with a view to cutting down consumption of traditional energy and reducing carbon emission in construction process.

Facilitating Green Development and Industrial Transformation

We actively participated in research projects and standard setting relating to national and industrial green buildings with an aim to promote low-carbon transformation of construction industry and facilitate the realization of China's goal of peaking its carbon emissions by 2030 and achieving carbon neutrality by 2060.

In 2021, we participated in the formulation of the following documents

- National Key R&D programmes in the 13th Five-Year Plan Period: Demand-Oriented Green Building BIM Comprehensive Operation Platform Development and Demonstration Project.

- China Real Estate Chamber of Commerce Evaluation Standards for Green Finance to Support Low-Carbon Buildings.

- China Real Estate Association Digital Technology Real Estate Branch Prefabricated Building Information Model Application Standards.

- Ministry of Science and Technology "13th Five-Year Plan" Research R&D of Key Technology for Green Building Operation Optimization Based on BIM.

- Launching research of measurement method of carbon emission in building construction process in cooperation with the Harbin Institute of Technology.

Applying BIM technology to optimize quantity take-off and facilitating green development of building construction
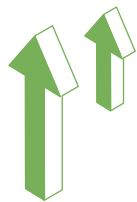
Rebar comes as a major construction material accounting for the largest share of carbon emission in reinforced concrete structure buildings. Rebar deepening based on the BIMMAKE software developed by Glodon takes full account of technology optimization and construction process requirements, thus making algorithm-generated rebar model and physical quantity based on model basically meet onsite actual installation demands. By virtue of synthetic algorithm and editing ability, rebar quantity based on BIMMAKE rebar deepening is 4% less than the budget quantity in the same project, reducing carbon emission by 3.1kg-3.4kg/m^2.

In the Jinqiao International Trade City project located in Wangcheng Economic and Technological Development Zone in Changsha, Hunan, the construction side applied BIMMAKE rebar deepening to calculate rebar quantity. The two buildings were respectively imported into the budget model. On the basis of adjusting calculation setting and node setting according to construction drawings, rebar quantity was respectively reduced by 5.41% and 4.37% compared to budget. Overall, the two buildings recorded a decrease of 101.8 tonnes steel from budget, which can reduce carbon emission by 208.8 tonnes, thus promoting green construction and facilitating the green low-carbon development of construction industry.

Building Low-carbon Moodels

Adhering to green development philosophy, Glodon takes scientific and technological innovation as its method and mission, with an aim to help realize green planning, green design, green investment, green construction, green production, green circulation, green life and green consumption scenarios by with science and technology. Meanwhile, on the basis of implementing innovative practice projects, we strive to build low-carbon models, and actively explore smart and green high-quality development approaches to build a modern society featuring the harmonious coexistence of humans and nature.

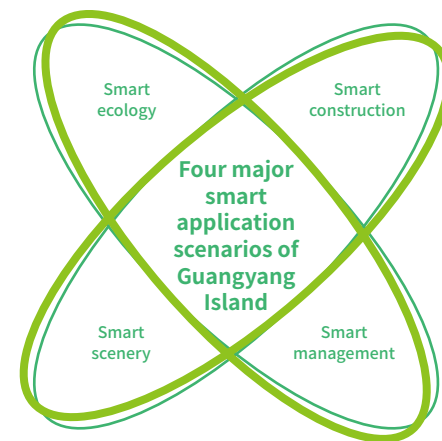## Smart upgrading facilitates low-carbon transformation of the park

Glodon establishes cooperation with the Management Committee of Quanzhou Chip Valley Nan'an Branch to jointly build the "planning, construction, management and service" integrated smart park project based on CIM. In line with the "digital twin" concept and with a focus on "planning, construction, management and service" of the park's whole life cycle, the project applies information technologies such as BIM+3DGIS and cloud computing, big data, IoT, mobile Internet and artificial intelligence to realize the digitization, online and intellectualization of the physical park. By virtue of smart park top-level design, smart park platform system, park ecological industry resource linkage, park Internet ecological operation service, among others, efforts are made to facilitate the "Internet+" transformation and innovative development of the industrial park. The project is rated as "Outstanding Application Case in 2021 Smart City Pioneer List" of the 15th China Smart City Expo.

2021 Smart China Expo Smart Ecology Forum themed "smart ecology, ecological smart cities"

Providing green development benchmark with "Ecological + Smart"

As one of the key projects for building green development models in the Yangtze River Delta and exploring the significance of environmental protection, the Smart Guangyang Island is designed to become a key scenic spot in the Yangtze River and an ecological island in Chongqing. Based on "intelligent ecologicalization and ecological intelligence", the project creatively unveiled the "dual-gene fusion and double spiral development" for smart ecology, which built an ecological information model system to enable ecological governance of Guangyang Island in a smart manner and promote the construction of intelligent town and smart city in Chongqing, thereby striving to make an upstream contribution to the green development of Yangtze Economic Belt. With pollutant reduction, carbon decrease and rich biodiversity as starting point and water, land and air as entry point, the Smart Guangyang Island aims to realize visible, measurable and optimizable ecological governance with the support of IoT, big data and 5G communication.

- Efforts are made to creatively launch Guangyang Island ecological indicators system in cooperation with the Chinese Academy of Sciences. Ecological factors on the island are digitally restructured to form an ecological background database.
- Actions are taken to establish an ecological smart surveillance network, so as to realize real-time observation of ecological status, dynamic early warning of ecological risks, and timely treatment of ecological issues. Besides, smart ecological comprehensive governance system is built in order to dynamically calculate ecological health indexes of the island, rapidly analyze ecological irregularities, scientifically compare restoration solutions and continuously guide ecological improvemen.

- BIM technology is applied to realize virtual construction and customize full-suite digital solutions; Aiming at several dimensions such as project investment, progress, quality and safety, measures are taken to form digital building product consistent with physical building, thus supporting visible, lean and smart operation and maintenance management.

Smart ecology — Smart construction — Smart scenery — Smart management

Four major smart application scenarios of Guangyang Island

- Efforts are taken to build a full-scenario collection integrating residence, business and entertainment with high standards, so as to enable "understanding Guangyang by a mobile phone".

- By establishing a new model of "cell-level lean management involving multiple stakeholders", efforts are made to build a resilient and safe Guangyang Island.

Performing Low-carbon Operation

On the basis of implementing resource saving and advocating energy conservation and emission reduction, and with consideration of energy management system in building design, Glodon uses the smart office operation system to continuously improve the utilization efficiency of environmental resources, enhance employees' environmental protection awareness, advocate green working and to jointly create green office atmosphere and enjoy green life.

Saving energy and reducing carbon emission

- We persistently apply smart control management system in daily operation, which can automatically adjust operation methods in line with natural environment and office environment, so as to reduce interference of property administration personnel and decrease energy consumption of office facilities.
- We use solar energy for heating and hot water supply of bathroom and dining room; Ground source heat pump is used for air conditioning system to reduce power consumption; energy conservation and emission reduction system is installed in air conditioning water pump and air blower coil to realize automatic control to reduce energy consumption.
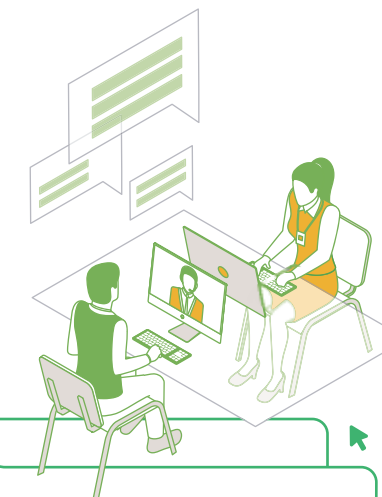
Saving water

- Water-saving taps and containers are used, and actions are taken to advocate water saving.

Saving energy and reducing carbon emission by green travel

- Documents such as the Vehicle Management Regulation are formulated in order to enhance vehicle management, optimize vehicle use process and reduce travel carbon emission.

Saving paper and working in an environmentally friendly manner

- Actions are taken to advocate paper-saving behaviors such as limited paper use in the office, double-side printing, paper recycling, reducing colored printing and preview before printing.
- Efforts are taken to reduce printing by promoting monitor of printing paper by conducting regular data analysis of paper use, promoting digital office, developing habits of reading on electronic devices.

Glodon innovative conference system facilitates low-carbon business operation

Based on mobile devices, Glodon innovative conference system enables c paperless meetings by screen sharing, written approval and document distribution, which aims to help companies reduce costs, improve efficiency, protect information security and establish a standard conference process. It provides companies with low-carbon and environmentally friendly green conference solutions. With a focus on cooperation, on the basis of business process and with an aim to meet business management, the conference system has brought about fundamental reform to traditional conference management model of companies, thus realizing digital innovation of conference management.

There are altogether **6** pages of documents, **3** participants, saving **18** sheets of paper, equivalent to **0.01** trees

Energy conservation alert of Glodon innovative conference system

equivalent to about **5,853** trees

User feedback:
China Railway Group Limited introduced the Glodon innovative conference system in September 2017, which has been comprehensively promoted and applied since the end of 2018. So far, 348 paperless meetings were held with 10,616 attendees involving 7,968 documents in total, which saved a total of approximately 3,511,510 pieces of paper (equivalent to about 5,853 trees).

Sustainable Development Goals

IV

COMMON DEVELOPMENT AND SHARED GROWTH

Enabling a
Better Life

The purpose of development is to benefit people. Sticking to mission, vision and value of passion and dream, and adhering to the vision of "Be an enterprise with Happy Staff, Industrial Leadership, Ever-Growing Business and Good Reputation", Glodon shares development and destiny with society. We aim to provide employees with a work platform where they can better exert self-values, build a more humanistic work atmosphere, realize the joint development of the Company and employees, make an active contribution to society, benefit more groups and facilitate the harmonious development of society. For this, we'll make persistent efforts to realize people's aspirations for a better life.

[Digital Building for a Happy Future]

DEVELOPING A BETTER WORKING AND LIVING ENVIRONMENT WITH TECHNOLOGY

Glodon is committed to creating new impetus through science and technology with an aim to realize people's aspiration for a better life. Glodon promotes digital development of the Company in a digital and informationalized manner to enable all employees to work digitally and remotely at any time and any place so as to improve working efficiency. With the help of science and technology, we aim to make work more convenient and easier and company operation more efficient.

- Enterprise WeCom platform was used for the online working of all employees, and efforts were made to connect coordination channels with external customers by promoting digital technologies, thereby realizing the equivalent effect of online and offline work, and effectively improving internal and external coordination efficiency.
- In 2021, we carried out digital reform of invoices in the reimbursement system to shorten reimbursement process and realize online meetings to enable faster connection.

Enabling high-efficiency coordination

Ensuring safety and health

- For the purpose of mitigating COVID-19 risk and protecting the safety and health of employees, we adopt VPN + remote desk for telecommuting, intending to reduce risk resulting from gathering.
- Efforts were made to establish equipment and environment for timely remote working and to ensure seamless switch between online and offline working environments for employees.

2021

Digital office platform mobile terminal was launched with daily active users of over **90%**

Digital transformation of reimbursement process was completed, reducing the process to less than **8** days and electronic invoice reimbursement period to less than **6** days

All meetings were held online. Specifically, **227,948** online meetings were held with total participants of **565,063**

More than **2000** employees were able to work from home at the same time, with more than **1300** employees working from home on a daily basis.

Glodon 广联达　ABOUT GLODON　CORPORATE GOVERNANCE　CUSTOMER SUCCESS　OPEN AND WIN-WIN　SMART ECOLOGY　COMMON DEVELOPMENT AND SHARED GROWTH　SPECIAL TOPIC

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Boosting Employee Development

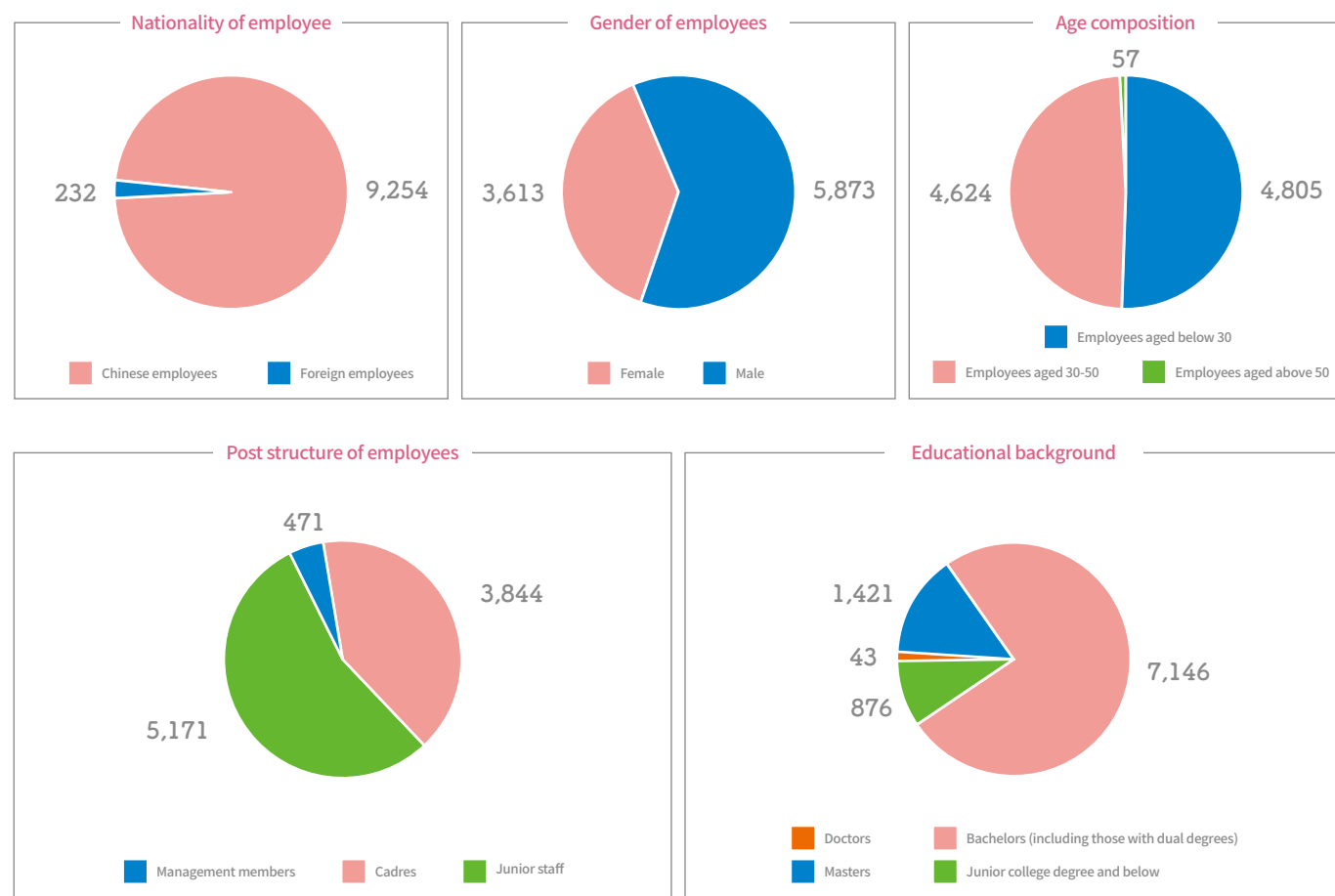We adhere to our employer image to "Unite the world's talents to achieve lofty ambitions". By selecting, training, giving play to, and retaining top talents, we are building a strong talent team. We recruit employees according to law, implement scientific employee training and promotion systems, build platforms for employees to realize their full potential, protect their rights and interests, and concern their physical and mental health, for the purpose of common growth of employees and the Company.

Number and Composition of Glodon Employees, 2021
Unit: Persons

Nationality of employee
- 232
- 9,254
- Chinese employees
- Foreign employees

Gender of employees
- 3,613
- 5,873
- Female
- Male

Age composition
- 57
- 4,624
- 4,805
- Employees aged below 30
- Employees aged 30-50
- Employees aged above 50

Post structure of employees
- 471
- 3,844
- 5,171
- Management members
- Cadres
- Junior staff

Educational background
- 1,421
- 43
- 876
- 7,146
- Doctors
- Masters
- Bachelors (including those with dual degrees)
- Junior college degree and below

Advancing Party Building to Gather Strength

Under the correct leadership of the Party Committee at a higher level, Glodon's Party building work always adheres to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics in the New Era. Guided by the Party's political building and focusing on the goal of enabling the business through Party building, we earnestly implemented the relevant instructions of the superior Party Committee, continuously implement the outcomes of the themed education on " remaining true to our original aspiration and keeping our mission firmly in mind", and let Party organization play the role of a leadership core in all tasks of the Company.
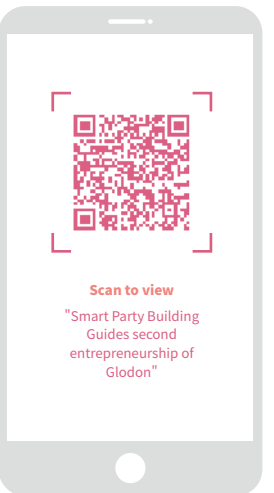
Strengthen theoretical learning

- We have been adhering to the theoretical study of the central group of the Party Committee. Focusing on the goal of "good political quality, good unity and cooperation, and good style and image", we have applied the methods of collective study, special study and collective discussion to vigorously build a learning Party Committee team.
- Adhering to the normalization mechanism of "three sessions and one lesson", in accordance with the *Constitution of the Communist Party of China* and the relevant provisions of higher-level Party organizations, we organized and studied the Party's innovative theory and the country's major policies and principles, to improve the political awareness and theoretical ability of Party members.

Strict inner-Party activities

- We have held democratic meetings of Party Committees and organizational meetings of Party branches, and carried out the democratic evaluation of Party members and Party lectures by Party branch secretaries, effectively promoting the institutionalization, regularization and standardization of Party organization activities.

Standardize the development of Party branches

- We have optimized the framework structure of each general branch and its subordinate Party branches, enable the role of the front position of the Party group, and stimulated the vitality of the Party branches.
- We have implemented the work account management and made great efforts in the account management of Party fee collection, Party member organization relationship transfer, Party member information, etc., with the good style of being realistic, pragmatic, rigorous and meticulous, further improving the quality of Party building.

Spur Party building vitality

- To celebrate the 100th anniversary of the founding of the Communist Party of China (CPC), we produced a video entitled "Staying True to Our Original Aspiration and Founding Mission", organized the "Glodon 100km Running for Health to Celebrate the CPC's 100th Founding Anniversary". Party member employees were organized to watch films on revolution. Being greatly inspired, both the Party member employees and other employees made up their minds to achieve better performance in their positions.
- The "Internet + Party building" platform was created, a unique smart Party building path was found, and a whole set of sound and scientific Party building mechanisms was built, improving the Party building efficiency and reliability.

Scan to view
"Smart Party Building Guides second entrepreneurship of Glodon"

2021

The Party Committee of the Company affiliated **4** general Party branches and **16** Party branches

Glodon 100km Running for Health to Celebrate the CPC's 100th Founding Anniversary

Educational Activity on the Theme of "Forging ahead to Fulfill the Missions"

Safeguarding Workers' Rights

We obey the *Labor Law*, the *Labor Contract Law*, the applicable laws and regulations of the place of listing and international labor standards and common practices. We fairly treat employees from different countries, nationalities, races, of different genders, and with different religious beliefs and culture backgrounds. We are strongly opposed to child labor and forced labor in any form. We keep formulating and improving necessary employment management systems, encourage employees to participate in the democratic management, and respect employees' diverse development, thus having effectively safeguarded their rights and interests and maintained harmonious labor relations. By late 2021, Glodon had had a workforce of 9,486, including 232 foreign employees.
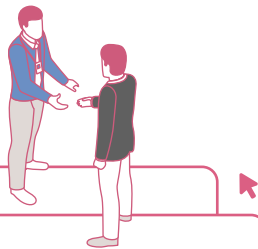
Equal employment

- We formulated and strictly implemented the *Glodon Recruitment System*; adhered to the principles of openness, equality and competition; kept improving the recruitment supervision mechanisms; fairly treated employees from different races, of different genders, and with different religious beliefs. And we were strongly opposed to child labor and forced labor in any form.

Democratic management

- We adhered to the multi-level employee's representative conference system and collective consultation system, and organized the "G's Talk" leadership reception day activity, providing employees with the chance to talk to leaders face-to-face, all in an effort to encourage them to participate in the democratic corporate management and build a harmonious atmosphere with joint efforts that's benefiting for both employees and the Company.

Remuneration and Welfare

- We have continuously optimized the short-, medium- and long-term compensation system by using tools such as normalized equity incentive and Glodon Time Unit Plan, and launched the 2021 restricted stock incentive plan to ensure the stability and enthusiasm of core talents and help the sustainable development of the Company.
- We further enhanced the remuneration and position management, performance management, etc., and built a closed loop of corporate value management. During the process, our employees were motivated to work and innovate, and thus played better roles.

Regular sharing and listening with employees through "G's Talk"

Glodon has made efforts in building a smooth communication channel between the senior management and employees by creatively establishing "G's Talk" as a communication form. Through this channel, the senior management team has regularly interpreted the Company's strategy and culture, actively listened to the voice of employees and given feedback on problems. In 2021, a total of 5 sessions of "G's Talk" were completed, with an average employee satisfaction rate of 98.1%. A total of 9 benchmark case stories were shared on site, and 73 questions from employees and cadres were answered. 800 participants attended offline and 6,957 online on a cumulative basis. The cumulative number of contents disseminated after the interview was shared for 20,278 times.

Scene of Glodon "G's Talk" in 2021

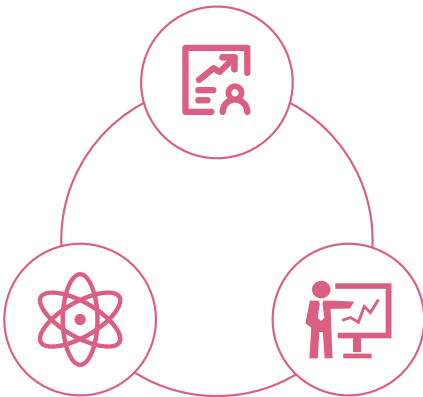# Promoting Employee Development

We pay attention to the needs of employees for development in different stages of their careers. We create development opportunities for them and improve the training systems, to help them develop professional and innovative competence and gain better competitiveness. We offer them stages for applying their advantages and realize their self-fulfilment.

Keeping vocational development channels open

- We made steady efforts in promotion management, kept improving the qualification criteria for employee empowerment, and refined review mechanisms and procedures, to better guide employees through their vocational development path.
- The annual inspection and upgrade of the employee development channels were finished, with over 20 qualification standards for 3 specialized channels set, covering more than 95% of our employees, making it easier and clearer for them to get promoted.

2021

We organized about **137** training programs, which were participated by **9,200** trainees. The upgraded online learning platform attracted **3,500** active learners monthly on average

Devoting more efforts to talent team building

- Based on the qualification system, the "double promotion channels" were built, namely the management competency-based promotion channel and the technical skill-based promotion channel. An internal transfer mechanism for outstanding talents was also implemented to fully spur their enthusiasm for and potential of work.

Creating diversified training systems

- Specific development plans were implemented for new, existing and potential management members at different positions and the technical staff members.
- A cadre training plan covering cadres at multiple levels and in different business divisions was adopted, for the purpose of developing the management skills of our cadres and training more outstanding leaders, to effectively support the sustainable business growth of the Company.

Employee Training in 2021

Ratio of employees trained

Male	Female
93%	93%

Male	Female
26.7 hours	25.5 hours

Average employee training time

Targeted Talent Training Mechanism

General manager training camp

Cadres were effectively developed in big project management competence, systematic thinking and systematic procedure building ability after taking the internal training we organized, forming a strong cadre team that could guide the Company to achieve the "8th Three-year Strategic Plan" goals and succeed in the new undertaking.

Training camp for the middle management

This was for training backbone middle management, strengthening the middle-level strength of the Company, ensuring the effective implementation of its strategies, and working out a series of practical middle management training projects.

New employee training

To ensure the consistency of cultural cognition and strategic direction, we, through effective program design, helped new employees recognize our corporate culture, understand our strategies, and develop ties to us, thus meeting their job requirements quickly.

At the general manager training camp, focus is on the annual goals, strategy management, and project and procedure management abilities

The training camp for the middle management is organized to help them improve professional proficiency

At the DOD training camp for the middle and senior management, consensus is reached on the development direction and the awareness of the management strengthened

At the new employee training, new employees are guided to better meet their job requirements

Caringe for Employees

Our mission is to generate happiness and engagement of our teams. To meet the needs of employees in a new era and for the healthy development of our employees, we have founded the Glodo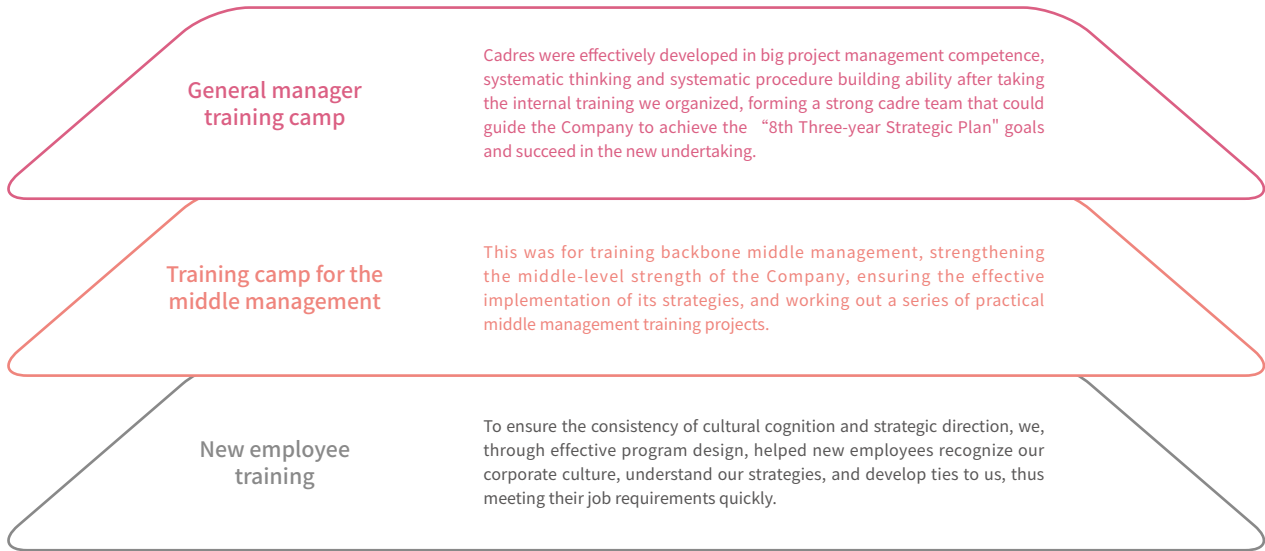n Family Fund, to help out the employees in financial trouble, and create a safe, healthy, cozy and happy working and living environment for them. Thus, they can have a better sense of belonging and happiness.

Heartfelt consolation

- The Glodon Family Fund initiated by the founding shareholders and senior officers of Glodon in 2009 is committed to providing financial support to our employees and their families that suffer from serious diseases, disasters, death, etc. In addition, we have released the *Family Fund Management Measures*, set up a Family Fund Management Committee and a Family Fund Secretariat, and appointed financial management representatives, to ensure a smooth operation of the family fund and provide employees with support and care.
- Active efforts were made to solve the worries of employees, such as public rental housing application, settlement of key talents, assistance in children's education, etc.

Creating beneficial work atmosphere

- Funded by the superior labor union, we built an "Employees' Home" and "Caring Station for Employees", offering them a beneficial work environment.

Concerning employees' physical health

- All employees had annual occupational health examinations organized by the Company .
- Dentists invited were at the service of our employees, and lectures on cancer prevention and cervical health were organized.
- We equipped our self-owned buildings with the AEDs (automated external defibrillators) to protect employees' life safety. Two CPR and AED training were organized, with 195 trainees.

As of late 2021

The Glodon Family Fund had received about **1.8014** million yuan donation from **3,942** donors, and granted **108** Glodon employees a total of **1.385** million yuan as consolation.

Fitness space for employees

Cooperation with Enjoy Dental on education lectures and free dentists consultation

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Enriching Life at Glodon

We advocate the idea of living healthily and working happily, encourage employees to keep a balance between work and life, and try to create a harmonious and comfortable working environment. To ensure the physical and mental health of employees, we have founded many clubs and organized many activities, such as the Basketball, Badminton, Football and Ping Pong clubs and Run for Health Society.The Autumn Games and gym are also available. The aim is to enrich our employees' life and let them feel the warmth of the enterprise.

Building up the body

The Glodon Runner Group: Run for Health is continued, encouraging all employees to jog for their health. From May to December, 2021, 8 such activities were arranged, with 1,200 participants.

Family parties

On the morning of September 11, 2021, the "Golden Autumn Games & Middle-Autumn Garden Party" kicked off at the Glodon Building, with more than 500 employee families in Beijing participating in the fun activities.

Spring Festival celebration

Because of the COVID-19 pandemic, our employees from other provinces had to stay in Beijing during the Spring Festival. To give them a memorable time, we held the " Home Is Where My Heart Is - Stay Put For Spring Festival" picture exhibition.

Care for female employees

On every March 8, the Women's Day, we will prepare delicate presents and tasty food for our female employees.

Regular Epidemic Prevention and Control

In the midst of repeated COVID-19 outbreaks, Glodon takes "optimistic attitude, scientific spirit, innovative response and opportunity derived from risk" as guiding principle, and fully fulfills its entity responsibilities in several aspects such as helping pandemic-affected areas, facilitating production and work resumption and employee protection, with an aim to help the society successfully fight against the pandemic effectively.

Helping pandemic-affected areas

- We actively donated supplies to COVID-19 affected areas and assigned young employees to help Xi'an fight against the pandemic.

Pandemic prevention and control

- By virtue of digital, real-name and lean full-process management and with the help of smart software and hardware, we launched new construction site pandemic prevention and control plan.

Vaccination

- In 2021, we made full efforts to promote vaccination against COVID-19 by providing employees with multiple vaccination channels and organizing more than 10 door-to-door centralized vaccination sessions in active cooperation with sub-districts, Zhongguancun Science City labor union and nearby enterprises, among others.
- We made energetic efforts to carry out COVID-19 vaccination publicity work, disseminate relevant knowledge and build immunity barrier. Currently vaccination rate is over 85%.

Getting vaccinated against COVID-19 in an orderly manner so as to build immunity barrier

Glodon actively communicated with vaccination sites based in the software park and applied for the establishment of COVID-19 vaccination "special sessions". By making use of various forms such as OA platform of the Company, WeChat group, Party/Labor Union/Youth League official account and poster, we carried out vaccination publicity work, timely disseminate scientific pandemic prevention common knowledge to employees, to make employees more comprehensively understand the necessity and importance of vaccination. In an effort to encourage the employees, leaders of the Company took the lead in the vaccination. Obeying the "all people eligible for vaccination have access to it" principle is a protection of our own and our families' health and contributes to an all-round pandemic response barrier.

Helping Chang'an University to prevent and control the epidemic

Assigning young employees to help fight against COVID-19 in Xi'an

Organizing young volunteers to help communities in pandemic prevention and control in Nanjing
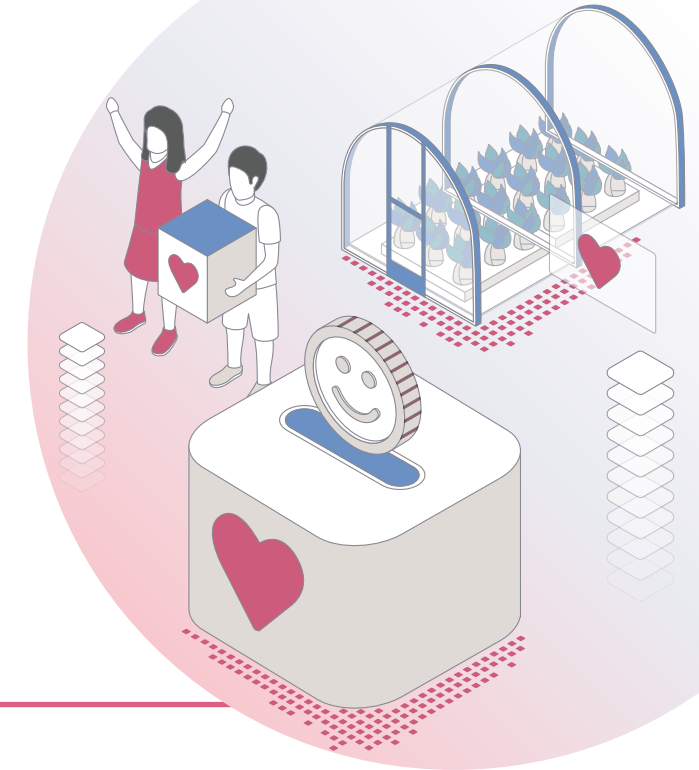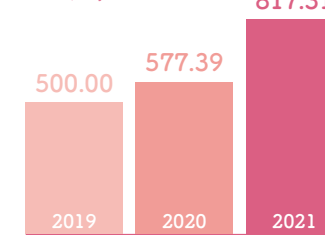
Participating in Community Development

Urban renewal is the only route to high-quality urbanization. As important components of the functional zones of cities, communities have attracted lots of attention from all walks of life. Old community renewal and transformation is a key part of the urban construction of China, and also a really complicated urban activity. To meet the social needs, Glodon applies its professional technologies, digital technologies in particular, to old communities, bring new life into them, and making a contribution to the development of harmonious communities.

Old community renovation projects represented by the Jianxinyuan community in Fangshan District, Beijing

China Visionary is long committed to the renovation of old communities. In 2021, Glodon joined the Jianxinyuan community renovation project in Fangshan of Beijing with China Visionary. We used our digital technologies to help China Visionary with modeling through drone aerial photography, building the 3D digital model of the community, and making and explaining the renovation plan on the basis of the model. Our digital technologies helped the designer better understand the conditions of the community and the needs of the residents in it. Our 3D visual technologies made the communication between the residents and the local government more effectively, with good results achieved eventually.

3D Visual renderings of old community renovation projects represented by the Jianxinyuan community in Fangshan District, Beijing

Serving the Social Welfare

Glodon concerns people and pays back society with concrete actions. For instance, we organized voluntary employee teams, and encouraged and organized employees to work for the public good. We connected with the public to enhance public welfare.

Total donations
Unit: 10,000 yuan

500.00 — 2019
577.39 — 2020
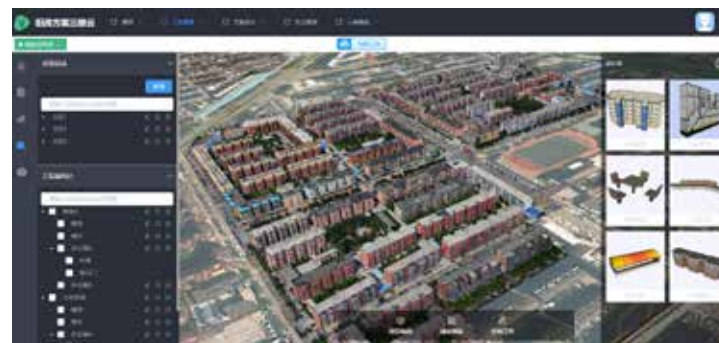817.31 — 2021

Education Support

We are always concerned about students from underprivileged families. Adhering to the concept that "it takes ten years to raise a tree and a hundred years to raise a man", we have been making active efforts to drive the development of education and create a better educational environment, offering students better resources to grow and make a contribution to the society. In 2021, we made donations to the Southeast University Education Foundation, the Beihang University Education Foundation, the Dalian University of Technology Education Development Foundation, the Education Foundation of Anhui University of Finance and Economics, the Education Foundation of Zhejiang College of Construction and other education foundations and kindergartens, donating a total of 6,867,600 yuan.

Disaster Relief

Joining forces to tide over disasters. After natural disasters hit, we lost no time in sending people and supplies to the disaster-stricken areas, showing them the care of Glodon. In 2021, we donated money and materials to Shanxi and Henan provinces, with a total amount of 355,100 yuan.

Certificate of honor for flood disaster relief work in Shanxi

Farmer Assisting

In response to the calls for assisting farmers and the disabled and supporting poverty alleviation, we purchased from suppliers with the same beliefs at discounted prices to help with the consumption-based poverty alleviation, making a contribution to consolidating the poverty alleviation achievements and rural revitalization.

Glodon participated in flood fighting and disaster relief in Henan

In July 2021, after the catastrophic floods in Henan Province, Glodon immediately established a "Major Event Emergency Team" led by the president's office to quickly formulate internal and external emergency response measures. The Company organized several affiliated business departments to raise flood control and disaster relief supplies as soon as possible, and carried out the procurement and donation of health and epidemic prevention materials. To deal with the massive damage and loss of hardware and software of our customers in Henan Province during the flood, the Company took the initiative to connect with customers and did its best to support important projects under construction (infrastructure construction) and post-disaster reconstruction projects in Henan. In addition, the Company actively responded to the disaster relief donation activities of local administrations and associations, helped the construction industry resume work and production, and made due efforts in the post-disaster reconstruction work.
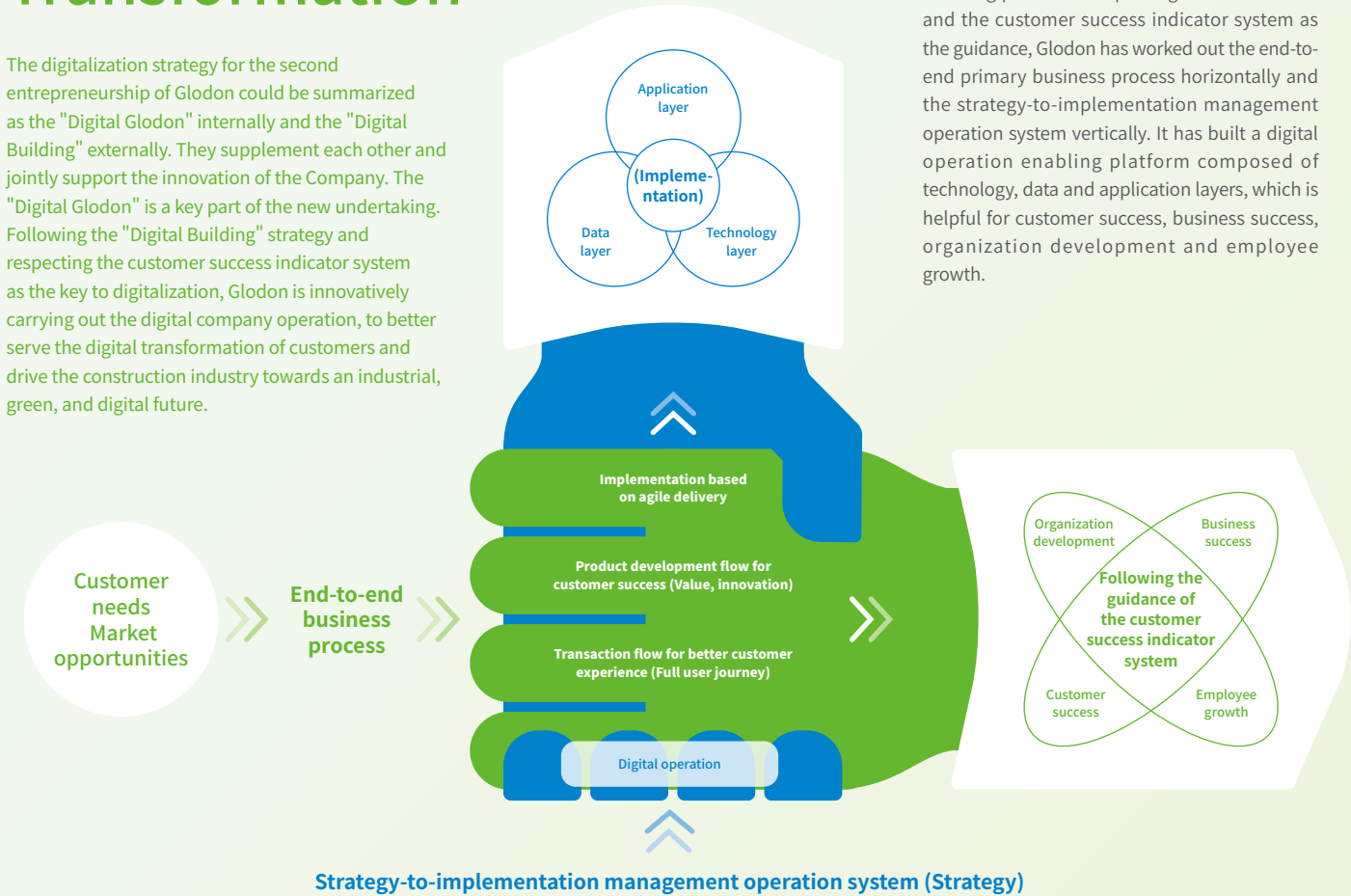
Delivery of the first batch of aid materials and flood control equipment

SPECIAL TOPIC

New Platforms and New Services Accelerating Digital Transformation

The digitalization strategy for the second entrepreneurship of Glodon could be summarized as the "Digital Glodon" internally and the "Digital Building" externally. They supplement each other and jointly support the innovation of the Company. The "Digital Glodon" is a key part of the new undertaking. Following the "Digital Building" strategy and respecting the customer success indicator system as the key to digitalization, Glodon is innovatively carrying out the digital company operation, to better serve the digital transformation of customers and drive the construction industry towards an industrial, green, and digital future.

Enabling Platform of Digitalization

Continuous efforts are made to improve the top design of the "Digital Glodon" and the digital enabling platform. Respecting customer needs and the customer success indicator system as the guidance, Glodon has worked out the end-to-end primary business process horizontally and the strategy-to-implementation management operation system vertically. It has built a digital operation enabling platform composed of technology, data and application layers, which is helpful for customer success, business success, organization development and employee growth.

Application layer

(Implementation)

Data layer　　Technology layer

Customer needs Market opportunities

End-to-end business process

Implementation based on agile delivery

Product development flow for customer success (Value, innovation)

Transaction flow for better customer experience (Full user journey)

Digital operation

Organization development　Business success

Following the guidance of the customer success indicator system

Customer success　Employee growth

Strategy-to-implementation management operation system (Strategy)

Principal Line of Digitalization

To help customers succeed, Glodon integrates its internal company operation and its business operation, and comes up with an innovative strategy to respect the customer success indicator system as the principle line of digitalization and as the guidance, and to ponder over and quantify the supporting relationship between the core-value business and customer success based on the linkage of different value chains and layers, in an effort to advance the digitalization progress in the overall operation and management of the Company. The customer success indicator system involves R&D, marketing, service and other core fields and human resources, finance, supply chain and other supporting fields. It's designed for the digitalization of core-value businesses, so as to achieve real corporate digitalization and ensure value creation for customers.

Customer success indicators help customers increase benefits and enterprises improve efficiency

Glodon material product team build an indicator system for "customer success" of material business to better measure customer value and accurately guide product actions. Taking saving material costs as the core value, Glodon reduces human factors and improves management precision to improve project benefits by providing construction enterprises with digital methods combining IoT, AI, data intelligence, etc. By the end of 2021, it has helped more than 1,000 clients and more than 8,000 projects in infrastructure and housing construction, promoting the overall fine management level of materials in construction enterprises, railways and highways.

For clients

It helped to save **3%** of the project material cost through digital means.

For enterprises

It has precisely guided the realization of customer value and new scene selection and increased the verification pass rate from **50%** to **90%**, and shortened the verification cycle from **6 months** to **2 months** by index traction.

The customer success indicator system

Guidance

Support

R&D
- On-time delivery rate
- Qualification rate
- Improvement rate of iteration period
......

Marketing
- Marketing action indicators supporting customer value
- Conversion rate of business opportunities
- Improvement rate of realization period
......

Services
- Service satisfaction improvement indicators
- Indicators of improvement of customer problem solution efficiency
......

Guidance

Support

Finance
- Revenue and profit indicators
- Fund utilization indicators
- Fund turnover indicators
......

Human resources
- New employee growth indicators
- Core talent qualification rate
- Employee happiness indicators
......

Supply chain administration
- Inventory turnover
- Rate of timely delivery
- Indicators of improvement of employees' satisfaction with administration
......

Exploration of digital marketing for better cost estimation

As the transformation of the form and business model of Glodon's cost estimation business is finished, the single business capacity can no longer meet the changing customer needs. Through intelligent leads generation, lean sales, digital services, digital operations and other information systems, Glodon has promoted the realization of intelligent acquisition of marketing leads, accurate analysis of sales, service and retail operation business, online-based strategy, transparent implementation process, automatic result evaluation, etc. Moreover, by opening up the PDCA closed loop of sales management, service management and retail operation, Glodon has improved the efficiency of the marketing and sales value chain of cost estimation business.

Sales management and efficiency improvement

The product has been applied 846,000 times, and the evaluation efficiency of sales plan has been increased by **6** times.

Acceleration of order creation

The efficiency of creating orders by salespersons is increased by **76%**, which has saved **60** days per year on average for each salesperson.

The online collection period is **22** days shorter than that of traditional form.

Customer service quality improvement

Customer satisfaction rate is **90.3%**, which is **8.5%** higher than that of non-operation form.

Customer recommendation rate is **60.5%**, which is **11.5%** higher than that of non-operation form.

The customer application rate is **77%**, which is **11%** higher than that of non-operation form.

Enterprise operation efficiency improvement

Each employee maintains **651** customers on average, releasing nearly **20%** of branch salespersons.

Saving **333** hours of working time, efficiency up by **49%**.

The quality of enterprise operation has been improved by the practice of digital reimbursement

Glodon has committed to making more digital and simple financial expense reimbursement for employees. The company's financial system has utilized digital technology and launched the "Reimbursement Assistant". It transformed manual invoice review into system automatic review. It digitalized invoice content through OCR recognition and connection with the national tax automatic verification, to automatic complete the reimbursement form. With the built-in reimbursement rules, it realized the automatic archive of reimbursement applications to improve reimbursement efficiency and data accuracy and enhance invoice compliance. The system has promoted enterprise digital transformation with the digital-based reimbursement process, laying the foundation for using enterprise big data to create value in terms of finance. In 2021, a total of more than 200,000 reimbursement approval processes were initiated, more than 730,000 invoices were collected, and the incorrect invoices of more than one million yuan were rejected.

The efficiency of financial reimbursement approval has been increased by **30%**, decreasing from the original **13 days** to **8 days**.

The automatic verification rate of invoices is about **97%**, and the rejection rate of false invoices is **0**.

The employee filling speed has been accelerated by **4 mins** per invoice, and **14,000** working hours could be saved for about **200,000** invoices.

The quantity of electronic invoice reimbursement was more than **40,000**, which required no stamps, printing or mailing, etc., saving over **20,000** working hours throughout the year.

SPECIAL TOPIC

New Technologies and New Construction for a Shared Future

The Beijing 2022 Winter Olympics was held in Beijing and Zhangjiakou with the concept of "athlete-centered, sustainable development, and frugal competitions". In serving the infrastructure construction project of the Winter Olympics, based on the self-controllable BIM integrated solution, Glodon drove the whole-process project management with data, and assisted in the realization of the goals of digitalization, networkisation and intelligentisation in the whole construction life cycle covering planning, project management, etc. It promoted green and thrifty Olympics. By the end of 2021, Glodon had participated in the construction of many venues for the Winter Olympics, including Ice Cube, Yanqing Winter Olympic Village, public rental housing for talents in Winter Olympic Village, National Convention Center Phase II, National Sliding Centre, and other projects.

- The project applied the digital project integrated management platform to form a BIM management model participated and cooperated by multiple parties and based on the owner's needs and the implementation of the general contracting process, so as to realize real-time interaction of project management, and promote the digitalization of project organization, management and decision-making.

- The project used BIM to assist technical management innovation, allowing designers and engineers to actively use information tools to form a BIM-based technical management process, so as to realize the whole-process open model and data management and reduce duplication of data processing.

- The project applied BIM + intelligent construction site data-driven decision-making system to realize intelligent construction site labor management, AI recognition, intelligent inspection for the management of on-site behavior, etc., to promote intelligent construction and improve construction efficiency and safety level.

Digital project management

Information-based technical management

Serving the construction of the Winter Olympics projects with BIM and digital technology

Project benefits

Intelligent construction management

Economical and eco-friendly

Labor-saving and efficient management

Worry-free and improved project quality

- Through 3D scanning + BIM earthwork takeoff control, nearly 60,000 square meters of earthwork have been saved. While saving project costs, we reduced the use of land and soil for construction.

- The IoT intelligent platform improved the safety level of high slopes and reduced the frequency of manual inspection by 50% .
- The ability to control labor services in complex venues reduced the time of site inspections by 30% .
- Video surveillance and AI recognition improved the work efficiency by 50%.

- Whole-process open model and data management reduced duplication of data processing by 40% .
- Whole-process BIM management of steel structure shortened the construction period of steel structure by 30% .
- 3D scanning and on-site quality inspection reduced the actual measurement period by 60%.

Application of BIM technology to help with high-quality renovation of curling venue of the Winter Olympics

"Ice Cube", the Winter Olympics curling venue at the National Aquatics Center, is not only the venue for the curling competitions of 2022 Winter Olympics and the Winter Paralympic Games, but also the venue for the indoor water sports of 2008 Summer Olympics. It is the only venue that can be freely converted for both winter and summer Olympics.

Glodon adhered to the concept of digitalized, intelligent and green construction, and adopted the BIM 5D platform to realize all-round integrated control, so as to achieve closed-loop management of construction project informatization, project quality, safety, and green construction. Glodon took advantage of BIM technology and applied BIM technology to solve project problems in the whole process. Through the integrated application of BIM model, it reduced the problems of unreasonable design and rework, and saved resource consumption such as labor, materials and machines, which greatly improved work efficiency and reduced workload for people.

Using digital power to help with the Taizicheng Ice and Snow Town Project in Chongli

Chongli Taizicheng Ice and Snow Town is a supporting project in the core area of the Winter Olympics. It provides services such as Winter Olympics awarding, VIP reception, transportation, and leisure and entertainment. After the game, it will become an international tourist town for all-year vacation and maintain sustainable operations in the post-Olympic era.
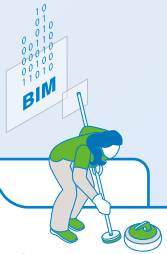
Glodon's BIM cloud platform takes "document collaboration", "process approval", "drawing and model collaboration" and "mobile application" as the core. Through the cloud-based project collaboration environment, Glodon uses digital technology to connect all participants, data and processes in the project. It helps the project team achieve coordination and tracking of tasks and processes such as member management and information exchange, centralized storage and efficient distribution and sharing of project drawings and documents, 3D visual communication of BIM models, paperless technical briefing and approval and acceptance. It improves project collaboration efficiency and saves project communication costs.

Awards

Beijing Great Wall Cup Engineering Award

China Steel Structure Gold Award

Beijing BIM Demonstration Project Award

China State Construction Engineering Corporation Demonstration Project Award

The first prize of the 9th Longtu Cup

the first prize of the 5th Chian Construction Industry Association BIM Competition

the special prize of the 2nd "Co-creation Cup"

Key Performance Indicators

Economic Performance

Performance indicators	Sub-indicators	Unit	2019	2020	2021
Operational efficiency	Total assets	Billion yuan	6.167	9.547	10.068
	Revenue	Billion yuan	3.464	3.947	5.562
	Total profit	Million yuan	284	410	758
	Debt-to-asset ratio	%	45.70	31.31	37.69
Supply chain management	Total number of suppliers	-	727	1075	837
Product R&D	Number of patents applied	-	173	127	210
	Number of patents granted	-	36	94	18
	Number of software copyrights registered	-	67	87	80
	Number of trademarks registered	-	69	65	168
	Total R&D investments	Billion yuan	1.088	1.339	1.626
	Proportion of R&D investments in revenue	%	31.40	33.93	29.23
Product safety and	Customer satisfaction survey result	Points	87.4	88	87.6

Environmental Performance

Performance indicators	Sub-indicators	Unit	2019	2020	2021
Emission	Total greenhouse gas emissions	Tonnes of Carbon dioxide	39,196.86	5,519.39	3,515.68
	Domestic wastes	Tonnes	137.28	134.96	124.5
	Kitchen wastes	Tonnes	66	63	49.2
	Office wastes	Tonnes	3.96	4.01	3.5
	Waste lamp tubes	Tonnes	0.3	0.295	0.3
	Waste toner cartridges	Tonnes	0.2	0.185	0.25
	Waste ink cartridges	Tonnes	0.01	0.0115	0.009
Utilization of resources	Total office paper consumption	Tonnes	30	29.5	14.3
	Total fresh water consumption	Tonnes	61,284	64,861.96	28,660
	Total purchased electricity	10,000 kWh	601.53	595.98	525.46
	Total natural gas consumption	10,000 m³	7.0	7.0	4.9
	Gasoline consumption	Tonnes	16	16	8.45

Social Performance

Performance indicators	Sub-indicators	Unit	2019	2020	2021
Protection of employees' rights and interests	Total number of employees	Persons	6,975	8,213	9,486
	Number of male employees	Persons	4,129	4,910	5,873
	Number of female employees	Persons	2,846	3,303	3,613
	Chinese employees	Persons	6,776	8,005	9,254
	Foreign employees	Persons	199	208	232
	Jobs added during the reporting period	Persons	1,656	2,316	2,784
	Share of employees covered by five major social insurance programs and housing provident fund	%	100	100	100
	Labor contract signing rate	%	100	100	100
	Employee turnover	%	16.81	14.88	17.46
	Ratio of employees trained	%	43.05	62.8	93
	Ratio of male employees trained	%	40.69	63.2	93
	Ratio of female employees trained	%	46.49	62.1	93
	Average male employee training time	Hours	9.05	36.92	26.7
	Average female employee training time	Hours	8.88	38.99	25.5
	Number of fire drills		2	2	2
	Trainees of fire drills		1,200	1,300	1,200
	Ratio of occupational health examination	%	76	100	100
	Ratio of employees taking annual leaves	%	39.20	37.35	38.28
	Days of maternity leaves taken	Days	25,532	31,003	36,474
	Work-related deaths for three consecutive years	Persons	0	0	1
	Lost days due to work injury	Days	0	0	64
Employee care	People receiving family fund donation	Persons	4,671	3,648	3,942
	Total amount of family fund donation	Million yuan	1.2142	1.1059	1.3850
	Employees cared	Persons	96	94	108
Community developmen	Employees participating in volunteer activities	Persons	/	213	357
	Total donations	Million yuan	Over 5.0000	5.7739	8.1731

GRI Index

S/N	GRI contents	Section
102-1	Name of the organization	About this Report
102-2	Activities, brands, products and services	About Glodon
102-3	Location of the headquarters	About Glodon
102-4	Location of operations	About Glodon
102-5	Ownership and legal form	Govern the enterprise according to law
102-6	Markets served	Business sectors
102-7	Scale of the organization	Governance structure
102-8	Information on employees and other staff members	Boosting employee development
102-9	Supply chains	Building a responsible supply chain
102-10	Significant changes of the organization and its supply chains	Building a responsible supply chain
102-11	Early warning principles or policies	Risk Management
102-12	External initiatives	Investor relations management
102-13	Association membership	Corporate governance
102-14	Statements of top decision makers	Message from the Chairman
102-15	Critical impacts, risks and opportunities	Corporate governance
102-16	Values, principles, standards and codes of conduct	About Glodon
102-17	Mechanism of suggestions on ethics and concerns	Corporate governance
102-18	Governance architecture	Corporate governance
102-19	Authorization	Governance structure and operation of the three meetings
102-20	Administrative management's responsibilities for economic, environmental and social issues	ESG Management
102-21	Consultation with stakeholders on economic, environmental and social issues	ESG Management
102-22	Composition of the supreme governing body and its committees	Governance structure and operation of the three meetings
102-23	Chairman of the supreme governing body	Governance structure and operation of the three meetings
102-24	Nomination and selection of the supreme governing body	Governance structure and operation of the three meetings
102-25	Conflicts of interest	Governance structure and operation of the three meetings
102-26	Roles of the supreme governing body in purpose, values and strategy determination	Value concept
102-27	Collective cognition of the supreme governing body	ESG Management
102-28	Performance evaluation of the supreme governing body	ESG Management
102-29	Identification and management of economic, environmental and social impacts	ESG Management
102-30	Effects of risk management procedures	Law-abiding and compliant operation, anti-corruption
102-31	Review of economic, environmental and social issues	ESG Management
102-32	Roles of the supreme governing body in sustainability development report	ESG Management
102-33	Communication on main concerns	ESG Management

S/N	GRI contents	Section
102-34	Natures and number of main concerns	ESG Management
102-35	Remuneration policies	Boosting employee development
102-36	Process of remuneration decision	Boosting employee development
102-37	Stakeholder's participation in remuneration decision	Boosting employee development
102-38	Ratio of annual total remuneration	Not applicable
102-39	Growth rate of annual total remuneration	Not applicable
102-40	List of stakeholders	ESG Management
102-41	Collective bargaining agreements	ESG Management
102-42	Identification and selection of stakeholders	ESG Management
102-43	Engagement policies for stakeholders	ESG Management
102-44	Main issues and concerns proposed	ESG Management
102-45	Entities covered in the consolidated financial statement	About Glodon
102-46	Definition of report contents and issue boundary	About this Report
102-47	List of substantial issues	ESG Management
102-48	Information restatement	About this Report
102-49	Report changes	About this Report
102-50	Reporting period	About this Report
102-51	Latest reporting date	About this Report
102-52	Reporting period	About this Report
102-53	Information of the contact person answering the related problems in the Report	About this Report
102-54	Statement on compliance with GRI standards for reporting	About this Report
102-55	GRI Index	GRI Index
102-56	External authentication	N/A
103-1	Explanation of substantive issues and their boundaries	ESG Management
103-2	Management methods and their components	Governance structure and operation of the three meetings
103-3	Evaluation of management methods	Governance structure and operation of the three meetings
201-1	Direct economic value generated and distributed	Investor relations management
201-2	Financial implications and other risks and opportunities due to climate change	Promoting green management
201-3	Compulsory benefit plans and other retirement plans	Boosting employee development
201-4	Government financial subsidies	Not applicable
202-1	Ratio of standard starting salaries by gender to the local lowest salary	Not applicable
202-2	Ratio of senior executives employed from local communities	Not applicable
203-1	Infrastructure investments and supportive services	Participation in community development
203-2	Material indirect economic implications	N/A
204-1	Ratio of procurement expenditures to local suppliers	Not applicable
205-1	Operation sites subject to corrosion risk evaluation	Law-abiding and compliant operation, anti-corruption

S/N	GRI contents	Section
205-2	Communication of and training on anti-corruption policies and rules	Law-abiding and compliant operation, anti-corruption
205-3	Confirmed corrosion events and actions taken	Law-abiding and compliant operation, anti-corruption
206-1	Lawsuits for improper competitive behaviors, antitrust and anti-monopoly practices	Law-abiding and compliant operation, anti-corruption
301-1	Weight or volume of materials used	Not applicable
301-2	Recycled materials used	Promoting green management
301-3	Recycled products and their packaging	Promoting green management
302-1	Energy consumption inside the organization	Promoting green management
302-2	Energy consumption outside the organization	Promoting green management
302-3	Energy intensity	Promoting green management
302-4	Reduction of energy consumption	Environmental performance
302-5	Reduction of products' and services' energy demands	Supporting green buildings
303-1	Water intake divided by the source	Promoting green management
303-2	Water sources significantly impacted by water intaking	Not applicable
303-3	Water recycling	Carrying out low-carbon operation
304-1	Operation sites owned, rented or managed by the organization inside or adjacent to conservation areas and the bio-diverse areas outside conservation areas	Not applicable
304-2	Major impacts on biodiversity from activities, products and services	Not applicable
304-3	Habitats conserved or restored	Not applicable
304-4	Species in habitats affected by operation that have been inscribed on the IUCN Red List and the national protection list	Not applicable
305-1	Direct greenhouse gas emissions (category 1)	Environmental performance
305-2	能 Indirect greenhouse gas emissions (category 2)	Environmental performance
305-3	Other indirect greenhouse gas emissions (category 3)	Environmental performance
305-4	Greenhouse gas emissions intensity	Environmental performance
305-5	Greenhouse gas emissions reduction	Environmental performance
305-6	Ozone-depleting substances emission	Not applicable
305-7	Nitrogen Oxides and Sulphur Oxides emissions, and other material gas emission	Not applicable
306-1	Total discharging capacity classified by water quality and discharge destination	Not applicable
306-2	Total wastes classified by category and handling method	Not applicable
306-3	Major leakage	Not applicable
306-4	Transportation of hazardous wastes	Not applicable
306-5	Waters impacted by discharging and/or runoffs	Not applicable
308-1	New suppliers screened under environmental criteria	Building a responsible supply chain
308-2	Negative effects of the supply chain on the environment and countermeasures taken	Building a responsible supply chain
401-1	New hires and employee turnover	Boosting employee development
401-2	Welfare provided to the full-time employees (exclusive of temporary or part-time employees)	Boosting employee development

S/N	GRI contents	Section
401-3	Childcare leave	Social performance
402-1	Shortest notice period for the operation change	Not applicable
403-1	Employee representatives in the joint management - worker health and safety committee	Not applicable
403-2	Ratios of occupational injuries, occupational diseases, lost work days, absenteeism, etc.	Social performance
403-3	Workers in occupations with a high risk of occupational diseases	Not applicable
403-4	Health and safety issues covered in formal agreements with the labor union	Boosting employee development
404-1	Average hours of training per year per employee	Boosting employee development
404-2	Employee skill improvement plans and transition assistance plans	Boosting employee development
404-3	Percentage of employees regularly accepting performance and career development evaluation	Boosting employee development
405-1	Diversification of governing bodies and employees	Governance structure and operation of the three meetings
405-2	Ratio of basic salaries to remuneration of male and female employees	Not applicable
406-1	Discrimination incidents and corrective actions taken	Boosting employee development
407-1	Operation sites and suppliers that might be at risk of no freedom of association or collective bargaining rights	Building a responsible supply chain
408-1	Operation sites and suppliers prone to child labor risk	N/A
409-1	Operation sites and suppliers prone to forced labor risk	N/A
410-1	Security personnel trained for human rights policies or rules	Not applicable
411-1	Infringements on the rights of aborigines	Not applicable
412-3	Important investment protocols and contracts that include articles of human rights or have been subject to review of human rights	Not applicable
413-1	Operation sites with impact assessment and development plans engaging local communities	Not applicable
413-2	Operation sites having actual or potential significant negative influence on the local community	Not applicable
414-1	New suppliers screened under social criteria	Building a responsible supply chain
414-2	Negative influence of supply chains on the society and countermeasures taken	Building a responsible supply chain
415-1	Political donation	Public services
416-1	Assessment of health and safety impacts of the product and service categories	Not applicable
416-2	Health and safety rule violations involving products and services	Not applicable
417-1	Requirements on information and marks of products and services	Providing high-quality products Guaranteed information security
417-2	Violations involving products and service information and marks	N/A
417-3	Marketing violations	N/A
418-1	Proved complaints about infringement on customer's privacy and missing of customer's information	N/A

Terms and Interpretation

8th Three-year Strategic Plan	Refers to Glodon's 8th Three-year Strategic Plan, with the planning period from 2020 to 2022.
Digital building	Refers to the strategy of leading industrial transformation and upgrading by using BIM, cloud computing, big data, IoT, mobile Internet, AI and other information technologies. It combines advanced lean construction theories and methods, integrates personnel, processes, data, technology and business systems, realizes the digitization, online and intellectualization of the whole process, all elements and all participants of the building project, and constructs a new platform ecosystem for projects, enterprises and industries, to promote the industrial upgrading represented by the new design, new construction and new operation and maintenance, achieving the industrial goal of "Making Every Project A Success".
whole life cycle of a project	Refers to the whole process of a construction project from project initiation to completion, putting into use, and then scrapping and elimination. It usually includes the feasibility study and decision-making stage, design stage, bidding (transaction or procurement) stage, construction stage, operation and maintenance, and project demolition stage.
Digital twin	Refers to the simulation process of integrating multi-disciplinary, multi-physical quantity, multi-scale and multi-probability by making full use of the physical model, sensor update, operation history and other data. This process completes the mapping in the virtual space to reflect the whole life cycle process of the corresponding physical entity.
BIM	Refers to Building Information Modeling. Taking the relevant information data of the project as the basis of the model, it establishes the building model to simulate the real information of the building through digital simulation.
CIM	Refers to City Information Modeling. Based on Building Information Model, geographic information system, IoT and other technologies, it integrates urban aboveground and underground, indoor and outdoor, historical, current and future information model data and urban perception data to build an organic complex of urban information in 3D digital space.
AI	Artificial intelligence (AI) is a new technical science that studies and develops theories, methods, technologies and application systems used to simulate, extend and expand human intelligence.
IoT	Refers to the Internet of Things. It is an extended and expanded network based on the Internet and combines various information sensing devices with the network to form a huge network, realizing the interconnection of people, machines and things at any time and anywhere.

Feedback Form

Dear readers,

Thank you for reading the *2021 Environmental, Social and Governance (ESG) Report of Glodon Company Limited*. We value and look forward to your feedback on the ESG management, practice, and information disclosure of Glodon. Your opinions and suggestions are essential for us to improve ESG management and exercise. Looking forward to your response.

Close-ended questions (please tick your answer)

1. Which category are you in?

☐ Government   ☐ Regulator
☐ Customer   ☐ Employee
☐ Academic/scientific institutions   ☐ Supplier and partner
☐ Social organization/non-governmental organization   ☐ The public and media
☐ Other

2. How do you find the responses and disclosure for the concerns of stakeholders in the Report?

☐ Excellent   ☐ Good   ☐ Fair   ☐ Poor   ☐ Very poor

3. Do you think this Report reflects Glodon's significant economic, social and environmental impacts?

☐ Excellent   ☐ Good   ☐ Fair   ☐ Poor   ☐ Very poor

4. What do you think of the readability of this Report, namely its logic, content design, wording and format?

☐ Excellent   ☐ Good   ☐ Fair   ☐ Poor   ☐ Very poor

Open-ended questions

1. What impresses you the most in this Report?

2. Do you have additional opinions or suggestions for our Report and responsibility performance?

We would like you to assist in answering the questions in this feedback form and return it to us as described below:

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Glodon
Making Every Project A Success